

**TM STONEHAGE FLEMING
AIM FUND**

PREVIOUSLY KNOWN AS TM CAVENDISH AIM FUND



**ACTIVELY
MANAGED**



**STOCK PICKING
APPROACH**



**LONG-TERM
INVESTMENT HORIZONS**



**NAVIGATING TO INVESTMENTS
WITH CLEAR STRATEGIES**



**GROWTH
MINDSET**

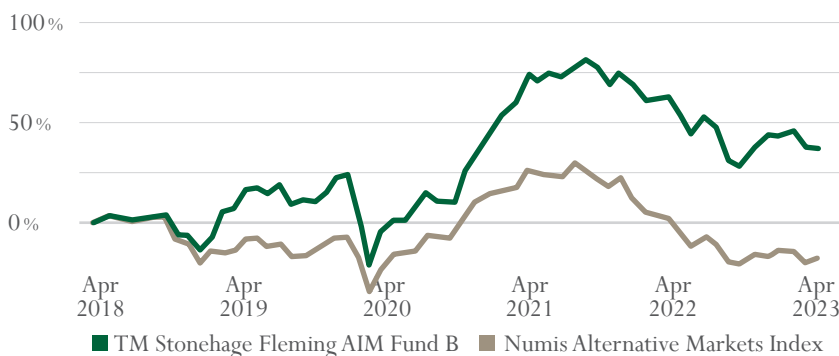
INVESTMENT OBJECTIVE

The fund aims to achieve long-term capital growth.

INVESTMENT POLICY

The Fund aims to invest mainly in equities on the UK Alternative Investment Market ('AIM'). This will be achieved by an actively managed diversified portfolio of shares spread across any sector of AIM. In addition, the Fund may on occasion invest in fully listed shares of companies with smaller market capitalisations.

PORTFOLIO PERFORMANCE



STANDARDISED FUND PERFORMANCE (%)

Performance	3m	6m	YTD	1yr	3yrs	5yrs
TM Stonehage Fleming AIM Fund B	-4.4	5.6	-5.0	-14.2	41.8	37.8
Numis Alternative Markets Index	-5.0	2.2	-1.1	-19.1	4.4	-16.8

DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 30 April	2023	2022	2021	2020	2019
TM Stonehage Fleming AIM Fund B	-14.2	5.5	74.8	-16.5	16.3
Numis Alternative Markets Index	-19.1	-18.8	59.0	-14.9	-6.4

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2022	2021	2020	2019	2018
TM Stonehage Fleming AIM Fund B	-5.0	-15.9	27.1	11.2	36.7	-7.2
Numis Alternative Markets Index	-1.1	-31.1	7.6	19.3	14.7	-17.5

Source: Morningstar as at 30/04/2023, % growth, total return, GBP, single price, UK net income reinvested with no initial charges.

PERFORMANCE DISCLOSURE

Past performance is not a guide to future performance. The value of investments can fall. Investors may not get back the amount invested. Income from investments may vary and is not guaranteed. For a full list of risks applicable to this fund, please refer to the Prospectus. If the information is not displayed in your base currency, then the return may increase or decrease due to currency fluctuations. Source for all performance is Stonehage Fleming Investment Management Limited as at 30 April 2023. Total return (with dividends) is net of fees.

The fund invests in a broad range of AIM listed companies and some of these carry a higher risk of failure and may be less liquid than shares listed on other exchanges. These shares may be also harder to sell quickly because of this lower liquidity. AIM listed companies may also experience greater price volatility which could also affect the value of the fund.

KEY FACTS

Launch Date	5 October 2005
IA Sector	UK Smaller Companies
Fund Size	£101.0m
Dealing Frequency	Daily

FEES

Initial Charge	Up to 5.00%
Ongoing Charges Figure (OCF) ²	0.66%
Annual Management Charge	0.60%

² The OCF is the management fee plus additional fund expenses (excluding transaction costs) as a percentage of the assets of the fund. This gives an indication of annual expenses which may vary over time.

MINIMUM INVESTMENT

Lump Sum	£50,000
Additional	£5,000
Regular Savings	N/A

FUND MANAGER



PAUL MUMFORD

Paul Mumford began his career in 1963 working initially as an Analyst for Norris Oakley Brothers and later as a smaller companies expert at R Nivison. Paul moved to fund management in 1988 when he joined Glenfriars. Paul then joined Cavendish Asset Management at the group's formation in 1994 and funds were launched. The group was subsequently acquired by Stonehage Fleming in July 2020. Paul is the co-manager of the TM Stonehage Fleming AIM Fund and the TM Stonehage Fleming Opportunities Fund.

FUND MANAGER



NICK BURCHETT

Nick Burchett began his career in 1983 at Strauss Turnbull and subsequently joined W.I. Carr in 1990 which later became Investec Wealth & Investment after a number of mergers and acquisitions. Nick dealt extensively with portfolios of UK equities, markets and execution strategies. After 27 years at Investec he joined Cavendish Asset Management in November 2017 to jointly manage this fund. The acquisition of Cavendish Asset Management was subsequently made by Stonehage Fleming in July 2020. Nick is the co-manager of the TM Stonehage Fleming AIM Fund and the TM Stonehage Fleming Opportunities Fund.

AWARDS



**TM STONEHAGE FLEMING
AIM FUND**

PREVIOUSLY KNOWN AS TM CAVENDISH AIM FUND

ENQUIRIES

ENQUIRIES AND DEALING	
0333 300 0375	
(press 1 for Enquiries, press 2 for Dealing)	
DEALING:	
Thesis Unit Trust Management Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG	
SEDOL CODES:	
Class B Share	B0JX3Z5
ISIN CODES:	
Class B Share	GB00B0JX3Z52
LIPPER IDS:	
Class B Share	65009655

SECTOR ALLOCATION (%)

Information Technology	26.6
Industrials	20.3
Health Care	17.0
Energy	9.2
Consumer Discretionary	7.2
Communication Services	7.2
Materials	4.3
Consumer Staples	3.6
Real Estate	2.4
Cash	2.1

TOP TEN HOLDINGS (%)

MS International Plc	4.8
ZOO Digital Group Plc	4.0
Netcall Plc	3.6
Serica Energy Plc	3.3
M&C Saatchi Plc	3.0
Totally Plc	2.8
Lok n Store Group	2.4
Kistos Plc	2.3
Bango Plc	2.1
Johnson Service Group Plc	2.0

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management as at 30 April 2023. Third parties whose data may be included in this document do not accept any liability for errors or omissions.

PORTFOLIO COMMENTARY

There was some stability in the stock market in April with some recovery seen from the decline in the previous month. However, it was a difficult time for companies to raise money and shareholders were forced to subscribe at a substantial discount to the market price. In this respect, we suffered underperformance from three holdings which raised funds at deeply discounted levels in the month. In the event, the Numis Alternative Companies (incl. investment companies) Index rose by 1.74% whereas the TM Stonehage Fleming AIM Fund only managed a gain of 0.15%.

A feature in the UK was the inflation level where the consumer price index remained high at 10.4% led by food price increases. As a result the Bank of England increased interest rates for the eleventh consecutive month to 4.25% allowing Sterling to move higher. Elsewhere, investors were comforted that the problems associated with US regional banks and the collapse of Credit Suisse had been resolved even though problems could still exist in the US banking sector. The UK Conservative government faced poor results in local authority elections but remained committed to halving inflation, growing the economy and reducing national debt.

As we moved into the new financial year we saw a number of attractive investment opportunities where tax loss selling has unduly depressed share prices and we also decided to sell our holding in Xpediator, the freight forwarding company, which was subject to an agreed cash takeover bid. We also reduced our holding in Breedon (aggregates) where the company will shortly leave AIM to join the main market. For re-investment, we added to several of our portfolio holdings including Eckoh, the secure customer payments company where the share price had a sharp fall on the back of an aggressive seller and Parkmead, Oil and gas exploration and production, where results disappointed the market. We also increased our holding in CT Automotive the motor accessory manufacturer and Zoo Digital (media dubbing and subtitle services) both of which raised funds at a deep discount to their market prices. Other additions were made to Next 15 (media), Restore (digital and information management services), RWS (translation services) and Totally (NHS outsourcing services).

IMPORTANT INFORMATION

This is a marketing communication issued by Stonehage Fleming Investment Management Limited (SFIM). SFIM is the investment manager of the Fund.

All investments risk the loss of capital. No guarantee or representation is made that the funds will achieve their investment objective.

The value of investments may go down as well as up. For products designed to return income, the distributions can also go down or up and you may not receive back the full value of your initial investment.

Derivatives have not been used but are allowed if appropriate for efficient asset management. The Fund only invests in UK assets but is allowed to hold shares on overseas exchanges. This would occur in the event of a company delisting from the London stock market and would not be expected to be material. Hence, there would be limited foreign exchange risk.

Past performance is not a guide to future returns. If the information is not displayed in your base currency, then the return may increase or decrease due to currency fluctuations.

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For details of the Funds investment policy, please see the Investment Objective and Policy section of the Fund Prospectus Document.

Warmer weather condition have continued through March and energy prices have remained stable at a lower level. The 35% windfall tax has made the North Sea less attractive to energy companies but the recent licensing round has still seen plenty of interest. However, a number of major oil companies have reduced their drilling activity in the North Sea to concentrate on other geographical areas with more favourable tax rates. The situation with smaller companies is that they are more nimble and able to offset some of the taxation liability against drilling costs. With healthy cash flows they are able to acquire existing production assets at favourable prices from those companies wishing to reduce their North Sea exposure. In this respect we feel that we are well placed to benefit from our holdings in the sector. Already OPEC has announced production cuts in order to stabilise oil prices at present levels and opening of the Chinese economy could be another positive factor.

On the international front the Russia/Ukraine situation looks no nearer to any solution but at least shipments of grain and other agricultural products is returning in a controlled measured manner. China is slowly coming out of COVID restrictions and this should help boost the global economy. Equally, inflation is falling in the US and, once the regional bank problems are resolved further interest rates might be limited. Raw material costs also look to be under control and there are signs that the shortage of semi-conductor chips is improving. However, UK inflation is still high but the majority of companies we meet find it manageable with adjustments to business practices. Moving forward high wage demands may cause problems in some areas and we are mindful of avoiding companies which find it difficult to increase prices or work with slender margins. Investors still seem to be taking a cautious view to smaller companies but we would expect sentiment to improve as results are published and the year progresses. Looking ahead, there could be further headwinds but we feel that the majority of shares held in the fund offer strong growth potential.

Whilst every effort is made to ensure that the information provided to clients is accurate and up to date, some of the information may be rendered inaccurate by changes in applicable laws and regulations may be subject to change in the future.

The information in this document does not constitute legal, tax, or a personal recommendation.

The Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

The Authorised Fund Manager is Thesis Unit Trust Management Limited, Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. Authorised and regulated by the Financial Conduct Authority.

Before you invest you should read the Key Investor Information Document (KIID) and the Prospectus which contain detailed information. These documents are available in English, free of charge, upon request by writing to Thesis Unit Trust Management Limited at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP; or by phoning 01483 783 900 between 9am and 5pm Monday to Friday; or on the website at www.fundlistings.com.

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