

**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**

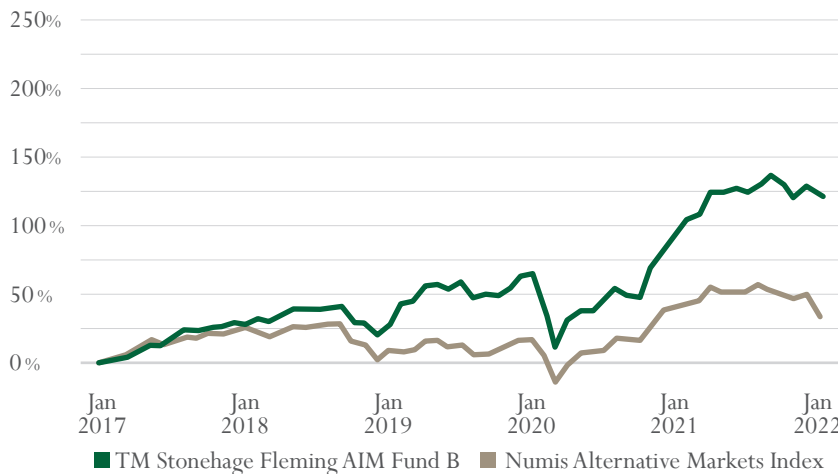
INVESTMENT OBJECTIVE

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	-4.2	-1.6	-3.1	15.9	75.8	123.7
Numis Alternative Markets Index	-9.5	-10.9	-9.6	-3.5	25.7	33.7
IA UK Smaller Companies Peer Group Percentile	17	9	7	30	3	3

DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 January	2022	2021	2020	2019	2018
TM Stonehage Fleming AIM Fund B	15.9	16.3	30.4	-0.2	27.5
Numis Alternative Markets Index	-3.5	20.5	8.1	-13.6	23.2
IA UK Smaller Companies Peer Group Percentile	30	13	15	5	29

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2021	2020	2019	2018	2017
TM Stonehage Fleming AIM Fund B	-3.1	27.1	11.2	36.7	-7.2	32.8
Numis Alternative Markets Index	-9.6	7.6	19.3	14.7	-17.5	27.4

Source: Bloomberg as at 31/01/2022, % 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 31 January 2022. 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	£128.4m
Dealing Frequency	Daily

FEES

Initial Charge	Up to 5.00%
Ongoing Charges Figure (OCF) ²	0.67%
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 has extensive investment experience. Having worked initially as an Analyst for Norris Oakley Brothers and later as a smaller companies expert at R Nivison, he moved to fund management in 1988 when he joined Glenfriars. He then joined Cavendish Asset Management at the group's formation in 1994. The acquisition of Cavendish Asset Management was made 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.



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. During this period Nick dealt extensively with Paul Mumford on the analysis of UK equities, markets and execution factors. This partnership made a compelling proposition and after 27 years at Investec he joined Cavendish Asset Management in November 2017 to jointly manage the funds. The acquisition of Cavendish Asset Management was 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	23.1
Health Care	21.5
Industrials	20.5
Energy	12.3
Communication Services	6.3
Consumer Discretionary	6.3
Materials	4.1
Consumer Staples	2.7
Real Estate	2.3
Cash	1.0

TOP TEN HOLDINGS (%)*

Independent Oil & Gas Plc	3.5
Serica Energy Plc	3.3
Totally Plc	3.3
Beximco Pharmaceuticals GDR regs	2.9
ZOO Digital Group Plc	2.8
M&C Saatchi Plc	2.6
Eagle Eye Solutions Group Plc	2.5
Kistos Plc	2.3
Lok'nStore Group Plc	2.3
Netcall Plc	2.2

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management as at 31 January 2022. Third parties whose data may be included in this document do not accept any liability for errors or omissions.

PORTFOLIO COMMENTARY

January saw investors switching out of smaller company shares into large company shares, and the Numis Alternative Markets (incl. Investment Companies) Index retreated sharply by 9.6% in the month. Shares listed on AIM suffered more than most, and our large spread of interests and lack of exposure to some of the very highly rated shares meant that the decline in the TM Stonehage Fleming Aim Fund was confined to a fall of 3.1%. Post year end trading statements provided some welcome relief and support to many of companies we hold for growth and/or recovery. Our positions in some areas of the energy sector that reflected the strength in strong oil and gas prices were also helpful for performance.

It was a relatively quiet month for dealing but we completed the sale of our holding in Vertu Motors, which had performed well as difficulties with new car stock availability had supported good margins in the second hand car market, but was likely to suffer if and when the supply chain was to return to a normal pattern. We also sold our interest in Purplebricks (estate agents) where recovery from its problems seems a long way away. Additions were made to several underweight holdings and we subscribed for shares in the deeply discounted fund raise by Trackwise (specialist circuit boards). No new holdings were added in the fund.

There were several headwinds in some areas of the market that require consideration. Most striking was the rise in inflation where some commentators

forecast it could reach 7% in the short term. One of the principle factors for this is the sharp rise in energy prices. Oil prices have had a sharp rise, and the increase in gas prices was even more spectacular. It could well be that energy prices ease if tensions surrounding the Russian/Ukraine political situation improve. Even so, some companies in the energy sector of the market remain undervalued and offer attractive growth potential. The rise in the cost of living and ending of some public sector pay restraints should also give rise to wage inflation. As a defensive measure there has been two consecutive monthly increases in UK interest rates where our holdings with positive cash balances should benefit from a higher rate environment.

On the positive front, COVID restrictions are beginning to be replaced and the new Omicron strain remains seen as less severe, particularly to the large part of the population which has been fully vaccinated. However, hospital waiting lists are still lengthy and our exposure to the healthcare area should bring further opportunities. Cost savings sought by many companies should be beneficial to our technology holdings as processes and systems are refreshed and updated. Overall, we expect the outlook for AIM companies to be positive and see good recovery generally in share prices and of many of our larger company holdings. In summary, the current year is seen as one of opportunity and where the fund is well placed for growth in its asset value.

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.

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.

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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