

TM STONEHAGE FLEMING OPPORTUNITIES FUND



ACTIVELY
MANAGED



STOCK PICKING
APPROACH



LONG-TERM
INVESTMENT HORIZONS



NAVIGATING TO INVESTMENTS
WITH CLEAR STRATEGIES



GROWTH
MINDSET

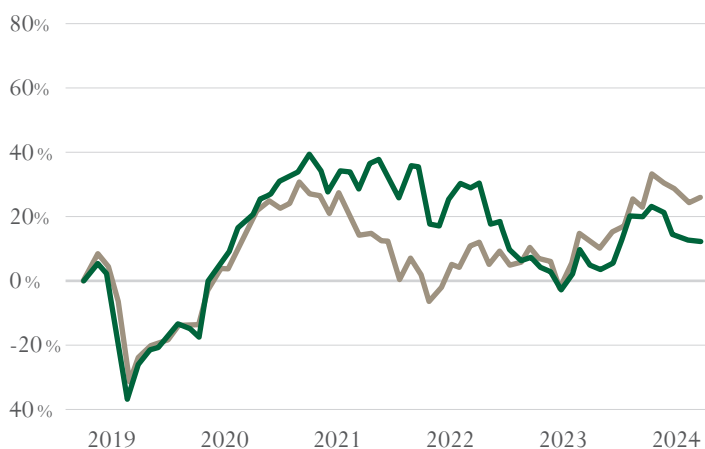
INVESTMENT OBJECTIVE

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



12.81% TM SF Opp Fund B Inc 24.64% Numis Smaller Companies Ex Inv Comps Index

PORTFOLIO COMMENTARY

On 30 October Rachael Reeve, the Chancellor of the Exchequer, announced her first Budget with the objective of raising £40 billion in taxation without breaking the election pledge to leave personal taxation, employee national insurance contributions, VAT and corporation tax untouched. This left little room for manoeuvre and one of the main measures was to impose an increase in national insurance contributions by companies. To mitigate against this companies would either have to increase prices or cut costs. Perhaps companies would become more efficient but inflation is likely to be squeezed which in turn could lead to interest rates staying higher than might otherwise be expected. Fortunately, rather than being removed as feared, Inheritance Tax (IHT) relief was adjusted and reduced by 50% resulting in an effective tax rate of 20%. Although not an ideal outcome it still left incentive for companies to list on AIM. Equally, the measure to bring inherited pensions into taxation might lead to the encashment of pensions to switch in AIM listed shares thereby reducing the death duty levy from 40% to 20%. In the wider market there are a large number of undervalued recovery situations and we would cite the insurance and fund management sectors where highly attractive dividend yields can be found. Another factor to affect investors was the rise in capital gains tax rate from 20% to 24% for higher rate tax payers. On a more positive note, ISA legislation was untouched with the annual contribution frozen at £20,000 was widely leaked before the Budget. Consequently, it leaves an incentive for equity investment and favours our stock picking approach.

We have seen a strong performance from a number of shares in which have been originally purchased as recovery situations or in out of favour sectors of the market and this has led us to make a number of changes in the portfolio. In particular the banking sector performed strongly which prompted us to sell our holding in Standard Chartered Bank and reduce Barclays. We sold our holding in Eckoh (technology) after it agreed to a cash takeover approach and reduced Direct Line after AVIVA indicated terms on which it wished to acquire the company. Completely new holdings were started in Ashtead Technology (oil services), Renishaw (analytical instruments and medical devices), Spirax Group (thermal energy and fluid technology), XP Power (critical power control solutions), and Schroders (asset management). All of these companies offer strong recovery prospects which are not recognised in the depressed level of their share prices. Stock market valuations are at attractive levels which may lead to further takeover activity as companies recognise the benefits of merger rationalisation and cost cutting synergies. Looking ahead, we feel that the fund portfolio consists of a large number of significantly undervalued shares which will drive long term performance.

FUND INFORMATION

KEY FACTS

Launch Date	15 February 1988
IA Sector	UK All Companies
Fund Size	£84.3m
Dealing Frequency	Daily

MINIMUM INVESTMENT

Lump Sum	£50,000
Additional	£5,000
Regular Savings	N/A

FEES

Initial Charge	Up to 5.00%
Ongoing Charges Figure (OCF)*	0.67%
Annual Management Charge	0.60%

* 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.

CUMULATIVE FUND PERFORMANCE (%)

Performance	3m	6m	YTD	1yr	3yrs	5yrs
TM Stonehage Fleming Opportunities Fund B Inc	-6.9	-5.7	2.9	11.2	-10.8	12.8
Numis Smaller Companies Ex Inv Comps Index	-2.5	0.8	9.2	19.4	3.7	24.6

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2023	2022	2021	2020	2019
TM Stonehage Fleming Opportunities Fund B Inc	2.9	-15.2	-2.6	27.5	-0.6	24.7
Numis Smaller Companies Ex Inv Comps Index	9.2	10.1	-17.9	21.9	-4.3	25.2

Source: Morningstar as at 30/11/2024, % 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. All investments risk the loss of capital. Investors may not get back the original amount invested. Income from investments may vary and is not guaranteed. Performance figures are net of fees and charges. For a full list of risks applicable to this fund, please refer to the Prospectus.

The fund holds 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.

Source for all performance is Stonehage Fleming Investment Management Limited as at 30 November 2024. Total return (with dividends reinvested) is net of fees.

TM STONEHAGE FLEMING 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	29.0
Energy	14.7
Information Technology	11.6
Consumer Discretionary	9.7
Financials	7.5
Health Care	6.9
Communication Services	6.2
Materials	4.9
Consumer Staples	2.9
Real Estate	2.5
Cash	4.1

TOP TEN HOLDINGS (%)

MS International Plc	7.9
Costain Group	4.4
Avon Technologies Plc	3.1
Serica Energy Plc	3.0
Elementis Plc	2.7
STV Group	2.5
Senior Plc	2.5
Bisichi Plc	2.4
Supreme Plc	2.4
Bango Plc	2.3

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management Limited as at 30 November 2024. Third parties whose data may be included in this document do not accept any liability for errors or omissions.

OUTCOME OF FAIR VALUE ASSESSMENTS (2023)

Our assessment confirms:

- The fund meets the needs of the target market.
- The intended distribution strategy remains appropriate.
- The fund provides fair value to customers.

INVESTOR PROFILE

The fund is appropriate for all investor types, including those with only a basic knowledge of funds. It is compatible with investors who do not need a capital guarantee (investors must be prepared to accept fluctuations in the value of capital, including the ability to bear 100% capital loss) and are seeking capital growth. Due to the volatility of markets, investors should be willing to accept price fluctuations in exchange for the opportunity of potentially higher returns. This is a long term investment and investors should have an investment time horizon of at least 5 years. The recommended holding period does not provide any guarantee that the objective will be achieved. This product is eligible for all distribution channels (e.g. investment advice, portfolio management, non-advised sales and pure execution services).

The fund is unlikely to be appropriate for those who:

- Are looking for full capital protection or full repayment of the amount invested, and those who want a guaranteed return
- Have no risk tolerance
- Who are unwilling to accept price fluctuations (volatility) in the value of the fund
- Do not intend to invest for the long term

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.

FUND MANAGERS



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.



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



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 that 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.tutman.co.uk/literature/

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STONEHAGE FLEMING INVESTMENT MANAGEMENT LIMITED

6 St James's Square London SW1Y 4JU United Kingdom t: +44 20 7087 0000 e: enquiries@stonehagefleming.com

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