

# True Potential Balanced Income Portfolio

31st December 2025



## Portfolio Objective

The objective of the True Potential Balanced Income Portfolio is to provide investors with a way to achieve their investment goals. This may be total return or a regular income. The Portfolio offers exposure to a select group of investment partners and a range of risk profiles, whilst remaining within the Balanced risk profile. We review the Portfolio monthly and, if necessary, rebalance to the allocation of styles we believe offers the best potential for yield within the Balanced risk profile. The Portfolio aims to produce a higher yield compared to an equally-weighted model of True Potential Wealth Strategy income funds.

## Risk and Reward Profile

Defensive	Cautious	Balanced	Growth	Aggressive
Lower Risk	Potentially Lower Rewards			Higher Risk Potentially Higher Rewards

The Balanced Investor may be somewhat concerned with short-term losses and may shift to a more stable option in the event of significant losses. The safeties of investment and return are typically of equal importance to the Balanced Investor.

## Investment Commentary

The True Potential Balanced Income Portfolio returned +0.96% in December 2025.

Global equities delivered a +1.1% gain (MSCI ACWI, local) in December. Emerging markets led performance, with Korea up +7% and Taiwan +5%, rounding off an exceptional year. In contrast, US equities were flat, underperforming other regions by 2%, despite the Federal Reserve cutting interest rates and corporates maintaining a robust profit outlook.

Global government bonds rose +0.1% and UK Gilts edged +0.2% higher. Corporate credit posted modest gains, with Global High Yield up 1.0%. Gold continued its strong run, rising +1.9%, while the US dollar weakened (-1.1%) against Sterling and the Euro.

Portfolio returns were supported by an overweight allocation to Threadneedle, benefiting from a larger equity allocation. Allocation to TrinityBridge was also positive, driven by strong selection within equities and alternatives. Goldman Sachs Income Builder lagged due to its higher US equity allocation.

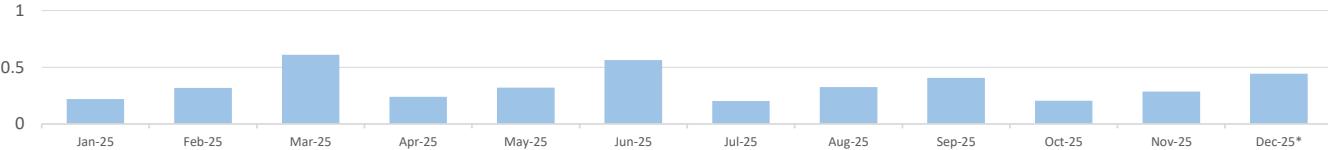
No manager allocation changes were made this month, as we believe current positioning remains optimal. Key changes from managers include UBS reducing global equity funds and reallocating across regional equities, adding Asian high yield and introducing a money market fund.

For further information, please subscribe to our YouTube channel, where we provide economic and market updates. This can be found via the following link <http://www.youtube.com/user/TruePotentialLLP>.

## Growth of hypothetical £10,000 invested since inception



## Income Distribution (%)



\* Figures marked with \* are estimates and subject to revision.

## % Growth

	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	10 Year	Since Launch
True Potential Balanced Income Portfolio	1.0%	3.1%	6.2%	12.9%	32.8%	34.0%	77.0%	81.8%

## Annual % Growth

	Dec 20 - Dec 21	Dec 21 - Dec 22	Dec 22 - Dec 23	Dec 23 - Dec 24	Dec 24 - Dec 25
True Potential Balanced Income Portfolio	11.0%	-9.1%	8.3%	8.6%	12.9%

Source: True Potential Investments, based on net asset value (as of 31st December 2025). Performance is calculated on a Total Return basis and is net of Portfolio OCF.

**With investing, your capital is at risk. Investments can fluctuate in value and you may get back less than you invest. Past performance is not a guide to future performance. This factsheet is not personal financial advice.**

## Key Fund Information

**Accumulation shares:** this type of share reinvests the income generated by its underlying assets (such as dividends or interest) back into the fund, rather than paying it out to shareholders as income.

**Income shares:** this type of share pays out the income generated by the fund's underlying assets (such as dividends or interest) directly to investors, rather than reinvesting it back into the fund.

## Portfolio Details

Launch Date	1st October 2015
Ongoing Charge Figure (OCF)*	0.76%
12 Month Yield	3.98%
Portfolio Size	£1,014m
Minimum Recommended Holding Period	5 years

\*OCF payable can fluctuate over time as the underlying investments are variable and can change.

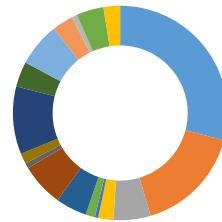
Historical yield reflects distributions declared over the past 12 months, as a percentage of the latest share/unit price. Personal dividend tax charges may still apply and are subject to individual circumstances. Tax rules may change in the future.

In September 2024, the FCA updated its Packaged Retail Insurance and Investment Products (PRIIPS) guidance on how we disclose costs for closed-ended funds like investment trusts. This change is designed to give you a clearer picture of the actual costs that impact your investments. As a result, some of our fund OCFs (Ongoing Charges Figure) have significantly decreased, reflecting only the costs that directly affect the fund's assets.

## What are the fees associated with investing in this Portfolio?

The OCF of this Portfolio is currently 0.76%. This means that if you invest £1000 in the Portfolio, you can expect to pay £7.62 in fees over the course of a year. The fees you pay are pro-rata. If you hold the Portfolio for less than a year you will only pay the proportional amount of fees applicable (based on the duration of your investment).

## Portfolio Diversification



## Strategy Allocation

● Directly Invested - True Potential TrinityBridge Cautious Income	17.00%
● Income Building - True Potential Goldman Sachs Income Builder	27.00%
● Direct Income - True Potential Threadneedle Monthly Income	30.00%
● Fund of Funds - True Potential Schroders Cautious Income	7.00%
● Enhanced Income - True Potential UBS Income	19.00%

## Asset Allocation

● UK Stocks	29.1%
● US Stocks	16.3%
● European Stocks ex UK	5.6%
● Japanese Stocks	2.3%
● Asia Pacific Stocks ex Japan	0.5%
● Emerging Market Stocks	1.4%
● Global Treasury Bonds	4.7%
● Global Corporate Bonds	6.5%
● Global Inflation Linked Bonds	0.8%
● Emerging Market Bonds	1.6%
● Global High Yield Bonds	10.2%
● UK Government Bonds	3.8%
● UK Corporate Bonds	6.6%
● Global REITS / Property	3.2%
● Gold	0.8%
● Alternatives	4.1%
● Cash and Cash Equivalents	2.5%

Strategy and Asset Allocation are subject to change at any time without notice, are for information purposes only and should not be construed as investment recommendations.

## Risks

The following are some of the key risks associated with investing in this Portfolio. For a complete list of risks, please refer to each Fund's prospectus, available at [www.truepotential.co.uk/fund-documents](http://www.truepotential.co.uk/fund-documents). Please be aware that there is no guarantee that capital will be preserved.

Risk Type	Description
Performance Risk	Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro-economic environment, certain investment types and styles may perform better than others and investment objectives may become more difficult to achieve. Whilst different investment types and styles are used, growth cannot be guaranteed.
Counterparty Risk	There may be cases where the organisation from which we buy a derivative, or an asset, fails to meet its obligations. The cash deposits of the underlying funds are also subject to counterparty risk.
Emerging Market Risk	Investments in emerging markets may involve greater risks due to political and economic instability, and underdeveloped markets and systems.
Derivative Risk	The Portfolio holds funds entitled to use derivatives. Derivatives may not achieve their intended purpose. Their prices may move up or down significantly over relatively short periods of time which may result in losses greater than the amount paid.
Operational Risk	The Portfolio faces non-market risk, relating to purchasing, holding and servicing the Portfolio's assets.
Credit Risk	Where the underlying Fund invests in bonds, there is a risk the bond issuer may fail to meet its repayments. Changes in interest rates, inflation and the creditworthiness of the bond issuer may also affect the bond's market value. This risk is particularly relevant where the Fund invests in bonds with a lower credit rating.
Exchange Rate Risk	The underlying funds may invest in securities not denominated in GBP. The value of your investments may be affected by changes in currency exchange rates.
Liquidity Risk	Certain market conditions could make sufficiently liquid assets difficult to sell quickly at a fair price. This could result in an unpredictable fall in the value, and overall liquidity of the funds held within the Portfolio.
Investment Trust Risk	Investment trusts and closed ended funds may borrow to purchase additional investments. This can increase returns when stock markets rise but will magnify losses when markets fall. The value of an investment trust or a closed-ended fund moves in line with stock market demand and its share price may be less than or more than the net value of the investments it holds.

## To find out more

Visit [www.truepotential.co.uk/investments/](http://www.truepotential.co.uk/investments/)

Call **0191 242 4884**

Email [Investmentmanagement@tpllp.com](mailto:Investmentmanagement@tpllp.com)

## Need assistance with reading documents?

We can provide documents in various formats, including large print, audio, and fonts designed for readability. Please email [investmentmanagement@tpllp.com](mailto:investmentmanagement@tpllp.com) if you require an alternative format.

## Important Information

A Fund Prospectus and Key Investor Information Document (KIID) for each of the underlying investments listed above are available from [www.truepotential.co.uk/fund-administration/#fund-documents](http://www.truepotential.co.uk/fund-administration/#fund-documents) or by email to [investmentmanagement@tpllp.com](mailto:investmentmanagement@tpllp.com).

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Head Office: Gateway West, Newburn Riverside, Newcastle upon Tyne, NE15 8NX

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