

AIM Portfolio Service

QUARTERLY FACTSHEET

all data as at the 31 March 2023

Portfolio Objective

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

Manager Commentary

The portfolio rose by 1.70% over the quarter compared to the benchmark which declined by 2.84%.

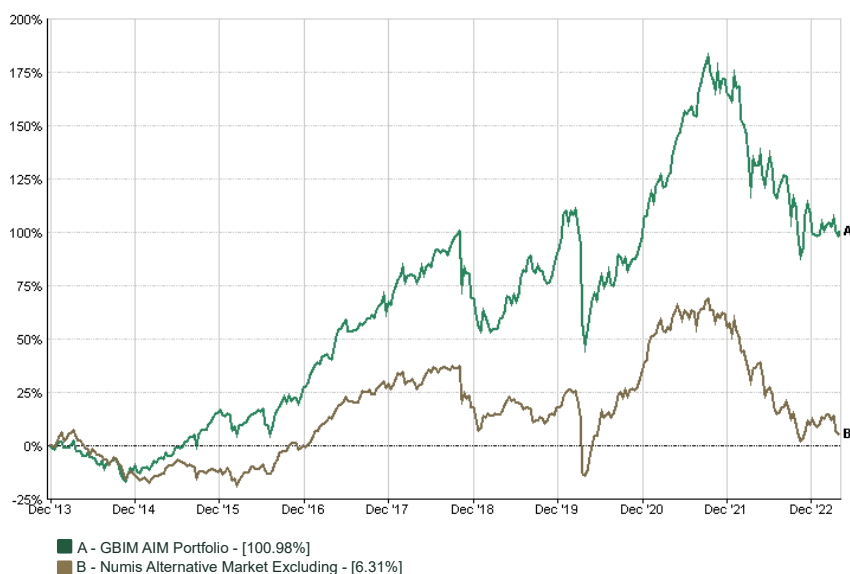
This quarter was positive due to a number of companies reporting improvements in supply chains and inflationary pressures starting to ease. The general theme we are hearing from our companies is that they are managing the pricing and inflation situation well. Johnson Service Group (JSG), Marlowe (MRL), and Breedon (BREE) were strong contributors to the performance of the portfolio in the first quarter. JSG has weathered the pandemic-related disruption to now see a recovery in volumes/margin and a recent share buyback announcement has helped the valuation. Marlowe has run an aggressive buy and build model which was particularly successful in the low interest environment of the last decade. However, as the macroeconomic environment has now changed, MRL management announced at their Capital Markets Day that they aim to focus on "margin expansion through integrating acquisitions" and given the defensive nature of the business we welcome MRL taking a breather to wait for synergies to come through and reduce their debt levels. Lastly, Breedon has been growing modestly over the years as a result of stronger infrastructure activities in the UK. However, they recently announced plans to move onto the main market and as a result we will be switching out of it

Meanwhile, MJ Hudson has agreed to sell its business units to various buyers for approx. £41m and the majority of the consideration will be used to repay the £33.7m of debt owed to its senior lender. Unfortunately, it is highly unlikely that there will be any remaining proceeds available to shareholders following payment of all creditors and costs. It is a disappointing outcome, one which we will reflect on and learn lessons from.

To further diversify our portfolio, we started a position in Ashtead Technology (AT) in January. AT is a subsea equipment rental and solutions provider for the global offshore energy sector. The importance of energy security has never been more relevant, and AT is well placed to benefit from The West's need for energy sources closer to home. The sector is experiencing record demand and orderbooks are full many years in advance. The longer-term focus is on Renewable Energy projects given the wider transition to clean energy and the vast investment that will be required from governments and the private sector in the infrastructure of an electrified world.

Overall, we have started 2023 on a positive note and hope to continue this momentum for the rest of 2023.

Representative Performance Since Launch (%)



Representative Cumulative Performance (%)

	6 Mths	1 Yr	3 Yrs	5 Yrs	Launch
Portfolio	1.14	-13.02	29.42	13.70	100.98
Benchmark	0.77	-22.18	20.56	-16.09	6.31
Relative Performance	0.37	9.16	8.86	29.79	94.67

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INVESTMENT MANAGEMENT

Investment Managers



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



Bertie Gore Browne Snr Investment Manager
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.



Tinzar Minmin Investment Manager
Tinzar joined in 2019. Previously she worked as an Analyst at the Bank of New York Mellon. Tinzar is a Chartered Member of the CISI.

Key Details

Benchmark	Numis Alternative Markets Excluding Investment Companies
Launch date	28 November 2013
TER	1.93%
Holdings	22
Historic yield	2.03%

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 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 (%)

Support Services	30.3	<div></div>
Software & IT	27.9	<div></div>
Industrial Engineering	10.6	<div></div>
Pharmaceuticals	7.7	<div></div>
Telecommunications	6.4	<div></div>
Construction & Materials	6.3	<div></div>
Real Estates	6.2	<div></div>
Beverages	3.1	<div></div>
Financial Services	0.8	<div></div>
Cash	0.7	<div></div>

Example of Holdings



Glossary

AIM – Alternative Investment Market:

Most securities listed on the Alternative Investment 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.

IMPORTANT INFORMATION

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