

TM STONEHAGE FLEMING OPPORTUNITIES FUND

PREVIOUSLY KNOWN AS TM CAVENDISH OPPORTUNITIES FUND



ACTIVELY
MANAGED



STOCK PICKING
APPROACH



LONG-TERM
INVESTMENT HORIZONS



NAVIGATING TO INVESTMENTS
WITH CLEAR STRATEGIES



GROWTH
MINDSET

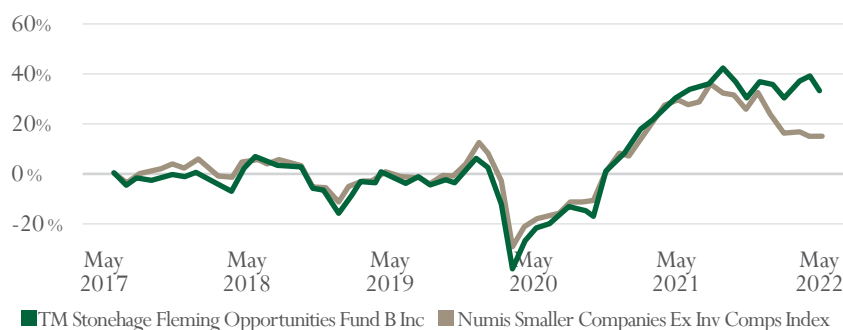
INVESTMENT OBJECTIVE

The fund aims to achieve long-term capital growth.

INVESTMENT POLICY

The Fund aims to invest in equities falling mainly under the following categories: smaller companies which offer long-term growth; companies which offer recovery prospects; and companies in sectors which are perceived to be unduly depressed. There is no geographical restriction but in practice the fund will be mainly invested in the UK.

PORTFOLIO PERFORMANCE



STANDARDISED FUND PERFORMANCE (%)

Performance	3m	6m	YTD	1yr	3yrs	5yrs
TM Stonehage Fleming Opportunities Fund B Inc	2.0	3.1	-1.7	3.5	33.2	33.1
Numis Smaller Companies Ex Inv Comps Index	-1.5	-6.9	-11.3	-9.5	17.3	16.0
IA UK Smaller Companies Peer Group Percentile	38	39	40	38	7	8

DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 May	2022	2021	2020	2019	2018
TM Stonehage Fleming Opportunities Fund B Inc	3.5	59.7	-19.4	-6.5	6.9
Numis Smaller Companies Ex Inv Comps Index	-9.5	54.1	-15.9	-6.1	5.3
IA UK Smaller Companies Peer Group Percentile	38	3	95	71	46

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2021	2020	2019	2018	2017
TM Stonehage Fleming Opportunities Fund B Inc	-1.7	27.5	-0.7	24.7	-15.6	13.9
Numis Smaller Companies Ex Inv Comps Index	-11.3	21.9	-4.3	25.2	-15.4	19.5

Source: Morningstar as at 31/05/22, % 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 May 2022. Total return (with dividends reinvested) is net of fees.

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

KEY FACTS

Launch Date	15 February 1988
IA Sector	UK All Companies
Fund Size	£115.5m
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 Glenfries. 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 OPPORTUNITIES FUND

PREVIOUSLY KNOWN AS TM CAVENDISH OPPORTUNITIES 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	3221110
ISIN CODES:	
Class B Share	GB0032211103
LIPPER IDS:	
Class B Share	60009019

SECTOR ALLOCATION (%)*

Energy	23.5
Industrials	17.6
Information Technology	13.0
Health Care	9.9
Consumer Discretionary	7.8
Real Estate	7.5
Communication Services	7.5
Financials	6.7
Materials	3.3
Consumer Staples	2.4
Cash	0.9

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

TOP TEN HOLDINGS (%)*

Serica Energy Plc	5.9
Lok'nStore Group Plc	4.6
M&C Saatchi Plc	3.8
EnQuest Plc	3.6
Bicishi Plc	3.1
Kistos Plc	3.1
Eagle Eye Solutions Group Plc	2.8
Parkmead Group Plc	2.8
Bango Plc	2.7
MS International Plc	2.7

PORTFOLIO COMMENTARY

The London stock market had mixed performance in the month, and the Numis Smaller Companies (ex-investment companies) Index declined by 0.1%. During the same period, TM Stonehage Fleming Opportunities Fund fell by 4.5%.

We added no new companies to the portfolio but made additional purchases of Avon Protection (defence equipment) after the share price fell on the back of a slightly disappointing trading statement. We added to Hargreaves Lansdown (financials) where the share price remained depressed. We also increased our small holding in Quiz (retail) on the back of a positive read-through from trade at Next plc regarding demand for its occasion wear products. Following the rise in the share price, we reduced our holding in Standard Chartered Bank, and we also disposed of our remaining interest in Lloyds Bank.

The underperformance in the period was attributable to the news that the Conservative Government proposed introduction of a "windfall tax" on recent profits made by North Sea oil and gas producers. The fund has a significant interest in the sector, and Serica, our largest holding, saw one institutional shareholder reduce its interest from 9.86% to just over 5% of the capital. The stock market was obviously disappointed that the Government had done a U-turn, but the news is better in our opinion than it appeared. Of particular note, the profits up to the time that the bill is passed look to be immune and not taxed retrospectively. There was also the provision that the new tax can be offset against drilling expenditure,

which will encourage exploration activity. In the case of Serica, which has a strong balance sheet, there is already a £60 million programme in place and the company has plans to extend this. From a long term perspective this could be very positive in creating shareholder value and we would look for a strong recovery in the share price to reflect the potential. Equally, similar prospects could be seen from our other holdings in the sector.

Elsewhere, the Russia/Ukraine conflict continues, with neither side gaining much ground. The focus of concern remains on inflation, where food ingredients, raw materials and energy prices have impacted end product costs. We have found that the vast majority of companies with which we engage have been able to pass on higher costs, as it is recognised that, in the short term, inflation is being built into the system. Moving forward, a further factor to be considered is the strength of the US dollar against sterling. To some extent, shares in the oil and gas sector, where earnings are in US dollars and costs in sterling, should provide some currency hedge, and we feel positive about prospects for this part of the portfolio. Other sectors to highlight would be healthcare and software, plus encouraging prospects from industrial companies that are seeing recovery from the COVID-19 lockdown period. Our larger company recovery situations should also offer attractive long term prospects. Consequently, despite headwinds, we feel confident that the fund is well-placed moving forwards.

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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