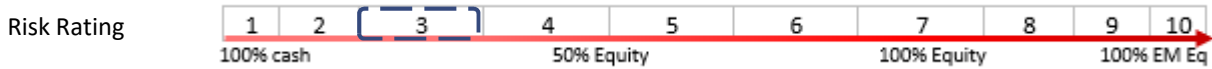


RICHMOND HOUSE

INVESTMENT MANAGEMENT

RHIM STRATEGIC MODEL FACTSHEET

The RHIM Strategic model is a defensive multi-asset portfolio which aims to generate growth ahead of inflation over a rolling 3 year period yet operate with a low level of volatility, using collective investment schemes (funds). The emphasis is on capital preservation and steady returns. The majority of the model will be invested in lower risk funds, with a maximum of 30% permitted in traditional equity funds. Targeted absolute return funds and fixed income will be used, in addition to property and cash as deemed appropriate. Asset allocation will be actively managed whilst maintaining a low risk profile. Any falls in the value of a portfolio should usually be small. However, potential returns are also likely to be modest. The model will sit within risk profile 3 on a scale of 1-10, where 1 is cash and 10 is 100% in emerging markets. Please see the reverse for historical volatility and peak to trough data.

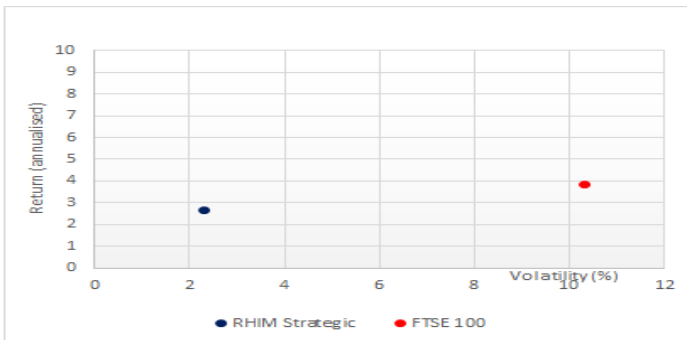


Commentary

DECEMBER 2018 UPDATE

December added further pain to what has been a tough six months in equities. US equities fell 9% in December, unwinding their outperformance from earlier in the year. The sell-off in equities has gained momentum over six months, with the FTSE 100 down 10%. For some time we have thought that the reversal of QE and higher interest rates would bring a return of risk awareness to markets and this, along with trade wars and China's slowing growth trajectory means that in the short term positive news is hard to find. As a result, government bond yields have been falling since November, meaning that the two strategic bond funds within the model each gained 1% during December. However, it was the targeted absolute return funds and gold that really reduced the downside overall, with gains in Merian Gold and Silver of 8.5% and Jupiter Absolute Return of 3.4%. The Strategic model currently has 17.5% invested in absolute return funds (funds which aim to make positive returns regardless of market direction) and also a 3% holding in gold (bullion and gold and silver mining companies). Just 22% of the model is invested in traditional long-only equities as we seek to protect capital during this period of turbulence. UK assets and sterling remain sensitive to Brexit developments, and a rally in sterling would be a risk to UK portfolios as overseas assets fall due to currency moves, all things being equal. This risk is relatively contained within RHIM Strategic with less than 10% exposure to overseas currencies at present.

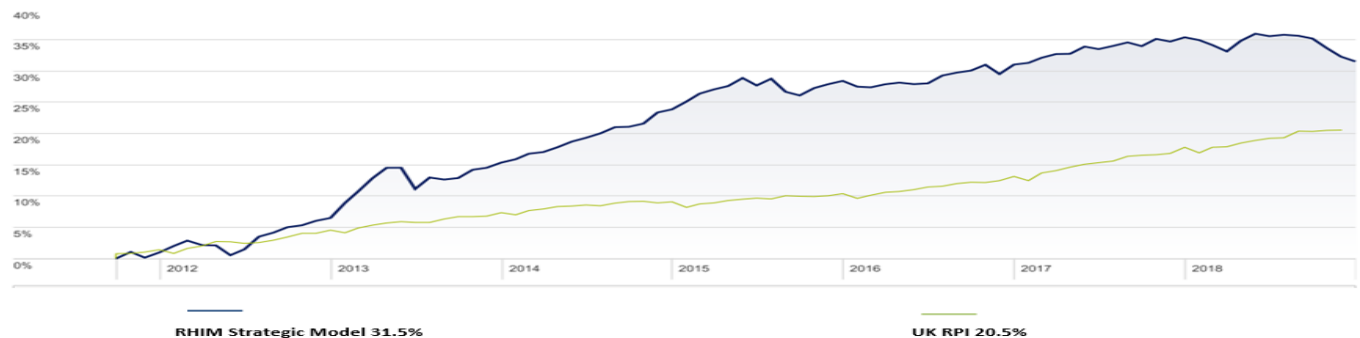
Risk Return (5 years) as at 31st December



Performance (Cumulative) as at 31st December

| | 1 year | 5 years | 10 years | Since Inception |
|-------------------|--------|---------|----------|-----------------|
| RHIM Model | -2.86% | 14.03% | n/a | 31.52% |

Performance Chart since inception

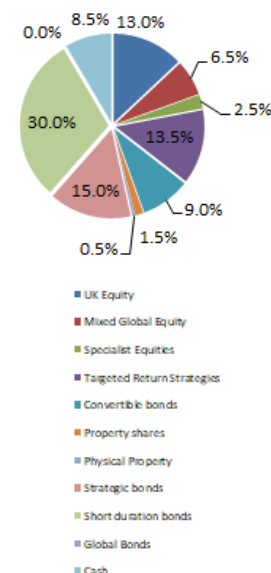


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| | |
|-----------------------------------|------------------------------|
| Key Facts | RHIM Strategic |
| Launch Date | 1 st October 2011 |
| IA Sector | N/A |
| Private Client Index (PCI) | N/A |
| RHIM Fee | 0.5% + VAT |
| No. Holdings | 17 |
| Historical Yield | 2.7% (as at 31.12.18) |

Asset allocation



The Historic Yield reflects distributions declared over the past twelve months as a percentage of the valuation as at the date shown. Investors may be subject to tax on their distributions.

| Risk Statistics - Data as at 31 st December | Annualised Return | Annualised Volatility | Worst Peak to Trough |
|--|-------------------|-----------------------|----------------------|
| RHIM Model – 3 years | 0.8% | 2.2% | -4.0% |
| <i>(FTSE 100 for info only)</i> | 6.8% | 9.8% | -14.47% |
| RHIM Model – 5 years | 2.7% | 2.3% | -4.0% |
| <i>(FTSE 100 for info only)</i> | 3.9% | 10.3% | -20.0% |
| RHIM Model – since inception | 3.9% | 2.9% | -4.6% |
| <i>(FTSE 100 for info only)</i> | 7.8% | 10.7% | -20.0% |

Risk

Higher-risk investments tend to experience greater volatility, which means they are likely to go up and down in value more often and by larger amounts than lower-risk investments. In return, higher-risk investments have the potential to produce higher returns over the long term, although this is not guaranteed. If you do not understand the risks involved with the portfolio it is important that you seek clarification from your Financial Adviser before making an investment.

This Factsheet

This factsheet demonstrates the exposure, characteristics and performance of the named RHIM model. Your actual portfolio may differ depending on your individual circumstances. All features described in this fact sheet are current at the time of publication and may be changed in the future.

Currency

Some funds will hold overseas assets and as a result will also have exposure to overseas currencies. Exchange rates can fluctuate and may cause the value of the investment to rise or fall.

Investment Term

It is generally accepted that equity investments should be regarded as long term investments and should be held for a minimum of five years, ideally longer. Your time horizon and capacity for loss are important considerations when selecting the most appropriate RHIM model.

Property Funds

The value of property is generally a matter of a valuer's opinion which may not be readily realisable. There are liquidity risks associated with investing in property whereby encashments may be delayed waiting for properties to be sold.

Performance

It should be noted that past performance is not necessarily a guide to future performance. The price of shares/units and income from them may fall as well as rise and is not guaranteed. RHIM Performance illustrated is net of fund charges, but does not include Richmond House Investment Management discretionary management fees, nor fees that may be incurred through your Financial Adviser. PCI returns are net of the Discretionary Manager charges and use provisional data.