

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**

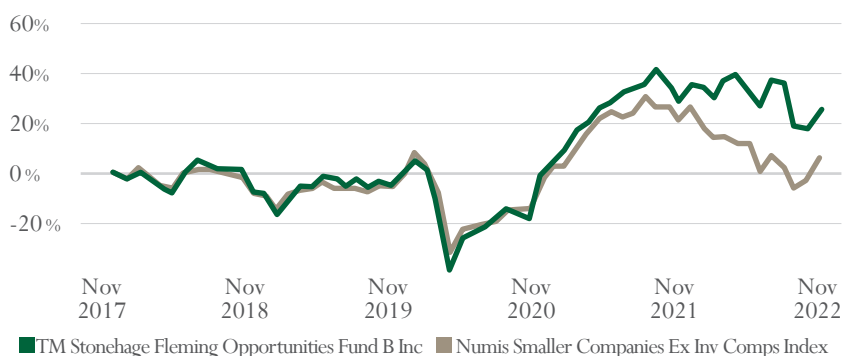
INVESTMENT OBJECTIVE

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	-7.8	-5.4	-7.1	-2.5	23.3	26.0
Numis Smaller Companies Ex Inv Comps Index	2.2	-6.5	-17.1	-12.9	4.6	6.1

DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 30 November	2022	2021	2020	2019	2018
TM Stonehage Fleming Opportunities Fund B Inc	-2.5	27.2	-0.6	8.4	-5.8
Numis Smaller Companies Ex Inv Comps Index	-12.9	24.0	-3.1	9.6	-7.5

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2021	2020	2019	2018	2017
TM Stonehage Fleming Opportunities Fund B Inc	-7.1	27.5	-0.6	24.7	-15.6	13.9
Numis Smaller Companies Ex Inv Comps Index	-17.1	21.9	-4.3	25.2	-15.3	19.5

Source: Morningstar as at 30/11/22, % 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 30 November 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	£106.1m
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 (%)

Energy	27.1
Industrials	15.9
Information Technology	15.2
Health Care	6.9
Consumer Discretionary	7.6
Real Estate	7.6
Communication Services	7.3
Financials	5.2
Materials	3.2
Consumer Staples	2.1
Cash	1.9

TOP TEN HOLDINGS (%)

Serica Energy Plc	6.9
Lok'nStore Group Plc	4.9
Bisichi Plc	4.9
Kistos Plc	3.8
MS International Plc	3.7
Bango Plc	3.5
Parkmead Group Plc	3.5
M&C Saatchi Plc	3.2
EnQuest Plc	3.0
Senior Plc	2.9

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management as at 30 November 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 good recovery in the month and the TM Stonehage Fleming Opportunities Fund advanced by 6.04% which compared to a rise of 7.52% in the Numis Smaller companies (ex-investment companies) Index. There was good rises throughout the portfolio with the stock market seeing relief that the measures in the Autumn Budget were designed to bring stability into the economy albeit at the cost of higher taxation.

The fiscal measures announced previously under the Truss government demonstrated clearly that the economy needed to be managed prudently. The sharp fall in Sterling against the US Dollar and substantial rise in yields on British Government stocks was a signal that the Country cannot rely on cheap debt to stimulate the economy without incurring a fiscal cost. In fact it required the Bank of England to intervene by purchasing gilts in order to stabilise markets which in turn supported mortgage rates from climbing higher. The new government policy which included higher tax increases together with a programme of spending cuts had a positive effect on currency with the pound having a sharp recovery from low levels.

During the month we disposed of our holding in Saga the insurance and travel company. Good progress is being made with both areas but motor insurance is suffering from competitive pressures and inflationary pressure in the cost of repairs. Cruise booking are still buoyant. However, we think that it could take some while for profitability to be fully restored and have taken the view that the funds could be better employed elsewhere. We have reduced a couple of other holdings and switch funds into others including IOG the North Sea gas producer which had suffered recently from production problems. The new management confirmed in a trading statement that these had been overcome and production was back on track. The company has an attractive forward drilling programme and owns licences in a prolific area of potential gas resources.

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.

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For details of the Funds investment policy, please see the Investment Objective and Policy

In November, oil and gas prices have eased back from their peak levels and one disappointment was the Budget increase in the North Sea windfall tax rate from 25% to 35%. This could delay and even postpone drilling programmes and many companies might seek to move into other geographical areas of the world. Asset valuations would become more attractive to acquisitive companies and we feel that it has opened up more opportunities for corporate deals. Many of our companies have sizeable interests in gas where demand is likely to remain strong. Oil prices have moved lower due to the fear of a fall in demand through the effect of recessionary issues affecting many countries. However, if prices stay at current levels it should help to ease inflationary pressures and be of benefit to the UK economy. Results from our holdings in the sector would still be attractive and cash generated from operations would be available for reinvestment in further drilling or acquisitions. Due to the continuing conflict in the Ukraine, the North Sea should remain a key area for providing energy needs of the UK.

Global inflation has caused Central Banks to increase interest rates and the cost of borrowing. Wage rises would fuel inflation as companies look to increase prices to mitigate these higher costs. We have found that the majority of companies we have spoken to are able to do this and are sometimes able to re-negotiate contracts to take account of higher costs. Smaller companies tend to be relatively nimble when faced with cost cutting and at current share price levels there could also be an increase in takeover activity. Even though the stock market has shown a small relative recovery there are many companies which could be attractive to being acquired by private equity funds. It has been seen on many occasions in the past that stock markets can recover when least expected and often before an economic recovery is seen. We feel that the current portfolio contains a large number of undervalued situations and is well placed to taken advantage of the market re-rating when it occurs.

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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