

**TM STONEHAGE FLEMING
AIM FUND**



**ACTIVELY
MANAGED**



**STOCK PICKING
APPROACH**



**LONG-TERM
INVESTMENT HORIZONS**



**NAVIGATING TO INVESTMENTS
WITH CLEAR STRATEGIES**



**GROWTH
MINDSET**

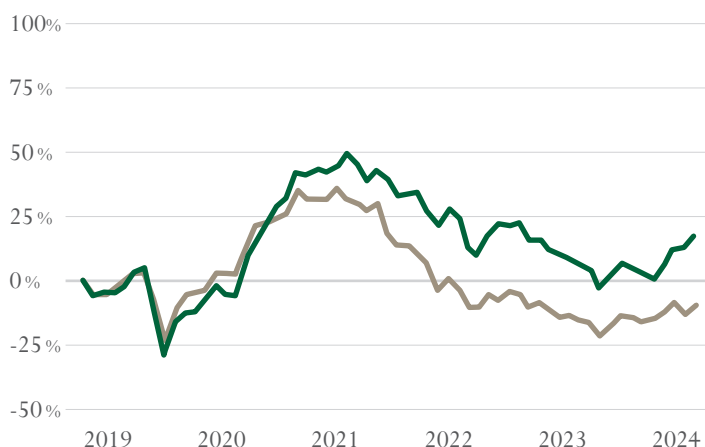
INVESTMENT OBJECTIVE

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



18.29% TM SF AIM Fund B -10.85% Numis Alt Markets Index

PORTFOLIO COMMENTARY

It was no surprise that, as predicted by opinion polls, the Labour Party were elected to government by a huge majority. King Charles in his King's Speech laid out the legislative programme to be put before the House of Commons by the new Government. The mission was to secure economic growth without increasing income tax, corporation tax, national insurance and VAT. It was to encourage house building by introducing planning reforms and to improve the National Health Service (NHS) by making moves such as to reduce waiting lists. In her initial statement Rachel Reeves, the new Chancellor of the Exchequer, set a responsible tone and the UK stock market and Sterling performed well. She subsequently claimed that there was a c£22 bn hole in the public finances and a promised 5% wage increase for public workers means that to balance the books, Capital Gains Tax and pensions might well be reassessed and targeted. Rather than making a snap decision details will be announced in her Autumn Statement at the end of October. For the time being inflation has settled at 2% leading to a probable reduction in bank rate which has been at 5.5% for the last two years. A major factor following the result of the General Election has been the removal of political uncertainty and the new Prime Minister seems to be adopting a moderate and responsible leadership. Against this background, investor sentiment has improved and we have also found that company management is generally more confident. It is encouraging that the bulk of the companies in which we have a holding are in line to meet market profit expectations.

Due to the substantial out-performance, our holding in MS International was approaching 10% of the portfolio valuation. We had been gradually reducing its size but during the month we took the opportunity to make a sizeable reduction at a favourable share price, so that the holding is at a more comfortable level. This released funds to enable us to add to a large number of holdings in the portfolio. Included in those were Serica and Kistos the oil and gas producers where, fears of the penal tax regime left shares prices at highly attractive levels. A significant addition was made to the holding in Eagle Eye the IT software promotion company which produced impressive results in the month. We also started a new holding in Gamma Communications the managed voice and data services company which is growing and coupled with a high level of recurring revenue also has a strong balance sheet. Until the Autumn Statement is announced there remains uncertainty about the measures that the Chancellor will take to raise funds to cover government expenditure. However, one of the main priorities lies in reducing waiting lists in the NHS. With a limited capital budget, the aim would be to improve efficiency which can be achieved through outsourcing and some of our holdings would benefit further from this initiative. There is further potential with other stocks in the portfolio and we feel positive about the outlook but are aware that the conflicts in the Middle East and Ukraine remain areas of uncertainty and Ukraine and other unforeseen circumstances can unsettle stock markets.

FUND INFORMATION

KEY FACTS

| | |
|-------------------|----------------------|
| Launch Date | 5 October 2005 |
| IA Sector | UK Smaller Companies |
| Fund Size | £82.7m |
| 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 | 11.2 | 12.8 | 11.2 | 10.0 | -17.2 | 18.3 |
| Numis Alternative Markets Index | 3.6 | 5.3 | 3.8 | 4.4 | -34.6 | -10.8 |

CALENDAR YEAR PERFORMANCE (%)

| Performance | YTD | 2023 | 2022 | 2021 | 2020 | 2019 |
|---------------------------------|------|-------|-------|------|------|------|
| TM Stonehage Fleming AIM Fund B | 11.2 | -12.8 | -15.9 | 27.1 | 11.2 | 36.7 |
| Numis Alternative Markets Index | 3.8 | -7.2 | -31.1 | 7.6 | 19.3 | 14.7 |

Source: Morningstar as at 31/07/2024, % 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 31 July 2024. Total return (with dividends reinvested) is net of fees.

**TM STONEHAGE FLEMING
AIM 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 | B0JX3Z5 |
| ISIN CODES: | |
| Class B Share | GB00B0JX3Z52 |
| LIPPER IDS: | |
| Class B Share | 65009655 |

SECTOR ALLOCATION (%)

| | |
|------------------------|------|
| Industrials | 25.5 |
| Health Care | 22.8 |
| Financials | 12.3 |
| Consumer Discretionary | 10.9 |
| Communication Services | 8.6 |
| Industrials | 7.5 |
| Consumer Staples | 7.3 |
| Materials | 3.8 |
| Cash | 1.3 |

TOP TEN HOLDINGS (%)

| | |
|----------------------------|-----|
| MS International Plc | 7.9 |
| Supreme Plc | 3.4 |
| Hargreaves Services | 3.0 |
| Netcall Plc | 3.0 |
| Venture Life Group Plc | 2.9 |
| Kooth Plc | 2.7 |
| Velocity Composites Plc | 2.4 |
| Eckoh Plc | 2.4 |
| ZOO Digital Group Plc | 2.4 |
| Advanced Medical Solutions | 2.4 |

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management Limited as at 31 July 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/

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www.stonehagefleming.com/investments