

**TM STONEHAGE FLEMING  
AIM FUND**



**ACTIVELY  
MANAGED**



**STOCK PICKING  
APPROACH**



**LONG-TERM  
INVESTMENT HORIZONS**



**NAVIGATING TO INVESTMENTS  
WITH CLEAR STRATEGIES**



**GROWTH  
MINDSET**

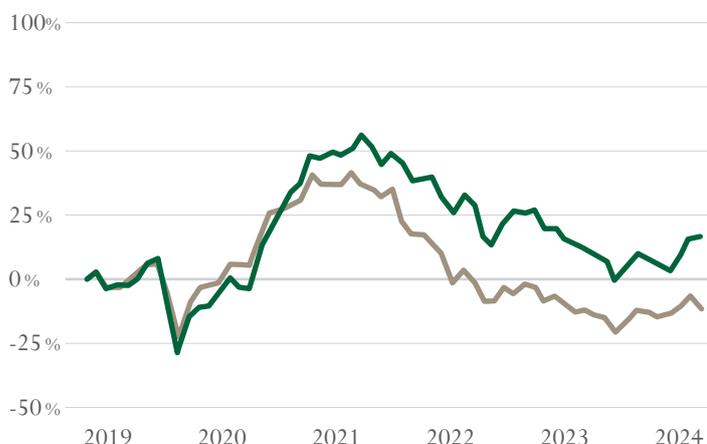
## INVESTMENT OBJECTIVE

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



16.43% TM SF AIM Fund B -12.50% Numis Alt Markets Index

## PORTFOLIO COMMENTARY

Following the surprise snap General Election announced by the Prime Minister, political parties produced their manifestos and politicians were busy canvassing ahead of the July 4th polling day. According to opinion polls the Labour Party is heading for a substantial majority of seats in the Houses of Parliament. Both major parties have promised not to increase national insurance contributions and to keep income tax, corporation tax and VAT unchanged. Assuming the Labour Party gets elected, it will need to finance some of the measures covered in its mandate. Uncertainty therefore exists on whether it will tinker with Capital Gains Tax and pensions. Equally, it may well increase the level of the energy "windfall" tax but this would have a damaging effect on employment and make the UK more dependent on Oil and Gas imports. A major positive is that Sir Kier Starmer is referring to the Labour Party as one of moderation and perhaps a change of stance over the last few years. Rather like the Blair Government, he is wanting to grow the economy and appears to be business friendly. This being the case a more stable government should be beneficial to smaller companies. Inflation has fallen to Bank of England's Monetary Policy Committee (MPC) 2% inflation target leading to the possibility of a reduction in interest rates. Any incoming government would review the inflation target but it is likely to remain unchanged. Most opinion polls have forecast a Labour election victory for several months and the stock market has remained firm with evidence of investors' confidence returning to smaller companies. Several companies listed on AIM have been subject to takeover and recycling of the proceeds by IHT funds would have a positive effect on the AIM market.

After announcing results, we participated in a placing of shares at a substantial discount to our holding in Inspiration Healthcare (neonatal intensive care medical devices) which raised money for working capital to support potential orders. We also added to Alliance Pharma (international consumer healthcare brands), Avingtrans (industrial products and services), Inspects (spectacle frames and lenses) and sold RBG (legal services). MS International, our largest holding, produced spectacular results and for technical reasons, following the sharp rise in the share price, we were compelled to reduce our holding. It is encouraging that smaller companies and those listed on AIM are beginning to outperform the rest of the stock market. There is always the possibility of an incoming new Government tampering with inheritance tax relief but it seems more likely that the Labour Party will want to encourage investment in this area of the stock market. The General Election will remove an area of uncertainty but conflicts in the Middle East and Ukraine remain in the background. Smaller UK company shares are attractively priced and with the prospect of a reduction in interest rates by the end of the year we feel that the fund is well placed to offer above average capital appreciation.

## FUND INFORMATION

### KEY FACTS

Launch Date	5 October 2005
IA Sector	UK Smaller Companies
Fund Size	£78.9m
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 AIM Fund B	12.4	6.4	6.4	3.1	-21.5	16.4
Numis Alternative Markets Index	3.3	1.0	1.0	2.2	-36.4	-12.5

## CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2023	2022	2021	2020	2019
TM Stonehage Fleming AIM Fund B	6.4	-12.8	-15.9	27.1	11.2	36.7
Numis Alternative Markets Index	1.0	-7.2	-31.1	7.6	19.3	14.7

Source: Morningstar as at 30/06/2024, % 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 June 2024. Total return (with dividends reinvested) is net of fees.

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AIM FUND**

**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 (%)**

Industrials	27.7
Information Technology	26.1
Health Care	15.2
Consumer Discretionary	9.9
Energy	6.8
Communication Services	4.9
Consumer Staples	3.7
Materials	2.4
Real Estate	0.0
Cash	3.2

**TOP TEN HOLDINGS (%)**

MS International Plc	9.8
Netcall Plc	3.0
Supreme Plc	2.9
Hargreaves Services	2.9
Venture Life Group Plc	2.8
Kooth Plc	2.6
ZOO Digital Group Plc	2.5
Altitude Group Plc	2.4
Eckoh Plc	2.4
Microlise	2.3

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management Limited as at 30 June 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 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/](http://www.tutman.co.uk/literature/)

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**STONEHAGE FLEMING INVESTMENT MANAGEMENT LIMITED**

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[www.stonehagefleming.com/investments](http://www.stonehagefleming.com/investments)