

**TM STONEHAGE FLEMING
AIM FUND**



ACTIVELY
MANAGED



STOCK PICKING
APPROACH



LONG-TERM
INVESTMENT HORIZONS



NAVIGATING TO INVESTMENTS
WITH CLEAR STRATEGIES



GROWTH
MINDSET

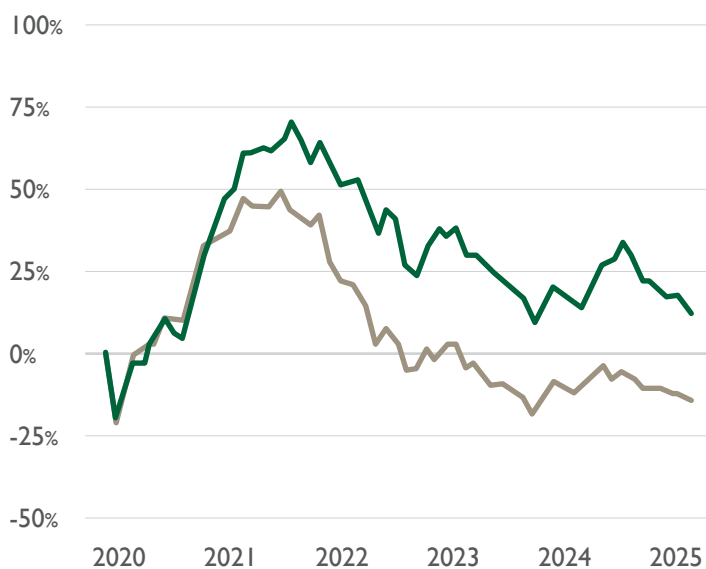
INVESTMENT OBJECTIVE

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



12.89% TM SF AIM Fund B

-14.00% Deutsche Numis Alt Markets Index

CUMULATIVE FUND PERFORMANCE (%)

Performance	3m	6m	YTD	1yr	3yrs	5yrs
TM Stonehage Fleming AIM Fund B	-5.2	-13.2	-3.9	-2.9	-25.4	12.9
Deutsche Numis Alt Markets Index	-3.3	-7.8	-1.6	-2.3	-30.0	-14.0

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2024	2023	2022	2021	2020
TM Stonehage Fleming AIM Fund B	-3.9	-2.6	-12.8	-15.9	27.1	11.2
Deutsche Numis Alt Markets Index	-1.6	-3.9	-7.2	-31.1	7.6	19.3

Source: Morningstar as at 28/02/2025, % growth, total return, GBP, single price, UK net income reinvested with no initial charges.

FUND INFORMATION

Launch date	5 October 2005
IA sector	UK Smaller Companies
Fund size	£57.0m
Dealing frequency	Daily
Lump Sum	£50,000
Additional	£5,000
Regular Savings	N/A
Initial Charge	Up to 5.00%
Ongoing Charges Figure (OCF)*	0.67%
Annual Management Charge	0.60%

* 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.

PORTFOLIO COMMENTARY

The UK public sector borrowings surplus in January was £15.4 billion but this undershot the official forecast of £20.5 billion leading to speculation that the Chancellor Rachel Reeves, the Chancellor of the Exchequer would have to raise taxes or cut public expenditure. Borrowings between April 2024 and January 2025 increased by £118.2 billion which was £12.8 billion higher than forecast. UK inflation nudged higher at 3% and was above the Bank of England Monetary Policy Committee target of 2% but, following cuts by other countries, Bank Rate was reduced from 4.75% to 4.5%. The economic background could defer further interest rate cuts until later in the year and the threatened trade tariffs to be imposed by President Trump introduces a further degree of uncertainty. However, the UK has a good relationship with the US and President Trump has indicated that a trade deal between the UK and US can hopefully be negotiated. Undoubtedly, the UK seems better placed than other countries in a more competitive environment. Compared to other stock markets the UK looks very undervalued which could lead to an upsurge in takeover activity. Company liquidity is strong and an increasing number of companies are taking the opportunity to initiate share "buy back" programmes.

We have sold our last shares in Alliance Pharma which was subject to an agreed bid and the price traded at the bid level. We also sold our holding in Surgical Innovations where although the company is trading reasonably well it would ultimately require additional working capital to fulfil its full potential and we feel that there is better potential elsewhere. In this respect we added to Totally (NHS outsourcing services) and Zoo Digital (dubbing and subtitle services for major media companies) where share prices have fallen disproportionately on the back of disappointing trading statements. We also added to Idox (software services) where we had reduced at a much higher level and the company recently produced good results with a high recurring revenue. UK smaller companies have been out of favour for some time and Fund Managers, in this area of the market, are seeing fund outflows. In order to meet such redemptions, they have been forced to sell the more liquid holdings which has led to many under-valued anomalies in the market. As stock pickers we have been able to take advantage and to position the portfolio for above average growth. Stock market recovery comes when least expected and we face the future with confidence and potential opportunities.

TM STONEHAGE FLEMING 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 (%)

Industrials	26.1
Information Technology	21.1
Health Care	16.0
Energy	10.0
Consumer Discretionary	9.5
Communication Services	6.7
Consumer Staples	5.8
Materials	2.2
Cash	2.6

TOP TEN HOLDINGS (%)

MS International Plc	8.8
Hargreaves Services	4.0
Netcall Plc	3.6
Supreme Plc	3.4
Venture Life Group Plc	3.4
Made Tech Group	3.0
Advanced Medical Solutions	2.9
Beximco Pharmaceuticals GDR regs	2.6
Microlise	2.5
Avingtrans Plc	2.3

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management Limited as at 28 February 2025. Third parties whose data may be included in this document do not accept any liability for errors or omissions.

PORTFOLIO MANAGEMENT



FUND MANAGER
NICK BURCHETT

OUTCOME OF FAIR VALUE ASSESSMENTS (2024)

Our assessment confirms:

- The Fund meets the needs of the target market.
- The intended distribution strategy remains appropriate.
- The Fund provides fair value to customers.

AWARDS



RISK PROFILE

Class C, Class L, Class Y, Class B

The following risks are material:

- The price of units/shares and any income from them may fall as well as rise and investors may not get back the full amount invested. Past performance is not a guide to future performance. There is no assurance that the investment objective of the Fund will actually be achieved.
- Where investments are in the shares of companies (equities), the value of those equities may fluctuate, sometimes dramatically, in response to the activities and results of individual companies or because of general market and economic conditions or other events.
- Significant exposure to a particular industrial sector or geographical region puts the Fund at risk of a localised event making a significant impact on the value of the Fund.

- Shares purchased on the AIM markets (especially those known as 'penny shares') carry a higher degree of risk of losing money than other UK shares.
- The requirements on companies that are listed on AIM market are less stringent than those for companies with a full market listing.
- There is usually a wider spread between the buying price and the selling price of these shares if they have to be sold quickly.
- There may be difficulty or delay in buying and selling shares due to a low level of trading activity on the AIM market (referred to as lack of liquidity).

All the risks currently identified as being applicable to the Fund are set out in the 'Risk' section of the Prospectus.

INVESTOR PROFILE

The Fund is appropriate for all investor types, including those with only a basic knowledge of funds. It is compatible with investors who do not need a capital guarantee (investors must be prepared to accept fluctuations in the value of capital, including the ability to bear 100% capital loss) and are seeking capital growth. Due to the volatility of markets, investors should be willing to accept price fluctuations in exchange for the opportunity of potentially higher returns. This is a long term investment and investors should have an investment time horizon of at least 5 years. The recommended holding period does not provide any guarantee that the objective will be achieved. This product is eligible for all distribution channels (e.g. investment advice, portfolio management, non-advised sales and pure execution services).

The Fund is unlikely to be appropriate for those who:

- Are looking for full capital protection or full repayment of the amount invested, and those who want a guaranteed return
- Have no risk tolerance
- Who are unwilling to accept price fluctuations (volatility) in the value of the Fund
- Do not intend to invest for the long term

IMPORTANT INFORMATION

This is a marketing communication issued by Stonehage Fleming Investment Management Limited (SFIM). SFIM is the investment manager of the Fund, authorised and regulated in the UK by the Financial Conduct Authority (FRN. 194382). The distribution or possession of this document in jurisdictions outside the United Kingdom may be restricted by law or other regulatory requirements. For details of the Funds investment policy, please see the Investment Objective and Policy section of the Fund Prospectus Document.

All investments risk the loss of capital. No guarantee or representation is made that the Fund will achieve its 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.

The Fund holds 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.

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 that may be subject to change in the future. The information in this document does not constitute legal, tax, or a personal recommendation. You must not, therefore, rely on the content of this document when making any investment decisions.

United Kingdom (UK): The Fund is recognised by the Financial Conduct Authority (FCA) for promotion to retail and professional investors in the UK.

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. The latest version of the Prospectus and the Key Investor Information Document 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.tutman.co.uk/literature/

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