

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

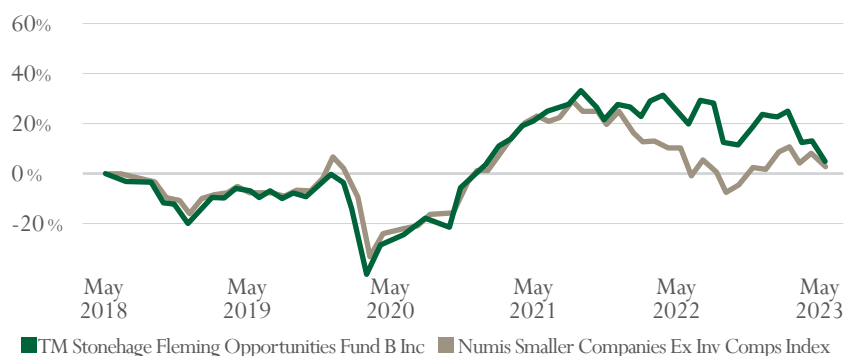
INVESTMENT OBJECTIVE

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	-16.0	-12.6	-15.9	-16.6	37.7	3.8
Numis Smaller Companies Ex Inv Comps Index	-5.9	0.0	1.0	-6.5	30.4	3.1

DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 May	2023	2022	2021	2020	2019
TM Stonehage Fleming Opportunities Fund B Inc	-16.6	3.5	59.7	-19.3	-6.5
Numis Smaller Companies Ex Inv Comps Index	-6.5	-9.5	54.1	-15.9	-6.1

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2022	2021	2020	2019	2018
TM Stonehage Fleming Opportunities Fund B Inc	-15.9	-2.6	27.5	-0.6	24.7	-15.6
Numis Smaller Companies Ex Inv Comps Index	1.0	-17.9	21.9	-4.3	25.2	-15.3

Source: Morningstar as at 31/05/23, % 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 2023. 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	£90.5m
Dealing Frequency	Daily

FEES

Initial Charge	Up to 5.00%
Ongoing Charges Figure (OCF) ²	0.66%
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 began his career in 1963 working initially as an Analyst for Norris Oakley Brothers and later as a smaller companies expert at R Nivison. Paul moved to fund management in 1988 when he joined Glenfriars. Paul then joined Cavendish Asset Management at the group's formation in 1994 and funds were launched. The group was subsequently acquired 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.

FUND MANAGER



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. Nick dealt extensively with portfolios of UK equities, markets and execution strategies. After 27 years at Investec he joined Cavendish Asset Management in November 2017 to jointly manage this fund. The acquisition of Cavendish Asset Management was subsequently 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 (%)

Industrials	19.4
Energy	18.8
Information Technology	16.2
Communication Services	10.2
Real Estate	7.9
Health Care	7.1
Consumer Discretionary	7.0
Financials	5.9
Materials	3.4
Consumer Staples	2.7
Cash	1.3

TOP TEN HOLDINGS (%)

MS International Plc	6.6
Serica Energy Plc	5.6
Lok'nStore Group Pln	5.4
M&C Saatchi Plc	4.4
Bango Plc	4.4
Bisichi Plc	4.0
Senior Plc	3.5
STV Group	2.6
ZOO Digital Plc	2.4
Elementis Plc	2.3

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management as at 31 May 2023.
Third parties whose data may be included in this document do not accept any liability for errors or omissions.

PORTFOLIO COMMENTARY

During the month, the TM Stonehage Fleming Opportunities Fund shares showed a negative performance of 7.52% which compared to the Numis Smaller Companies (ex-Investment Companies) Total Return Index negative return of 3.70% and the fund under-performed due to a large weighting in the energy sector.

The period under review saw inflation fall with the consumer price index at 8.2% having previously risen to double figures with the food sector being one of the more material contributors. Unseasonal warm weather in Europe allowed energy demand to stabilise and reserves to be replenished which ultimately allowed energy prices to fall and Brent Crude for example now stands at levels before the Russian/Ukraine conflict escalated prices to high levels last summer. Global inflation also fell but there were concerns regarding the huge US Budget Deficit which is needs to be reduced.

Notable purchases in the period were Standard Chartered Bank and Vodafone which had fallen back to an attractive level and Microlise (Fleet management software). We also added to Chemring (defence) and RWS (translation services). Our holdings in IQE (computer chips) and Zoo Digital (dubbing services) both raised money for working capital and expansion at discounted share prices and we participated in both. There were no major sales but we trimmed our large interest in Senior (aerospace components).

On the political front, the UK Government are focussed on a reduction in inflation as a principal target and to prudently manage the economy. As a result Sterling has been stronger against many currencies but the rise in interest rates has had a dampening

effect on the housing market. However, with energy prices now lower than last summer and with an election looming next year there could well be an incentive by government to lower taxes and win voters. It may well be that food prices are nearing their peak and leading to a decline in headline inflation. On the other hand, large wage settlements could lead to higher prices for goods and services. In this respect, from the large number of companies we meet, it seems that companies accept that inflationary costs should be covered by internal cost savings and/or higher prices for goods/services provided.

In our opinion, the oil and gas sector remains substantially undervalued but the warm weather and mild winter has led to a fall in energy prices and share prices have fallen to reflect the lower returns. It looks as though OPEC will cut back on production in order to achieve the objective of obtaining an average price of around \$80/bl. A recovery and opening of the Chinese economy should stimulate demand. Consequently, despite short term under-performance, we are happy to maintain our interest in this area of the stock market. Elsewhere, the market has drifted lower to rise to attractive investment propositions. Smaller companies and particularly those listed on AIM have been friendless which has enabled us to add to holdings at attractive prices. Consequently, we feel well placed when the investor confidence is restored.

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 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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