

AIM Portfolio Service

QUARTERLY FACTSHEET

all data as at the 30 June 2021

Portfolio Objective

To achieve capital growth over the medium to long term from a portfolio of AIM-listed companies which we reasonably believe qualify for Business Relief.

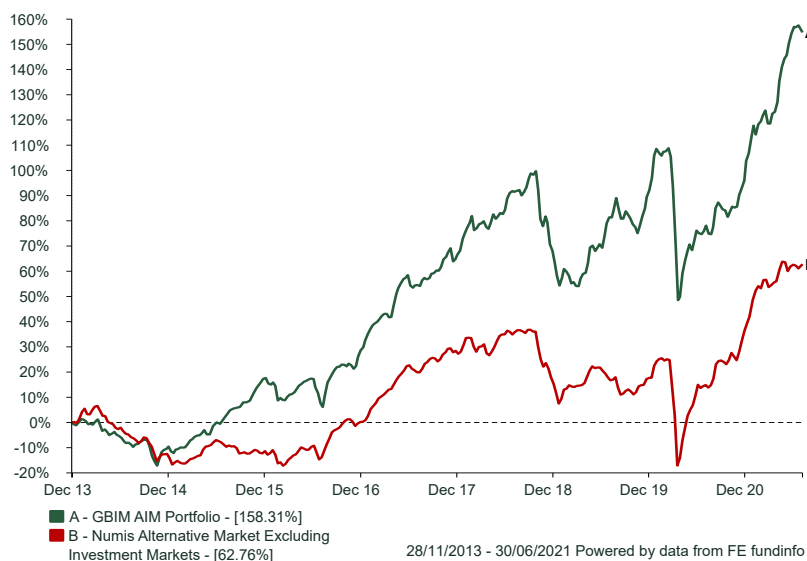
Manager Commentary

The portfolio rose by 14.97% over the quarter compared to the benchmark of 4.95%. The UK market continued with the recovery which started last November following the successful rollout of the vaccine albeit the significant switch from growth into value stocks ran out of steam. Fears over inflation becoming embedded rather than a temporary concern and the ongoing increase of covid cases tempered investor enthusiasm and caused some volatile conditions at times but most companies and sectors continued to see increases in demand. On the negative side, there is little doubt that costs are rising with significant staff shortages in many areas causing a sharp rise in employment costs, whilst supply chains are being seriously stretched as economies recover. Most of the companies within the portfolio are what investors describe as 'business to business' service providers so should not be as impacted by these issues, although we do need to be aware that in other sectors margins are under pressure due to these cost increases.

Activity within the portfolio has been limited and involved a further reduction of the ever-successful Cerillion, which was becoming too large a proportion of the fund, and an outright sale of Gooch and Housego with reinvestment into Judges Scientific. Gooch and Housego operate in some highly specialised and concentrated engineering areas and although a well-run company they were seeing demand come under pressure and we preferred the greater spread of operations at Judges Scientific with their excellent track record of consistently buying and integrating specialist companies and applying their strict management controls.

Although you will see that we provide in the performance figures a comparison with the relevant benchmark we do not aim to track this index. Our investment process is extremely disciplined and designed to reduce risk in what is a high-risk area of the market. The benchmark index is distorted by a small number of very large companies that do not fit into our investment process and as such we must point out that at times we will see performance that is significantly different to the index.

Representative Performance Since Launch (%)



Representative Cumulative Performance (%)

	6 Mths	1 Yr	3 Yrs	5 Yrs	Launch
Portfolio	17.77	47.99	34.51	140.28	158.31
Benchmark	9.02	42.37	20.65	87.58	62.76
Relative Performance	8.75	5.62	13.86	52.70	95.55

GBIM

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INVESTMENT MANAGEMENT

Investment Managers



Tom Hewitt Director

Tom joined in 2017. Previously he spent 14 years at Lloyds Bank lending to small and medium sized businesses. Tom is a Chartered Member of the CISI.



Bertie Gore Browne Director

Bertie is a co-founder of Gore Browne Investment Management and has been managing private client and charity portfolios since 1987. Bertie is a Fellow of the CISI.

Key Details

Benchmark	Numis Alternative Markets Excluding Investment Companies
Launch date	28 November 2013
TER	2.09%
Holdings	22
Historic yield	0.66%

Note that each client's portfolio is treated separately. Whilst stocks held are likely to be similar across client portfolios, weightings or levels of cash held within each account will vary. This is an actual portfolio which is the most representative example and provides the most accurate representation of GBIM's AIM Portfolio Service.

Portfolio Benefits

- ✓ All investments in the Service we reasonably believe should qualify for business relief and be exempt from IHT (Inheritance Tax), if they are held for two years and at the time of death.
- ✓ The Portfolio Service allows access to smaller and often under researched companies, with potential for strong capital growth.
- ✓ Our Portfolio Service has made a benchmark-beating return since inception.

Key Risks

- ⊗ Investors' capital is at risk and they may not get back the full amount that they invest.
- ⊗ We cannot guarantee that every investment will qualify for Business Relief.
- ⊗ Most of the investments in this portfolio are in smaller companies' shares. They may be more difficult to buy and sell and their share price may fluctuate more than that of larger companies.

Contact Us

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Representative Sector Allocation (%)

Software & IT	25.4	<div></div>
Support Services	22.4	<div></div>
Industrial Engineering	11.1	<div></div>
Pharmaceuticals	10.3	<div></div>
Telecommunications	6.1	<div></div>
Leisure Goods	5.3	<div></div>
Construction & Materials	5.2	<div></div>
Real Estates	4.3	<div></div>
Beverages	3.4	<div></div>
Financial Services	1.7	<div></div>
Cash	4.8	<div></div>

Example of Holdings



Glossary

AIM – Alternative Investment Market:

Most securities listed on the AIM market qualify for Business Relief. Securities listed on AIM are generally smaller companies and are therefore higher risk.

Business Relief:

If you own a private business it would qualify for Business Relief, similar to receiving Agricultural Relief on a farm. As such the value of that business would be outside of your estate for Inheritance Tax calculations. Inheritance Tax is currently levied at 40% over and above any applicable allowances at the time of death. You can therefore invest in a number of AIM-listed securities which, if held for more than two years, may qualify for Business Relief. The potential tax saving for your beneficiaries could potentially therefore be 40% on the value of your AIM-listed securities, assuming the two-year qualifying period has been achieved.

ISA – Individual Savings Account:

Since 2013 you are able to invest in AIM-listed securities within your ISA so this provides further tax advantages as any crystallised gains would not be subject to Capital Gains Tax and any income would not be subject to higher-rate tax.

TER - Total Expense Ratio:

This includes GBIM's Investment Management Fee, the Custody Fee, and commissions on dealings at both initiation and switching 20% of the portfolio per year. This also incorporates VAT which is payable on the Investment Management Fee.

Total Return:

A measure which incorporates the reinvestment of dividends over time.

Yield:

Calculated by dividing each company's latest financial year's dividends by the current market value of the firm, then multiplying by 100 to arrive at a percentage figure.

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