

Objective

The objective is to provide income with the potential for capital growth over any 5-year period.

Key Facts

Investment Manager	Town Close Financial Planning Ltd
Comparator	IA Mixed Investment 0-35% Shares
Fund Size	£28,277,824
Launch Date	20 October 2025
Share Class	MGTS Town Close Defensive Fund Acc
ISIN	GB00BRC1R861
OCF	0.540%
Yield	TBC

Market Commentary

Markets have moved from a position of relative stability into a more fragile phase. While inflation continues to ease gradually, recent geopolitical developments (particularly the sharp rise in oil prices) have introduced renewed uncertainty into the outlook. Notably, financial markets have remained relatively resilient despite these risks, suggesting a degree of complacency in current pricing.

In the UK, the outlook has deteriorated more meaningfully. Higher energy costs and rising gilt yields are placing additional pressure on both consumers and policymakers, reducing the scope for monetary easing. Market expectations have shifted accordingly, with less certainty around rate cuts and a growing risk that inflation proves more persistent than previously anticipated.

The US remains comparatively more resilient, supported by stronger underlying growth and partial insulation from higher energy prices. However, the balance of risks has become less favourable, with the probability of a slowdown or recession increasing modestly.

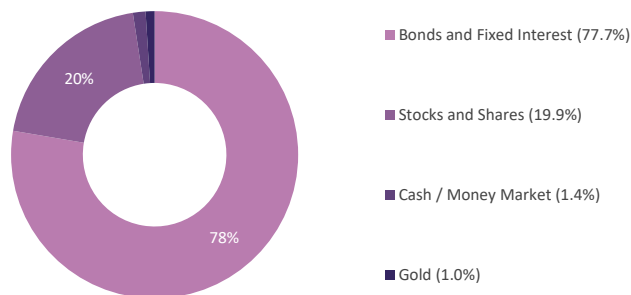
Against this backdrop, portfolio positioning remains broadly neutral but with a greater emphasis on flexibility. Short-duration fixed income continues to offer attractive yields while limiting exposure to interest rate volatility. Credit spreads remain tight, and we continue to see limited value in increasing high-yield exposure at current levels.

Equity markets present a more mixed picture. While valuations (particularly in the US) remain elevated, earnings resilience continues to provide support. However, current conditions suggest the potential for increased volatility or periodic market pullbacks, particularly if geopolitical risks intensify or economic data weakens.

During the period, we implemented a modest tactical adjustment within the Growth portfolio, reducing US equity exposure slightly and increasing allocation to ultra-short duration bonds. This reflects a more cautious stance in the near term while retaining the ability to redeploy capital should more attractive opportunities arise.

Overall, portfolios remain positioned to participate in long-term growth while maintaining the flexibility to respond constructively as conditions evolve.

Asset Allocation



Portfolio Holdings

Global	39.08%
iShares £ Ultrashort Bond ETF GBP Dist	15.26%
Vanguard Global Aggregate Bond UCITS ETF GBP Hedged	15.10%
iShares \$ Floating Rate Bond UCITS ETF GBP Hedged	5.01%
iShares MSCI World Small Cap UCITS ETF	2.18%
HSBC Multi Factor Worldwide Equity UCITS ETF	1.04%
iShares Edge MSCI World Quality Factor UCITS ETF USD	0.49%
UK	32.20%
iShares £ Corp Bond 0-5yr GBP Dist	10.10%
iShares UK Gilts 0-5yr GBP Dist	9.90%
iShares Core UK Gilts UCITS ETF GBP (Dist)	7.57%
Vanguard FTSE 100 ETF	1.52%
GBP Cash	1.42%
WisdomTree Core Physical Gold USD ETC	1.01%
Vanguard FTSE 250 UCITS ETF	0.67%
North America	22.35%
Invesco US Trs Bd 7-10 Yr ETF USD Dis	9.77%
iShares \$ High Yld Corp Bd ETF GBPH Dist	4.96%
SPDR S&P 500 UCITS ETF USD Acc	2.99%
Invesco S&P 500 Equal Weight ETF Acc	1.57%
iShares S&P 500 USD (Dist)	1.57%
SPDR® S&P 400 US Mid Cap UCITS ETF USD Acc	1.04%
iShares NASDAQ 100 ETF USD Acc	0.45%
Global Emerging Markets	2.25%
iShares Core MSCI EM IMI UCITS ETF Acc	2.25%
Europe Ex UK	2.13%
HSBC Euro Stoxx 50 UCITS ETF Inc	2.13%
Japan	1.12%
Vanguard FTSE Japan ETF	1.12%
Asia Pacific ex Japan	0.87%
HSBC MSCI Pacific ex Japan UCITS ETF	0.87%

Performance

The IA (Investment Association) Mixed Investment 0-35% Shares Sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is expected to have a similar risk profile to the Sub-fund. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

Cumulative Performance	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
MGTS Town Close Defensive Fund Acc	2.31	-	-	-	-	-
IA Mixed Investment 0-35% Shares	3.29	6.39	9.07	21.02	14.90	41.77

Discrete Performance	YTD	2025	2024	2023	2022	2021
MGTS Town Close Defensive Fund Acc	2.30	-	-	-	-	-
IA Mixed Investment 0-35% Shares	2.88	8.02	4.37	6.06	-10.22	2.57



Source: Morningstar Direct as at 27 February 2026. Performance is bid to bid with income reinvested.

Past Performance is no guarantee of future performance and investors may get back less than the original amount invested.

Important Information

The authorised corporate director of the fund, Margetts Fund Management Ltd, is authorised and regulated by the Financial Conduct Authority. This document is produced by Margetts Fund Management Ltd on behalf of Town Close Financial Planning Ltd, solely for use by authorised and qualified professional financial advisers. The value of an investment and the income from it can fall as well as rise and investors may get back less than they invested. Returns for foreign currencies, if applicable, may increase or decrease due to currency exchange rate fluctuations. Quoted OCFs may include a subsidised AMC. Quoted yields are based on the previous 12 months distributions to investors and are not guaranteed. Expenses incurred by Closed Ended Funds are not included within the Ongoing Charges Figure. Future distributions may differ and will be subject to market factors. Risk factors should be taken into account and understood including (but not limited to) currency movements, market risk, liquidity risk, concentration risk, lack of certainty risk, inflation risk, performance risk, local market risk and credit risk. The information on this factsheet is intended to provide information only and should not be interpreted as advice. Margetts recommend that investors seek professional advice before making any investment to ensure that the product is suitable and can achieve their objectives. Investors should ensure that they have read and understood the Key Investor Information Document (KIID) and Supplementary Information Document (SID), which contain important information. A copy of these documents is available on the website or on request from Margetts Fund Management. Contact details are provided below. Margetts does not warrant that information will be error-free. There is no guarantee that the objective will be achieved and capital is at risk.