

**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**

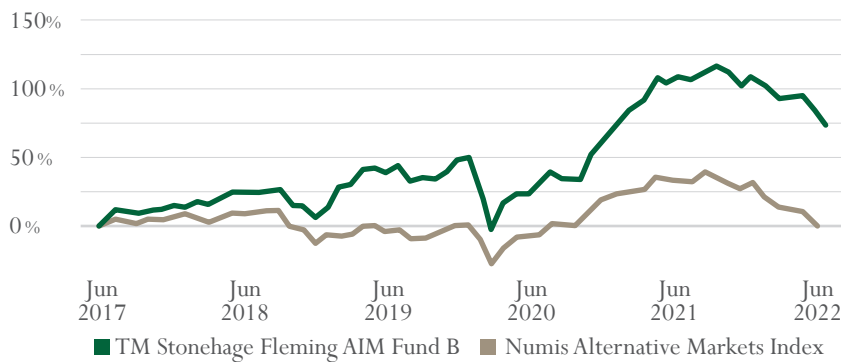
**INVESTMENT OBJECTIVE**

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	-9.6	-16.2	-16.2	-15.7	25.1	74.7
Numis Alternative Markets Index	-15.5	-27.4	-27.4	-28.5	-1.7	-3.5

**DISCRETE 12 MONTH PERFORMANCE (%)**

12 months to 30 June	2022	2021	2020	2019	2018
TM Stonehage Fleming AIM Fund B	-15.7	66.9	-11.1	11.3	25.4
Numis Alternative Markets Index	-28.5	42.2	-3.3	-12.2	11.8

**CALENDAR YEAR PERFORMANCE (%)**

Performance	YTD	2021	2020	2019	2018	2017
TM Stonehage Fleming AIM Fund B	-16.2	27.1	11.2	36.7	-7.2	32.8
Numis Alternative Markets Index	-27.4	7.6	19.3	14.7	-17.5	27.4

Source: Morningstar as at 30/06/2022, % 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 30 June 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	£109.9m
Dealing Frequency	Daily

**FEES**

Initial Charge	Up to 5.00%
Ongoing Charges Figure (OCF) <sup>2</sup>	0.67%
Annual Management Charge	0.60%

<sup>2</sup> 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**

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**ENQUIRIES**

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

**SECTOR ALLOCATION (%)**

Information Technology	23.9
Industrials	20.1
Health Care	18.7
Energy	13.8
Consumer Discretionary	7.9
Communication Services	6.2
Materials	3.7
Real Estate	2.5
Consumer Staples	2.1
Cash	1.1

**TOP TEN HOLDINGS (%)**

Totally Plc	5.1
Serica Energy Plc	3.8
Independent Oil & Gas Plc	3.0
Kistos Plc	2.9
Netcall Plc	2.9
MS International Plc	2.7
M&C Saatchi	2.6
Lok'nStore Group Plc	2.5
Beximco Pharmaceuticals GDR regs	2.4
Eagle Eye Solutions Group Plc	2.4

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management as at 30 June 2022. Third parties whose data may be included in this document do not accept any liability for errors or omissions.

**PORTFOLIO COMMENTARY**

The London stock market had a sharp decline in the month, where investors and smaller companies were particularly badly affected, with the Numis Alternative Markets (incl. investment companies) Index declining by 9.8%. The TM Stonehage Fleming AIM Fund outperformed by a reasonable margin and its value fell by 4.3%.

We reduced a number of holdings and sold our entire interest in EMIS which received an agreed takeover bid. It was therefore possible to recycle the proceeds into several shares which had suffered above average falls. These included Anexo (legal services), ActiveOps (software), Johnson Service Group, Supreme (consumer products including vaping liquids and nutritional foods), and Made-Tech (software services for government departments and other agencies). All of these offer strong medium-term prospects and are at attractive levels.

The outperformance in the period was helped by a better performance from our holdings in the oil and gas sector where energy prices were strong on the back of supply restraints and the continuing conflict in Ukraine. The sector has shrugged off the likely effects of the proposed windfall tax to be levied by the Government, and cash flows prior to its introduction will not be penalised. There are also attractive tax incentives where capital expenditure can be offset against the charge and this should increase drilling activity. Our interests are largely in gas producing fields where there is seen to be considerable potential. In the case of Serica, our largest holding, there is already a £60 million drilling

programme in place and we believe there are plans for this to be increased. The Government acknowledge the fact that the United Kingdom does not want to rely on imported energy and have encouraged the authorities to become more sympathetic to the approval of field development plans.

The two main concerns are the sharp rises in interest rates and inflation. Interest rates are still at a low level where companies do not have concerns, but double digit inflation can be a more worrying feature. The rail strike that occurred in the month demonstrates the problems of high wage demands. We have also found in specialist area such as IT there is a shortage of labour which can create problems for some companies unless pay packages are inflated to attract. Fortunately, the majority of companies in which the fund is invested are able to mitigate many inflationary cost pressures by raising prices and, at present, this has been possible due to the wide understanding of the global economic situation. Nevertheless, the fact remains that food ingredients, raw materials and energy costs are likely to remain at high levels while the Russian invasion of the Ukraine continues. Our interests in healthcare, software and the wide spread of other interests gives us confidence. Current market conditions favour our stock picking approach as share price movements can be irrational and it is a good opportunity to position the portfolio to take advantage of a recovery in stock markets. We therefore remain positive of the outlook for the next few years.

**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](http://www.fundlistings.com).

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