

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

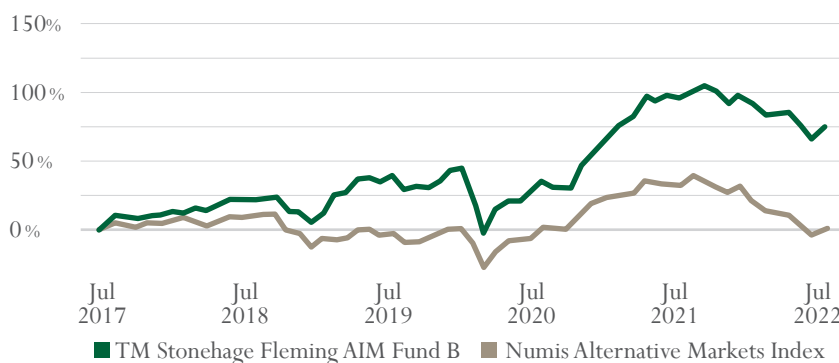
INVESTMENT OBJECTIVE

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	-5.0	-8.8	-11.6	-10.3	28.2	73.3
Numis Alternative Markets Index	-10.3	-16.4	-24.4	-25.5	1.5	-1.6

DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 July	2022	2021	2020	2019	2018
TM Stonehage Fleming AIM Fund B	-10.3	55.1	-7.8	14.3	18.3
Numis Alternative Markets Index	-25.5	41.2	-3.5	-12.6	10.9

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2021	2020	2019	2018	2017
TM Stonehage Fleming AIM Fund B	-11.6	27.1	11.2	36.7	-7.2	32.8
Numis Alternative Markets Index	-24.4	7.6	19.3	14.7	-17.5	27.4

Source: Morningstar as at 31/07/2022, % 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 July 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	£113.0m
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	23.6
Industrials	18.4
Health Care	17.5
Energy	17.1
Consumer Discretionary	7.5
Communication Services	6.1
Materials	3.8
Real Estate	2.6
Consumer Staples	2.0
Cash	1.3

TOP TEN HOLDINGS (%)*

Totally Plc	4.8
Serica Energy Plc	4.7
Independent Oil & Gas Plc	3.8
Kistos Plc	3.7
Netcall Plc	2.8
Parkmead Group Plc	2.7
ZOO Digital Group Plc	2.7
Beximco Pharmaceuticals GDR regs	2.6
Lok'nStore Group Plc	2.6
M&C Saatchi	2.4

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

PORTFOLIO COMMENTARY

There was a good recovery in the London Stock market during the month, and the TM Stonehage Fleming AIM Fund saw its value increase by 5.4%, which compared to a rise of 4.1% in the Numis Alternative Markets (incl. investment companies) Index.

We reduced three of our larger holdings in the period and disposed of our entire smaller holding in Ince Group which raised money for urgent working capital in a placing at a large discount to the underlying share price in which we did not participate, and as a result, became of insignificant size in the portfolio. The opportunity was taken to start a new holding in Next Fifteen, the media company, which is in the process of making a takeover offer for the advertising company, M&C Saatchi. The share price has fallen back to an attractive level despite the company trading positively. We also reduced some other holdings which had outperformed, and added to a number of our smaller holdings that offered recovery potential.

Much of the outperformance in the period was due to share price appreciation of two of our largest holdings in the oil and gas sector. In this respect, it was announced that Kistos was looking to make a takeover offer for Serica Energy, which, in turn, indicated that it might bid for Kistos. Both companies could see the logic in such a merger but disagreed as to how it should be effected. Whichever route taken, the net cash held by Serica Energy would be absorbed in the offer. Our view is that both companies would be better placed as separate entities

and we have a high regard for the management of each. They both operate in the North Sea, with Kistos having its production assets in offshore Netherlands, whilst Serica Energy operates more in the UK Northern North Sea, with 85% of production as gas from wholly owned fields. One of the principal attractions is that they are also predominately low emission gas producers.

Turning to the wider economic background, inflation is rising at a frightening rate as a result of the continuing Russia/Ukraine conflict where there appears to be no early resolution. The rise in interest rates and weak level of Sterling has caused headwinds for some companies. However, we have been encouraged by recent trading statements and talks with company management that underlying problems, including inflation, are being managed successfully. Also, raw material rises, other than energy and food ingredients, have been falling back, and supply chain issues have showed signs of easing. In the UK, a positive note is the short term news flow from the two remaining Conservative leadership candidates making positive noises to bolster the economy. Both have promised tax cuts, but Liz Truss is more extreme with a reduction in corporation tax being amongst her pledges. The prospect of a recession is possible and the next prime minister will take measures to try alleviate this.

Looking ahead, there are bound to be some bumps in the road, but we feel that there are many potential opportunities in the stock market where current conditions favour our stock-picking approach. We are therefore encouraged by the long term prospects offered by the shares in the fund's portfolio.

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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