

**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**

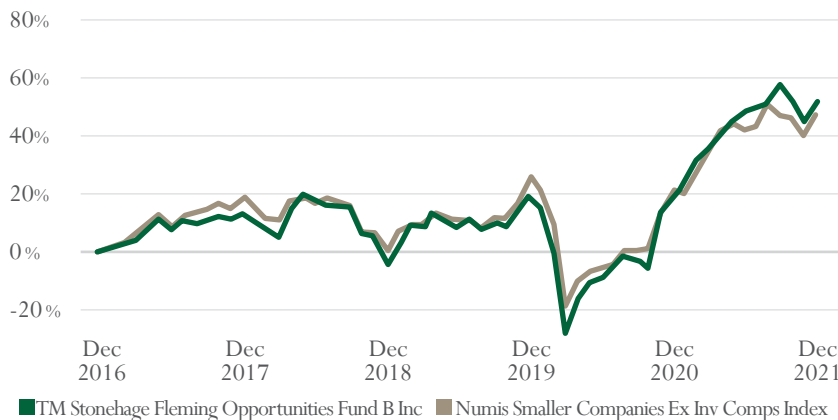
INVESTMENT OBJECTIVE

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	-4.0	2.2	27.5	27.5	58.0	51.9
Numis Smaller Companies Ex Inv Comps Index	0.3	3.8	21.9	21.9	46.1	47.8
IA UK Smaller Companies Peer Group Percentile	99	85	5	5	9	21

DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 December	2021	2020	2019	2018	2017
TM Stonehage Fleming Opportunities Fund B Inc	27.5	-0.7	24.7	-15.6	13.9
Numis Smaller Companies Ex Inv Comps Index	21.9	-4.3	25.2	-15.4	19.5
IA UK Smaller Companies Peer Group Percentile	5	22	33	89	42

CALENDAR YEAR PERFORMANCE (%)

Performance	2021	2020	2019	2018	2017	2016
TM Stonehage Fleming Opportunities Fund B Inc	27.5	-0.7	24.7	-15.6	13.9	13.6
Numis Smaller Companies Ex Inv Comps Index	21.9	-4.3	25.2	-15.4	19.5	11.1

Source: Morningstar as at 31/12/21, % 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 December 2021. 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	£124.9m
Dealing Frequency	Daily

FEES

Initial Charge	Up to 5.00%
Ongoing Charges Figure (OCF) ²	0.67%
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 has extensive investment experience. Having worked initially as an Analyst for Norris Oakley Brothers and later as a smaller companies expert at R Nivison, he moved to fund management in 1988 when he joined Glenfriars. He then joined Cavendish Asset Management at the group's formation in 1994. The acquisition of Cavendish Asset Management was made 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. During this period Nick dealt extensively with Paul Mumford on the analysis of UK equities, markets and execution factors. This partnership made a compelling proposition and after 27 years at Investec he joined Cavendish Asset Management in November 2017 to jointly manage the funds. The acquisition of Cavendish Asset Management was 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.

**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	21.1
Industrials	17.2
Information Technology	15.0
Health Care	12.0
Communication Services	7.6
Real Estate	6.5
Consumer Discretionary	6.5
Financials	6.3
Consumer Staples	3.2
Materials	3.2
Cash	1.4

TOP TEN HOLDINGS (%)*

Serica Energy Plc	5.7
Lok'nStore Group Plc	4.3
Eagle Eye Solutions Group Plc	3.3
M&C Saatchi Plc	3.1
Bango Plc	3.0
Senior	2.9
Kistos Plc	2.8
STV Group	2.6
TT Electronics	2.4
Enquest Plc	2.3

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management as at 31 December 2021. Third parties whose data may be included in this document do not accept any liability for errors or omissions.

PORTFOLIO COMMENTARY

The Numis Smaller Companies Index (ex. Investment Companies) increased by 5.0% in the month and finished the year on a strong note. The TM Stonehage Fleming Opportunities Fund moved closely in line with its value, advancing by 4.9%. Part of this performance will be attributed to an overweight position in the energy sector, where share prices performed well on the back of strong oil and gas prices. We also saw the emergence of takeover activity for our holding in Clinigen which promotes and licenses pharmaceuticals. Otherwise, there was limited news flow from our holdings where the majority have December year ends.

It is encouraging that although December can be a quiet month for smaller companies, it created the opportunity to add to several companies including Hunting (oil services), Made Technologies (outsourcing), and Zoo Digital (dubbing). A new holding added was CT Automotive, an IPO of a company which manufactures interior products such as dashboard vents and cup holders supplied to a large number of global car manufacturers with a variety of different models. To raise funds we disposed of our holding in BP and reduced our interest in Lloyds Bank, both of which had performed well.

The notable events in the month were the rise in inflation, the unexpected increase in interest rates and measures to combat the rapid spread of the Omicron

strain of the Coronavirus. Fortunately, none of these seem to have had an adverse effect on the equity market. Some measures were taken to safeguard the spread of Omicron, and the country was not put into a full lockdown. It was recognised that the effects were not as serious as previous variants given full vaccination levels and booster jabs being administered to the population. Equally, the small increase in interest rates appears to not have a material impact on the economy. Inflationary pressures could have a greater impact, but most companies accept that the rises in energy and other input costs can potentially be offset, and some of the rises are passed on to customers. The rise in wage restraint should add to higher inflation as companies try to maintain margins, and we are mindful of the possible negative impact on some areas of industry.

Despite a mild winter, the high level of energy prices persists, with share prices in the oil and gas sector not fully accounting for the rise in earnings and cash flow which may now be expected. We feel comfortable with our exposure to the sector and feel that exciting prospects remain with the rest of the portfolio. Our exposure to the IT and healthcare sectors gives us confidence in the outlook. Although several uncertainties remain, we would look for a further recovery in the global and domestic economies and, moving forward, are positive that the fund is well positioned for whatever lies ahead.

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.

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.

© Stonehage Fleming Investment Management Limited 2022