

RM Alternative Income

Q3 Outlook Presentation

September 2025

Institutional Investors Only



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Sector & Fund Overview

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Fund Performance & Outlook

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Investment Process

About RM Funds

RM Funds is a specialist in alternative investment management

- RM currently manages public and private market strategies, including:
 - **Listed Real Assets Strategy:** VT RM Alternative Income Fund (“RMAI”)
 - **Infrastructure Debt Strategy:** SVS RM Infrastructure Bond Fund (“IBF”)
 - **Alternatives Strategy:** SVS RM Defensive Capital Fund (“DCF”)
 - **Direct Lending Strategy:** RM Infrastructure Income Investment Trust (“RMII”)
 - **Direct Property:** RM Community Healthcare LP AIF
- RM has an experienced Investment Team and additional support staff including distribution, finance and compliance and legal support.



2010

RM was founded

Specialists

in alternative investment management

c.£400m

assets under management

£45bn+

Trading execution platform

c.£1.5bn

of real asset transactions advised on by RM

RM Funds – Senior Leadership

Fund Management Leadership



Pietro Nicholls
Lead Portfolio Manager, Investment Committee Member

- Expertise in structuring and managing alternative assets including private credit, real estate and infrastructure
- Extensive experience advising listed, unlisted and government related entities on financing, risk management and corporate finance
- Co-Manager, SVS Infra Bond Fund
- 18 years' experience, Board Director

Investment Team Experience

- Investment Team focused on Liquid and Illiquid alternative securities/assets
- 360-degree perspective - from lead advisory, financing, liability management, trading and investment / asset management
- Senior team have 100+ years of investment experience and have worked together for the best part of a decade
- Boots on the ground approach to investing
- Supported by proprietary technology platform

Firm Senior Management Team



James Robson
Board Director, Investment Committee Member

- Chief Investment Officer, Lead PM SVS Infra Bond Fund, Co RMAI
- Former Head of European Corporate Credit Trading HSBC
- Chair, Risk Committee, RM Funds
- 25+ years' experience



Henry Chaplin (Chair)
Board Director, Risk Committee Member

- 30+ years' experience
- Extensive experience in private equity and corporate finance
- Non-Executive Director, Singer Capital Markets



James Satterthwaite
Board Director, ESG Committee Chair

- 17 years' experience in institutional sales & trading
- Extensive experience across institutional sales and fund distribution
- Chair, ESG Committee, RM Funds



Douglas Graham
Finance Director

- 20+ years' experience in strategy, corporate finance and fund administration
- Extensive private fund structuring experience, including property and renewable energy

VT RM Alternative Income Overview

The VT RM Alternative Income Fund (the “Fund”) launched in June 2018.

- **An actively managed global-developed mandate**, with a strategy designed to deliver consistent income returns to investors.
- Aims to offer **protection against a rising interest rates** environment, **rising inflation** and with the potential for **capital growth over the medium term**.
- The Fund invests in a diversified portfolio of listed securities with **exposure to alternative income-producing assets**, such as Specialist Real Estate, Infrastructure and Secured Real Assets.
- The Fund offers investors **exposure to a variety of sectors** that have **defensive characteristics** and historically displayed less volatility and correlation with the wider equity and fixed income markets.

FUND
LAUNCHED

11th June
2018

EXPERIENCED
FUND MANAGERS

Pietro Nicholls,

- Lead manager
- C.20 years in fund management, investment banking and trading

James Robson, CIO,

- C.25+ years experience in trading & fund management,
- Former Head of European Corporate Credit Trading HSBC

Fund Size
£170.5mn

Total return target
7-8% p.a.

Total Return YTD
5.14%

Distribution yield
6.83%

ESG overlay, with detailed questionnaire to guide ESG engagement activities.

Source: Bloomberg, 30th September 2025



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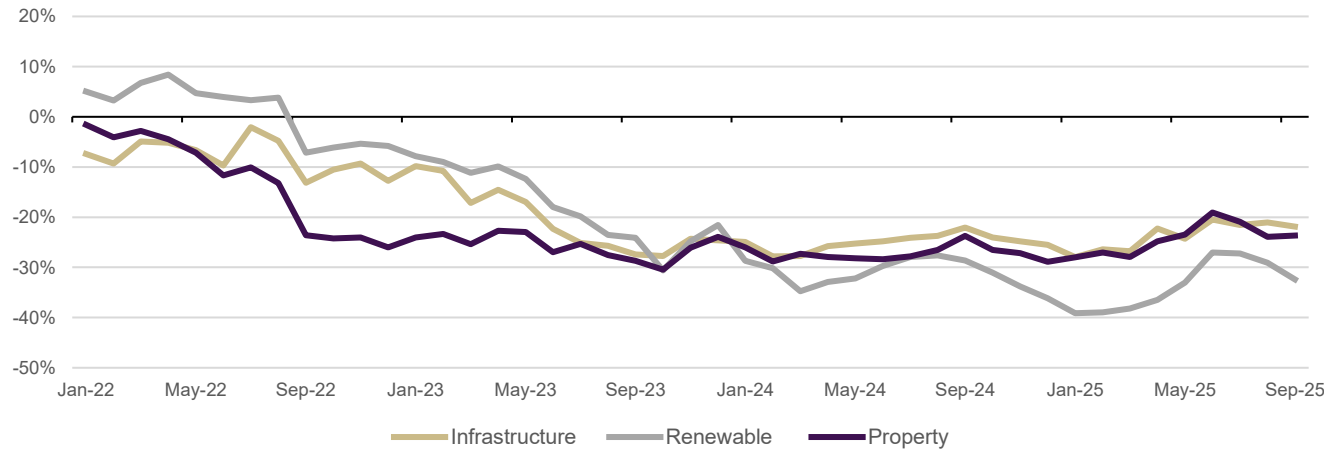
Fund Performance & Outlook

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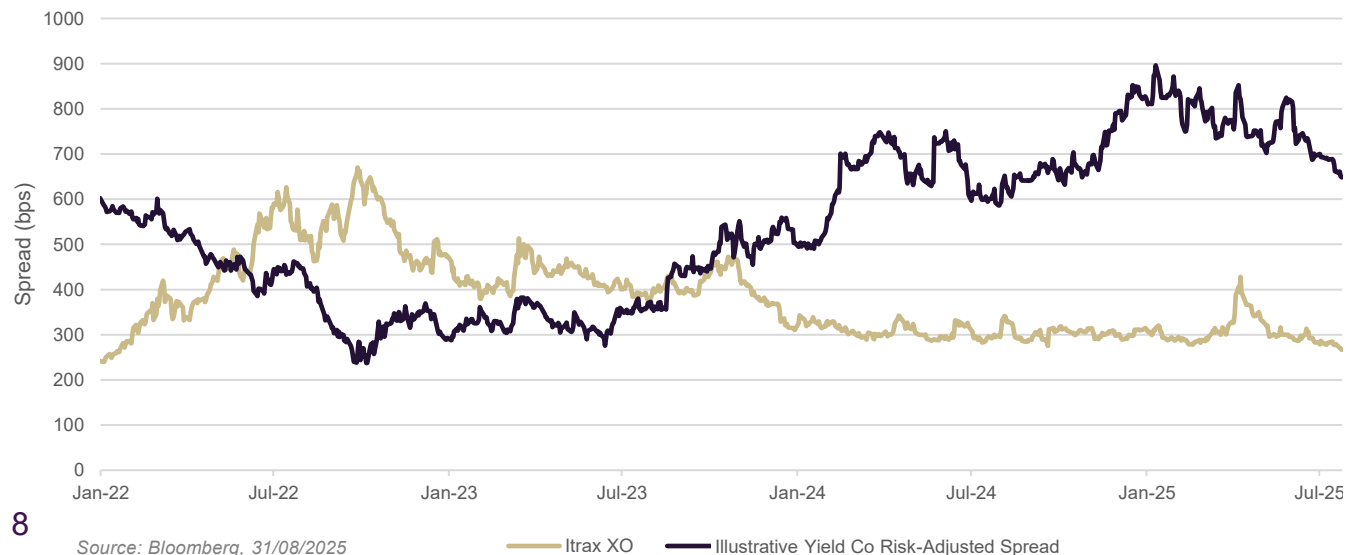
Investment Process

Alternatives Assets Offer Attractive High Yield Opportunities

Real Asset - Sector Average Discounts



Investment Trust Yields are Increasingly Attractive Compared with High-Yield Credit



Real Asset Opportunities

Valuation and Yield

From a relative-value perspective, investment trusts are trading more than one standard deviation wide on a spread basis, implying **attractive upside potential**. The average unweighted dividend yield across our renewables exposure stands at **c.10.6%**, remarkable for assets with investment grade characteristics.

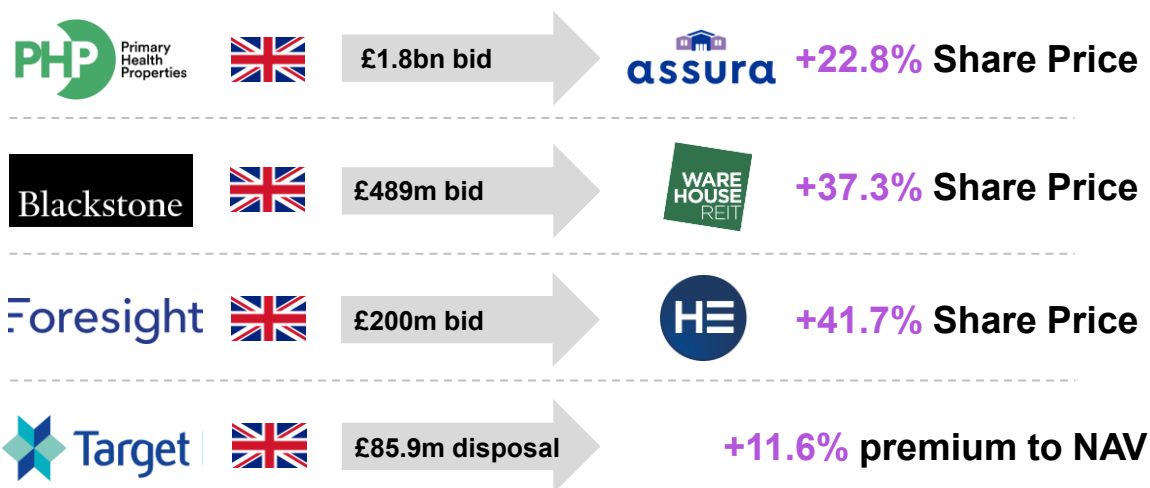
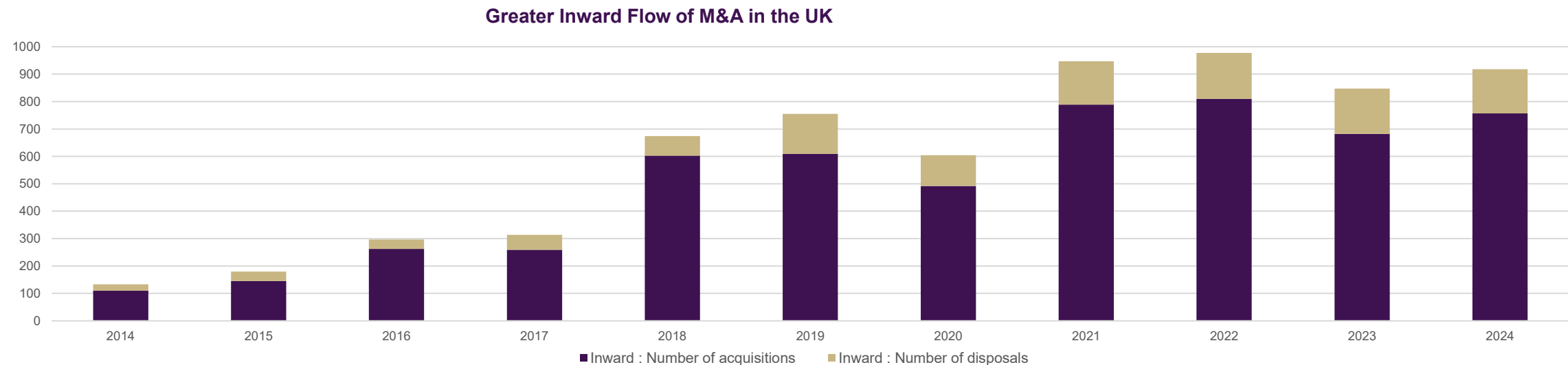
Credit Comparison

This yield level invites comparison with credit allocations. Importantly, renewables benefit from high-quality counterparties - roughly 50% of revenue is derived indirectly from the UK government and 50% from utilities with **implied or actual investment-grade ratings**.

Summary

We continue to see compelling **deep value across the renewables** complex with double-digit cash yields, investment-grade counterparties, and significant capital upside potential as spreads normalise.

Real Assets Discounts Create Attractive M&A Opportunities



Sector Focus

- Multi-year wide share price discounts to NAV, present incredible upside opportunity
- Sector M&A increasing (BBGI, AGR, HEIT, SHED, WHR etc)
- Shareholder activism material source of alpha
- Exceptionally attractive dividend yields

What are Listed Real Assets, and why invest?

Listed Real assets, put simply, are investments in assets beyond traditional equities, bonds and cash.

They include assets in specialist real estate (e.g. data centres, care homes, student accommodation), secured real assets (e.g. private credit) and infrastructure (e.g. hospitals, renewables).

Investing in listed real assets provides the following benefits for investors:

- Low-correlation returns vs traditional asset classes;
- Asset mix / portfolio diversification;
- Potential to reduce duration and inflation risk.

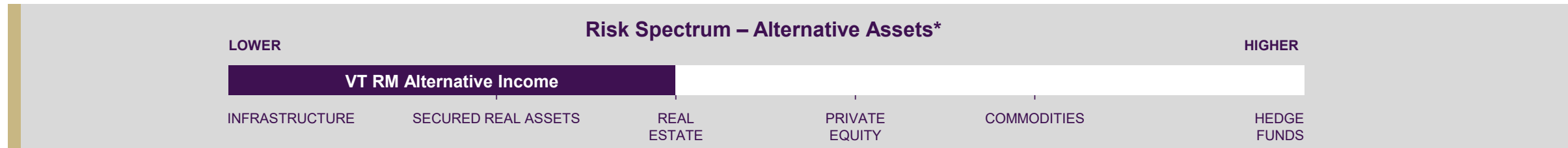
With such a range of options, RM Funds designed VT RM Alternative Income to offer investors an actively managed, diversified fund which will provide exposure to a broad range of listed real assets producing income with the potential for modest capital growth.

Mixed Income Outlook

- US / Global Trade Tariffs
- Ukraine / Russia Conflict
- Inflation / Recession / Stagflation
- Interest Rates

UK Focus

- Attractive Dividend Yields with Long-Term Contracted Cashflows
- Defensive / Mission Critical to Society Infrastructure
- Multi-year Share Price Discounts to NAV > Potential for Capital Growth



* Chart an indication of risks only and a summary of typical risks for different asset classes. Please see Key Information Document for fund risk rating.

Infrastructure & Sustainable Assets

Government policy supported by long-term structural drivers, underpins an asset class characterised by non-cyclical cash flows and high-quality counterparties, creating an opportunity-rich universe.

Infrastructure assets provide essential services to the economy and society.

Areas of Focus	Description
 Renewables: Generation, Storage & Transmission	Low-Carbon energy generation supported by government policies and increasing energy demands. As well as Grid-balancing services required to support intermittent power demands, and mission-critical energy infrastructure transmitting energy across geographies.
 Availability: Hospitals & Schools	Central government counterparties, coupled with high quality predictable cash flow with index-linked income. Exposure to duration (interest rates) and political risks.
 Demand: Ports & Toll Roads	Transportation assets are GDP-linked, with limited headline political risk. Excellent assets for growth economies.

Summary Statistics



\$2.5 trillion per year

Invested in power, water, telecoms and transportation infrastructure¹



Est. 250,000,000

Electric vehicle stock on the road by 2031²



c.\$2.1trillion

Capital deployed into clean energy assets during 2024³

INVESTMENT CHARACTERISTICS

- ✓ Non-cyclical industries
- ✓ “Essential products” produce stable cash flows
- ✓ Broad support from Consumers, Industry and (most) Governments
- ✓ Long-term structural support driven by the electrification of transportation and heat

Source(s):
¹ Grand View Research (Market Analysis Report)
² IEA.org, Global EV Outlook 2025
³ Bloomberg New Energy Finance

Real Estate & Ageing Populations

The global population is growing and ageing. By 2030 the population is expected to be over 8.5bn, and the total number of people over the age of 60 is predicted to grow from c.962M in 2025 to c.2.1bn worldwide by 2050.¹

A changing global population will have profound implications both at a global and national level. Governments will need to adopt radical policies to address and cope with such changes.

Areas of Focus

Description



Social Care & Education

The education and childcare sectors continue to grow, essential assets and services such as schools, nurseries and service providers will need to meet this growing demand.



Healthcare & Senior Living

Ageing populations and the impact on government policy in the delivery and funding of health and aged care is critical in dealing with the challenges ahead.



Social Infrastructure

Essential assets required for society. Including GP surgeries, dentists, pharmacies, multi-family housing, social housing, and sheltered accommodation.

Summary Statistics



\$200 billion per year

Expected growth in G7 Countries ex US healthcare spending²



Circa. 6,500

UK GP surgeries delivering healthcare services to over 1.3mm patients a day³



+2.5% Increase

UCAS applications for AY 24/25, coupled with a supply shortage in the UK⁴

INVESTMENT CHARACTERISTICS

- ✓ Underpinned by long-term growth drivers
- ✓ Supported by central government policies
- ✓ Local and central government counterparties mixed with granular private sector
- ✓ Index-linked cash flows with visible contracted cash flows

Source(s):

¹ United Nations Population Report. 2025

² Deloitte, Labour Force Survey

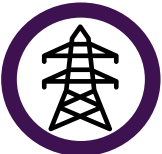
³ Royal College of General Practitioners Annual GP Voice Survey 2024

⁴ UCAS Undergraduate End of Cycle Data, 2024

Industrial Disruption

The global health crisis immediately disrupted consumer behaviour and accelerated the structural decline of traditional physical-based businesses and services.

Working from home, E-commerce and cloud-based application usage surged during lockdown. How will industry business models, commerce, and consumers react in this new normal?

Areas of Focus	Description
 Data Centres & Digital Infrastructure	Internet usage is growing at a rate of over 9.00% per annum, with the time spent online averaging at over 6 hours per day globally! Data centres and their owner/operators represent one of the most attractive opportunities of the decade with CAGRs of 17%+
 Telecommunication Towers & Fibre	The movement from 4G to 5G creates new technological challenges and a requirement for telecommunications companies to invest in advanced telecommunications infrastructure – RM Funds estimates that 3x as many telecom towers are required to deliver the service.
 Logistics Centres & Last Mile Delivery	The constant disruption of industry business models will create new opportunities for asset owners and operators throughout the value chain. Distribution warehouses are a prime example; the growth of e-commerce supports the development of large format warehouses and last-mile logistics assets.

Summary Statistics



9.3% CAGR

Growth in internet usage¹



2.14bn Digital Buyers

c.46% of all internet users shop online²



6 Hrs 38 Mins

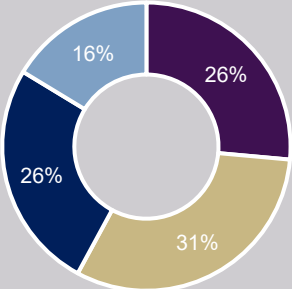
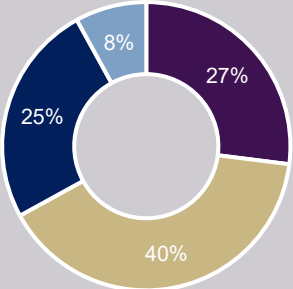
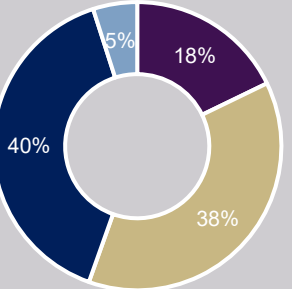
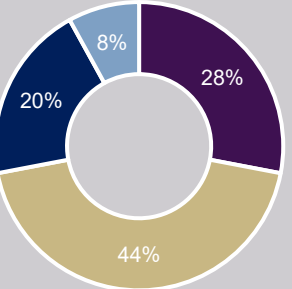
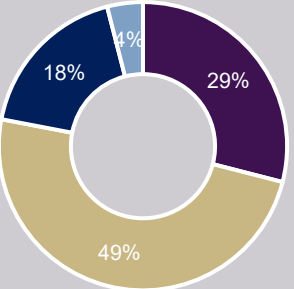
Time per day spent online³

INVESTMENT CHARACTERISTICS

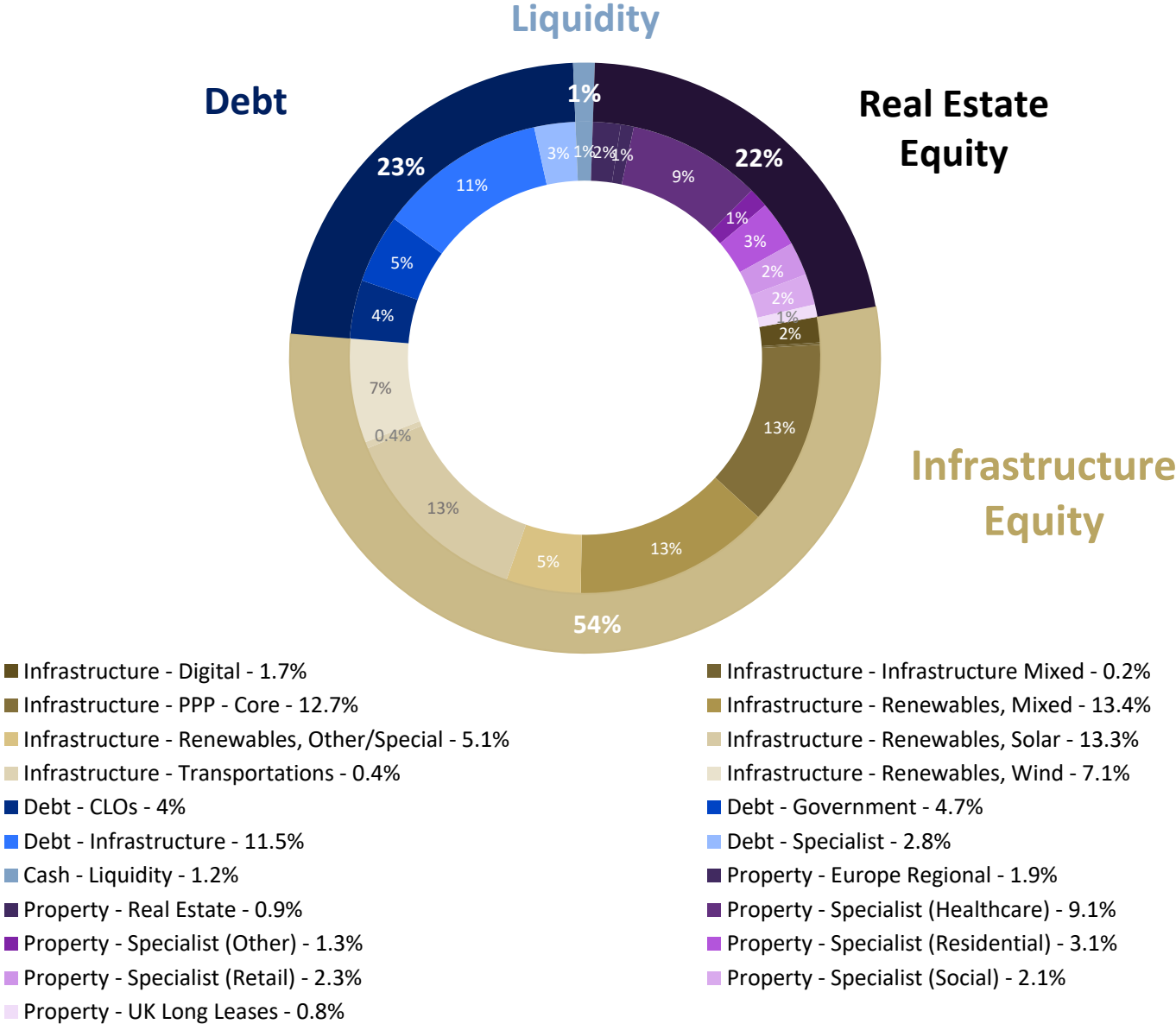
- ✓ Real assets with blue chip counterparties
- ✓ Structural drivers support growth-driven investment thesis

Source:
¹ Statista, Number of Internet Users Worldwide from 2005 - 2024
² Statista, # of Digital Buyers Report
³ Statista, Average Daily Time Spent Using the Internet by Online Users Worldwide from 3rd Quarter 2015 to 3rd Quarter 2024

Dynamic Portfolio Construction Across Segments

Date	December 2019	April 2020	October 2022	December 2023	September 2024
Description	Markets near all-time highs. Investment trusts trading mostly at premium to NAV.	Post-COVID crash: Central banks implicitly guaranteeing all credit.	Growth stock bubble.	Recessionary fears across the wider market - in contrast to the investment team's more sanguine view.	Central banks begin rate cuts.
Action	Cash raised to 16%.	Increased exposure to deep-discounted real estate and infrastructure equity assets.	Reduced rate exposure/sensitivity and captured inflation > Reduction in REITs. Increase in inflation-linked cashflows.	Navigated bond proxy repricing, whilst maintaining optionality > Increase in short-dated IG bonds, with laddered maturity profile.	Position as a hedge vs rate cuts and or decline in macro-economic conditions.
Allocation					
Real Estate Equity Infrastructure Equity Debt Cash & Liquidity					

Current Allocation – October 2025



Description:

Large discounts available within the investment trust space. Market now repriced credit, with yields tightening materially over the last 3-6 months.

Action:

Switch trades, allowing fund to crystallise gains, and rotate into deeper discount equities picking up 250-300bps cash yields + capital growth potential.

Real Estate Equity:

As rates pressures persist, we have kept Real Estate exposure in sectors with broader macro tailwinds e.g. healthcare.

Infrastructure Equity:

Largest exposure in Infrastructure, particularly in renewables where attractive discounts can be found.

Debt:

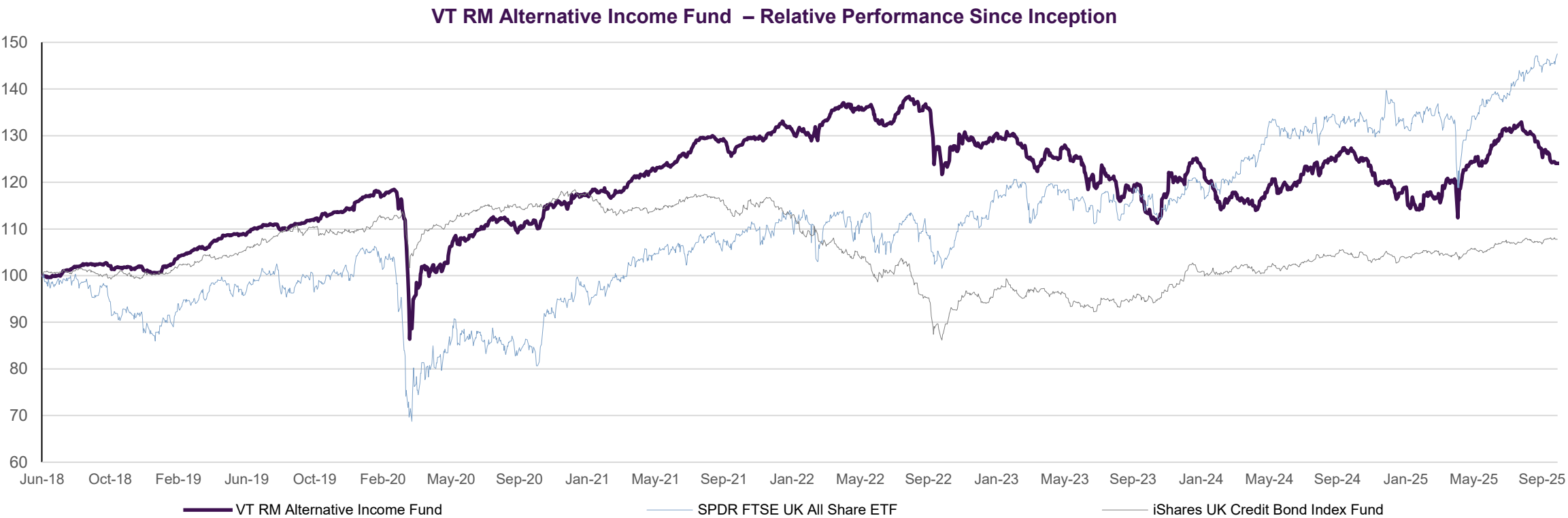
Debt remains a reasonably large allocation due to attractive elevated government & infrastructure yields.



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- 3 **Fund Performance & Outlook**
- 4 Investment Process

Relative Performance vs Asset Classes



Comparative Performance	Total Return (Inception)	Volatility (Inception)
VT RM Alternative Income Institutional Accumulation Class (net)	24.0%	8.8%
SPDR FTSE UK All Share ETF	47.5%	15.7%
iShares UK Credit Bond Index Fund	8.0%	5.6%

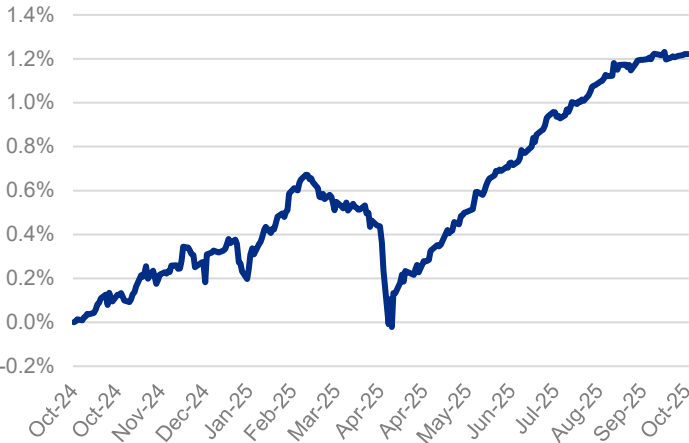
Comments

- Through-the-cycle return profile: 7-8% Total Return
- Income driving return, capital to follow through normalisation of rates
- Correlation to money-markets provide clear signal for re-rating
- Maintain exposure but reduce volatility where possible

Source: Bloomberg Data 11th June 2018 to 29th September 2025 inclusive.

Performance Contribution – LTM to Oct 2025

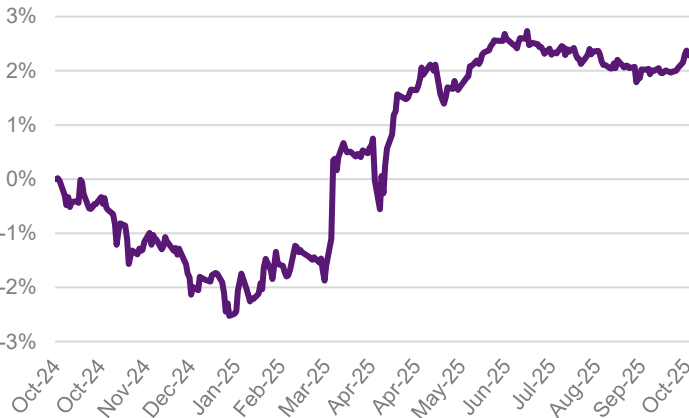
Debt Performance Contribution LTM



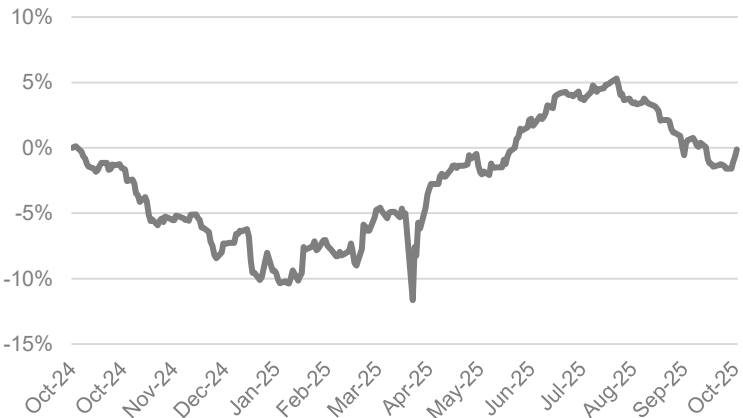
Infrastructure Equity Performance Contribution LTM



Real Estate Equity Performance Contribution LTM



VT RM Alternative Income LTM (Rebased)



Performance

- Last 12 Months Total Return of 6.90%
- Top 10 holdings added 3.87% to total return
- Bottom 10 holdings detracted (4.69%) from total return

Real Estate – Top 3

- | | |
|----------------------------|---------|
| ▪ Care REIT PLC | 107 bps |
| ▪ Target Healthcare PLC | 62 bps |
| ▪ Sienna Senior Living Inc | 35 bps |

Infrastructure – Top 3

- | | |
|-------------------------------------|--------|
| ▪ International Public Partnerships | 24 bps |
| ▪ Sdcl Efficiency Income | 16 bps |
| ▪ TC Energy Corp | 6 bps |

Secured Real Assets – Top 3

- | | |
|--------------------------|--------|
| ▪ VOYCAR 5 7/8 02/15/27 | 31 bps |
| ▪ TwentyFour Income Fund | 24 bps |
| ▪ GTWICK 4 3/8 04/07/26 | 20 bps |

Source: Valu-Trac, Bloomberg Data 1st October 2024 to 2nd October 2025 inclusive.

Market & Portfolio Outlook

2025 H2 Outlook



Fiscal Policy Considerations

Focus on govt spending with economic activity



Monetary Policy Considerations

Focus on balancing inflation; rates with economic indicators



Geopolitical Uncertainty

Increasing volatility (UK, Europe, Japan, US, ME) etc.

Fund Positioning

Playbook

- **Rotation:** Rebalancing portfolio exposure such as reducing UK energy generation exposure, increasing North American energy transmission exposure.
- **Regions:** Diversification by geography, including reducing UK exposure, and increasing North American, and Australasia exposure.
- **Large Moat Platforms:** Increasingly focused on infrastructure/real assets with large moats, tapping into mono/duopoly type platforms, which will benefit from near-shoring growth, and or rerouting of trade.
- **Shareholder Activism:** Heavy engagement with boards and mgt teams, to unlock value where governance and misalignment is leading to weak capital allocation decisions.

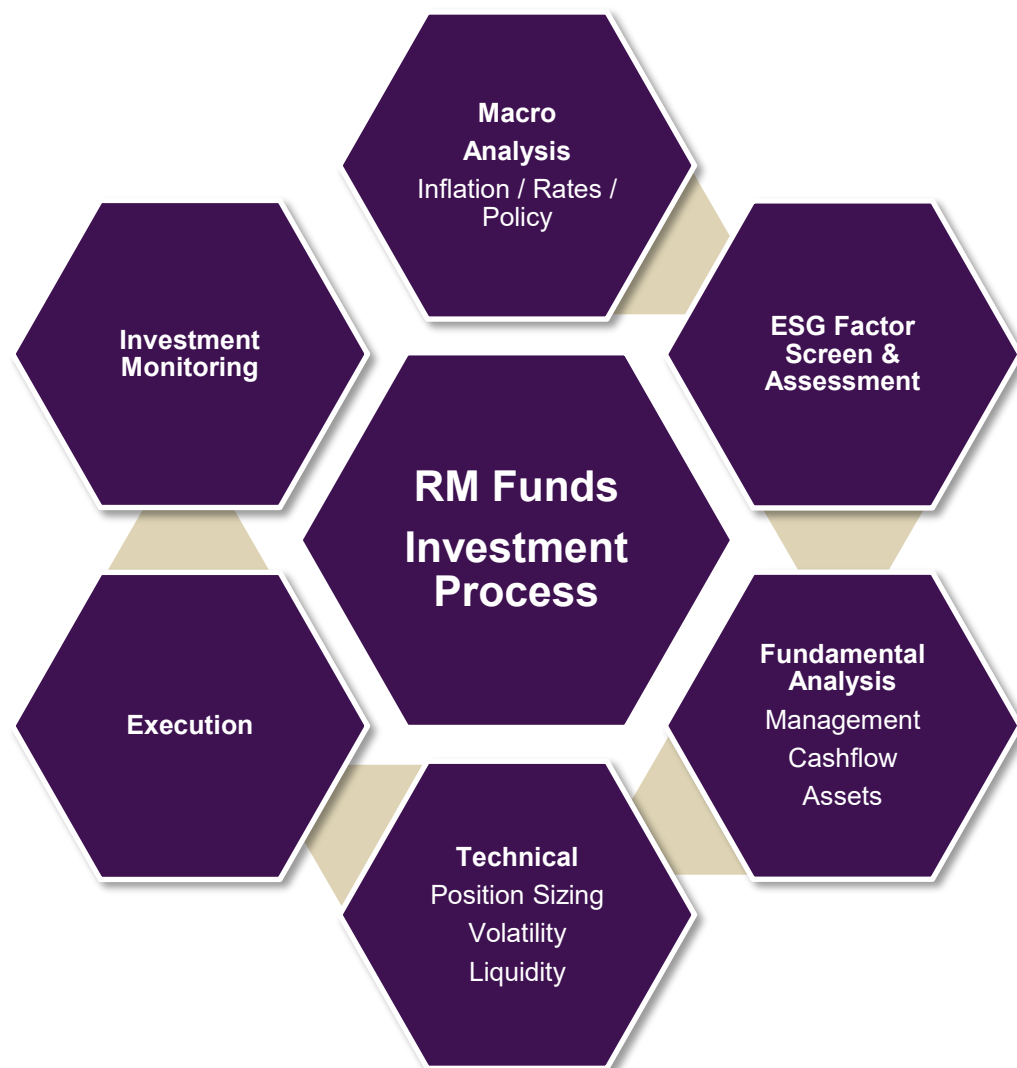
*Overall focus on delivering investment objectives and **reducing volatility and rate sensitivity***



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Summary Investment Process



Rigorous investment process, with a focus on both top-down and bottom-up analysis to support investment decisions.

ESG FACTORS

- Ethical, Social and Corporate Governance
- Active engagement with Boards

TECHNICAL CONSIDERATIONS

- Liquidity
- Execution Risk
- Asset Volatility

Considerable expertise, resources and market access allows us to source the best investments for investors.

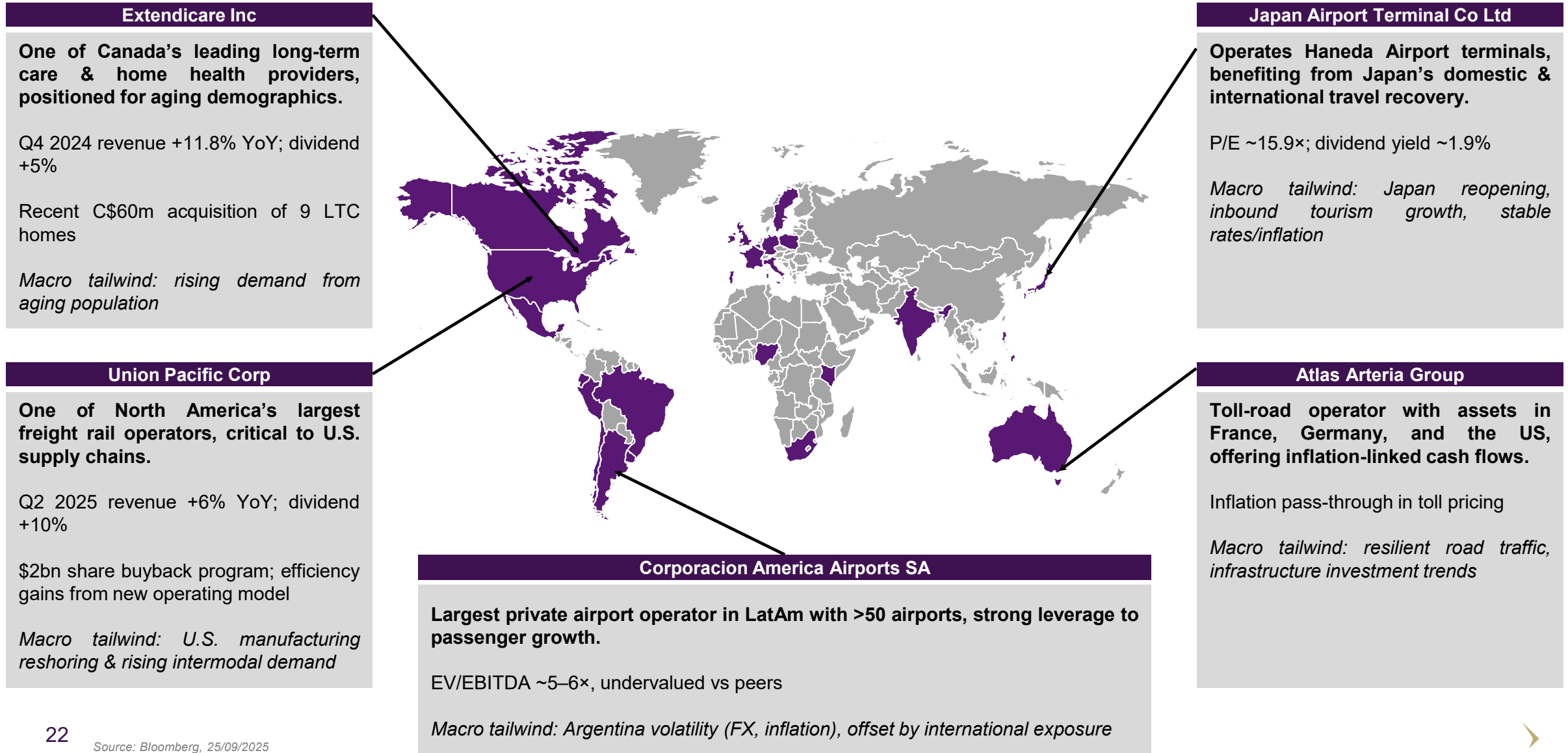
KEY RESTRICTIONS

- Minimum # of holdings
- Maximum exposure 10%
- ESG criteria

SPECIALIST MANAGER

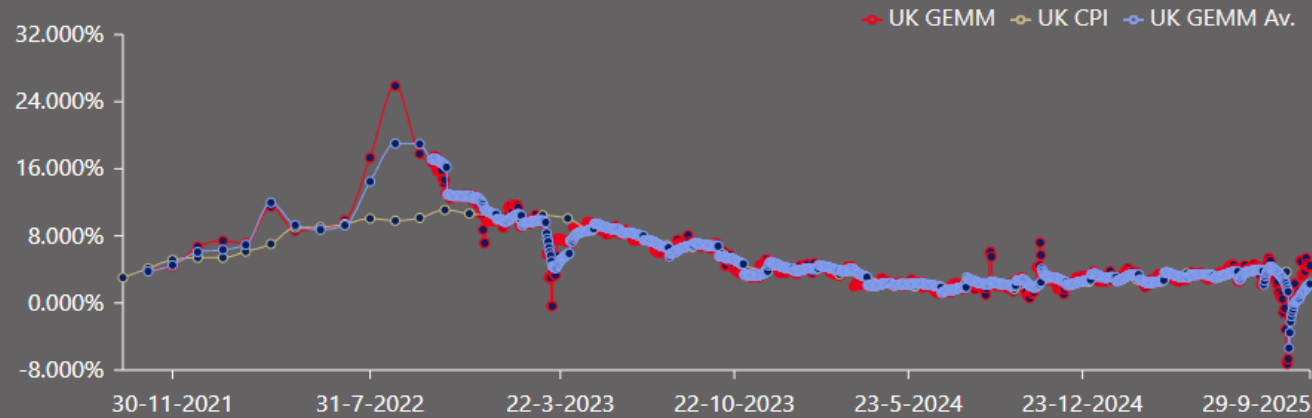
- 6 strong "Alternatives" investment team
- Established track record in alternatives
- Circa £400m of Alt-assets managed

Global Analysis of Investment Opportunities

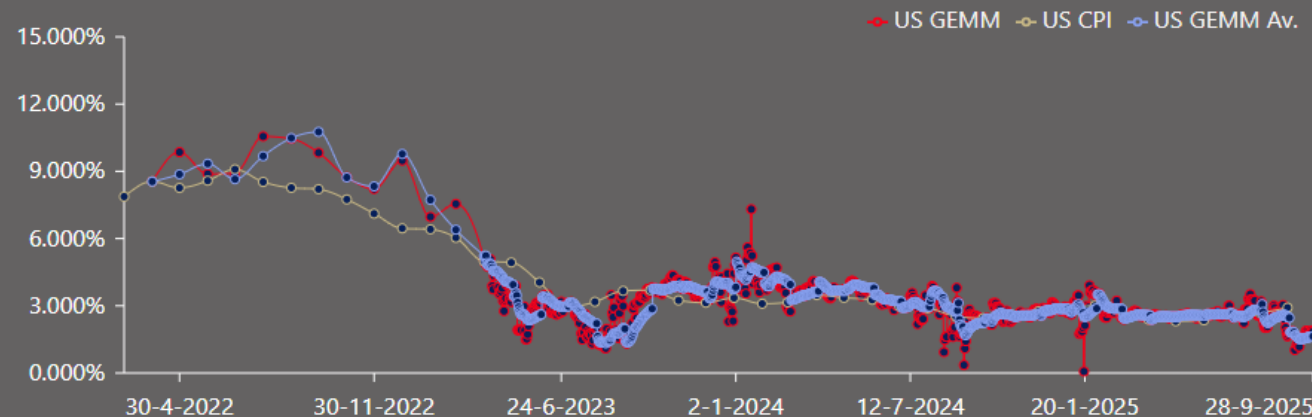


Macro Analysis & Review

Rolling LTM Core



Rolling LTM



Investment Team Time: up to 10%

Key Metrics:

- GDP
- Payrolls
- Housing Sales/Starts etc
- PMIs
- Interest Rate Expectations
- Inflation Expectations
- Cyclical macro factors

Why?

- Macro-economic information is an important consideration when considering domestic (fund base currency) investments or cross-border investments.
- Factors such as GDP growth can, and often will, influence where the investment team consider deploying capital. Furthermore, data points such as inflation prints will factor into the fundamental analysis / modelling at the individual security level.
- When we consider interest rates (and country differentials), this is helpful to the Portfolio Managers and Investment Team, in shaping their views relating to equity risk premia, duration risk and currency hedging strategies.

ESG Review



Investment Team Time: c.5%

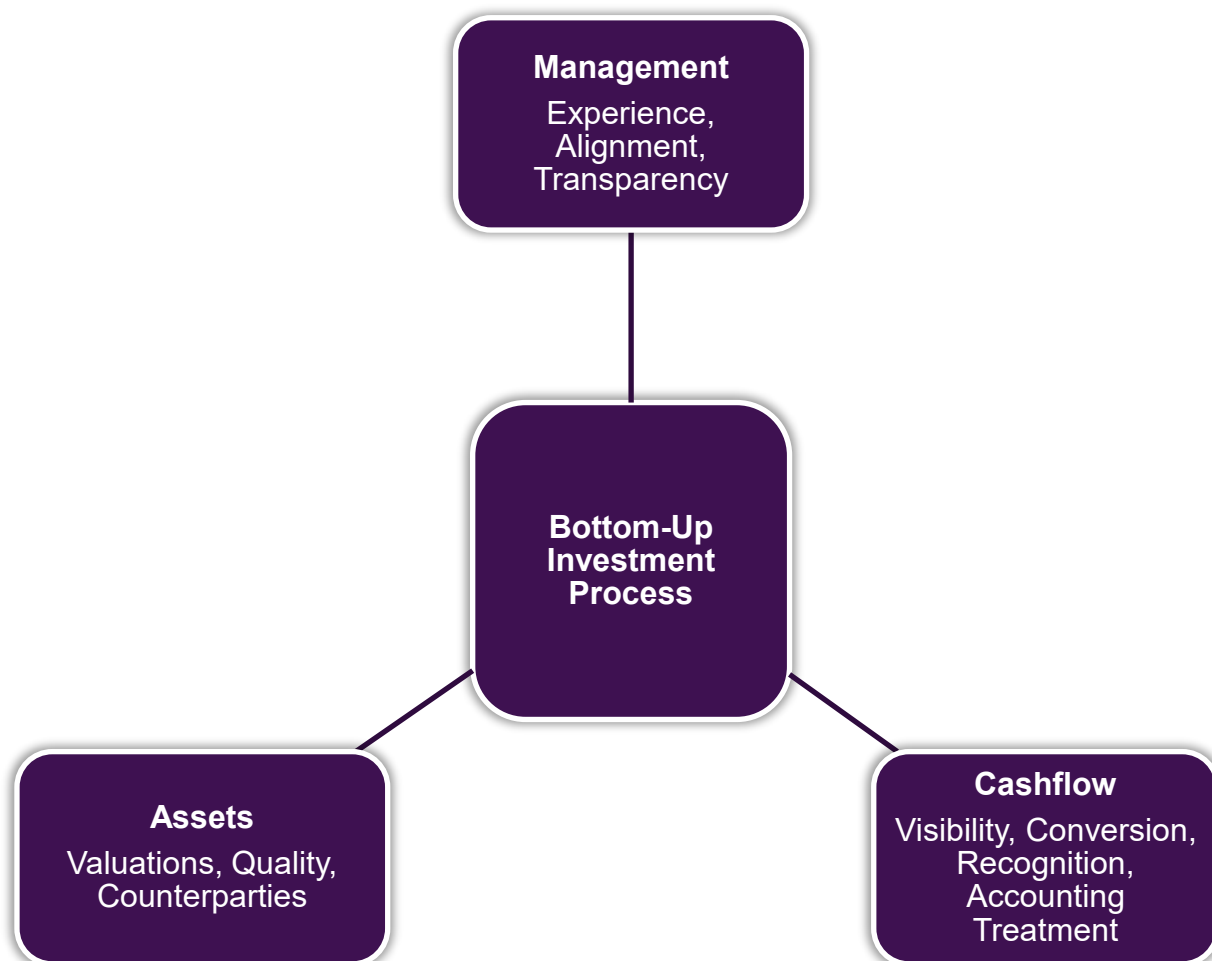
Key Metrics:

- C.100 metrics
- UN Sustainable Development Goals
- Specific areas include: suitability management, environmental impact, labour practices, health & safety, diversity & inclusion, supply chain management, leadership & governance and business ethics

Why?

- We utilize a negative ESG screen to remove sectors or holdings which breach the firm's Responsible Investment Policy ("RI").
- The investment team consider ESG factors whilst investors, as they in themselves are important considerations, such as the Governance and Transparency of a prospective holding.

Fundamental Analysis



Investment Team Time: Up to c.50%

Three Key Factors:

- **Management:** Board, Governance, Transparency and Alignment
- **Financial Statements:** Cash Generation, Revenue Recognition, etc
- **Assets:** Counterparties, Valuation Policy, Capital Structure, leverage etc

Why?

- Executive team / Board alignment, experience, governance and transparency issues are the key factors as to why we decline to invest in prospective securities.
- Understanding financial drivers of a prospective holding is a key factor in the investment team's due diligence process.
- The investment team spend considerable time and resources focused on the due diligence of real assets, including engagement with third party valuation agents, supply chain partners and stakeholders.

Liquidity, Technical Factors & Portfolio Construction



Investment Team Time: c.5-10%

Key Priorities

- Liquidity Tree and Ladder
- Portfolio and stock metrics (volatility, correlation, beta et al)
- Position sizing/weighting

Why?

- A key focus is ensuring we only invest in liquid public securities, with ample daily liquidity to accommodate any inflows/outflows a daily-dealt fund requires.
- The investment team approach from two perspectives, a bottom-up liquidity tree (for each stock) and a liquidity ladder (top-down) at the fund level (considering ADV, inflows/outflows etc).
- The Portfolio Manager reports to the Investment Committee, and the Risk Committee have additional oversight.
- In addition to liquidity, the investment team consider volatility, correlation, beta and scenario analysis when formulating a view relating to position sizing.
- Holdings are split between “Core” & “Satellite”, which is dependent on several factors.

Post-Investment Monitoring



Investment Team Time: 20-50%

Key Metrics:

- Various metrics, driven by sector specific considerations, for example: Renewables: power prices, resource generation, discount rates, OpEx costs, tax, asset life. For Real Estate: psf price, rent free periods, occupancy rates, counterparty risk, leverage, sector, NIY, passing rent etc

Why?

- The RM Funds investment team develop proprietary tools to assist in the analysis and monitoring of investments, ranging from renewables, toll roads, airports, supermarkets, student accommodation and care homes to esoteric assets such as music royalties.
- Our ability to commission reports by third party experts, supported by our technology and experience, provides an investment and risk management edge.

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