

31 December 2022

Key information as at 31/12/2022

Launch date

30 June 2006

Minimum investment

£50,000

Investment team

Evelyn Partners Investment Management LLP ("Evelyn Partners") has successfully managed an AIM Portfolio Service since 2006 and has one of the largest and most experienced AIM teams with over 100 years' of combined industry experience.

Jamie Summers - Partner

Jamie.summers@evelyn.com

020 7131 4641

Nicholas Scarborough - Partner

Nicholas.scarborough@evelyn.com

020 7131 4217

AIM portfolio service

The AIM portfolio service is specifically designed to mitigate a potential Inheritance Tax (IHT) liability. This is achieved by investing in a discretionary portfolio of AIM companies, managed by a dedicated and specialist team, that qualify for Business Relief.

Shares in AIM companies are treated as unquoted for tax purposes, meaning that investors can benefit from Business Relief and obtain 100% relief from IHT provided that the shares have been held for a total period of no less than two years at the date of death. The service is a relatively simple, cost-effective and quick means of reducing IHT whilst providing growth potential and access to capital.

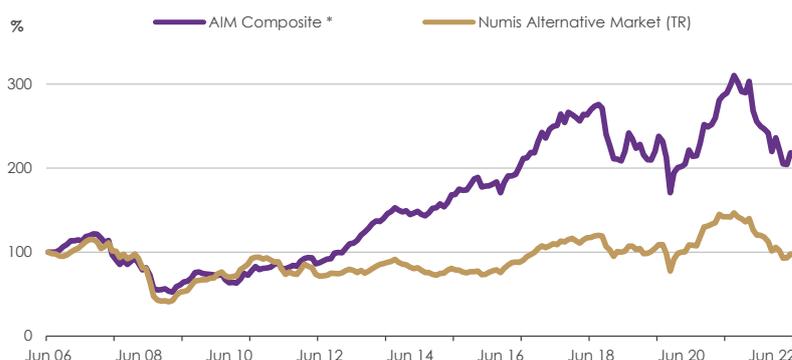
Investment strategy

Evelyn Partners applies a disciplined investment process focusing on high-quality, resilient companies with more defensive characteristics than the wider AIM Index. To reduce stock specific risk, we seek to hold a minimum of 25 companies from a variety of sectors, selected for their long-term potential and target companies with a minimum market capitalisation of £100 million. We carry out our own research and meet the management of each company before investing.

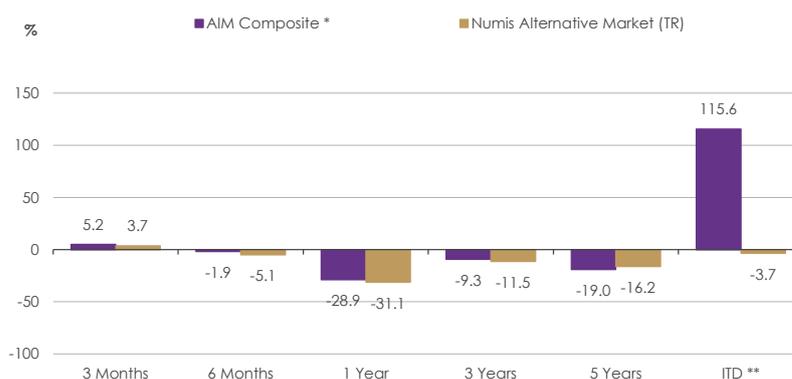
About us

At Evelyn Partners our mission is 'to place the power of good advice into more hands'. As experts in wealth management since 1836, we look after our global clients from offices across the UK, Republic of Ireland and Channel Islands. We're proud that many financial advisers choose us to manage their clients' wealth too. That's because our advice is delivered by people who care, who go further to understand the adviser's needs and those of the client, ensuring that we provide investment solutions that are right for you. That is the power of good advice.

Cumulative performance inception to 31 December 2022



Cumulative performance to 31 December 2022



Key data

The data below is based on the current holdings in the AIM portfolio service

Average market capitalisation	£527 million
Average PBT	£22 million
Average trading history	46 years
Average PE	17.2 x
Average yield	1.9%



Largest portfolio holdings

Holding	Sector
Keywords Studios	IT Services
Renew Holdings	Construction & Engineering
YouGov	Media
Learning Technologies Group	Professional Services
CVS Group	Health Care Providers & Services
Impax Asset Management Group	Capital Markets
Learning Technologies Group	Software & Computer Services
Breedon Group	Construction Materials
Gamma Communications	Telecommunication Services
Advanced Medical Solutions Group	Health Care Equipment & Supplies

Discrete annual performance to 31 December 2022

1 Year (%) to the end of	Dec 22	Dec 21	Dec 20	Dec 19	Dec 18
AIM Composite *	-28.9	20.5	5.8	12.6	-20.7
Numis Alternative Market	-31.1	7.6	19.3	14.7	-17.5

Investment commentary

2022 will not be fondly remembered by investors in AIM. It was characterised as the year of the UK "mega cap" – the large, stodgy, old-world businesses that populate the FTSE 100 and have largely been out of favour over the past decade. These businesses, such as the large oil and mining companies, are not represented within AIM, and the perception of AIM as an early stage "growth" market has been unhelpful. As is often the case, the reality is somewhat different, with our investee companies having, on average, just under 50 years of trading history.

Despite a clear skew within AIM towards UK domestically-focussed businesses, we have continued to seek those with overseas earnings. Within our portfolios over 40% of underlying company earnings are derived overseas. This has had a positive benefit when those revenues have been converted into weaker sterling.

We expect merger and acquisition activity to be a supportive tail-wind through 2023, driven by historically attractive company valuations. The key focus for investors will be the outlook for inflation and interest rates as both impact the value that is placed, today, on future company earnings growth. As interest rates begin to fall, as we believe they will, so the appetite for "growth" should increase as investors receive less reward for holding cash. Whilst recession in the UK appears highly probable, the stock market remains a "discounting mechanism" that will look through the gloom to future growth, so recession need not preclude share price appreciation.....

Investment commentary does not constitute personal advice. If you are in doubts as to the suitability of an investment, please contact your financial adviser.

Important Information

AIM shares are likely to be high risk and volatile. Their value, and the income arising from them, may go down as well as up, and there is the possibility that investors could lose their entire investment. Past performance is not a guide to future performance. The listing requirements and rules for AIM shares are less demanding than those on the main market of the London Stock Exchange. AIM shares can suffer from partial or total illiquidity, which may make it difficult, or impossible, to dispose of a holding. It is not always possible to deal for all clients at the same time or price.

The tax treatment depends on the financial circumstances of each client. The benefits of the service are premised on current tax rules and the tax relief available may change at any time. The AIM Portfolio Service should be regarded as a higher risk, long-term investment and may not be suitable for all investors. You should only invest if you have financial security independent of any investment. We recommend that investors seek independent investment and tax advice. Investments are made on a 'best endeavours' basis, Evelyn Partners cannot guarantee that any investment will qualify, or continue to qualify, for Business Relief and gain exemption from Inheritance Tax. Any cash held at the date of death will not qualify for Business Relief. Evelyn Partners does not guarantee the timescale for fully investing portfolios or that portfolios will be fully invested at all times.

There can be no assurance that any portfolio will achieve its investment objective. This document contains information believed to be reliable but no guarantee, warranty or representation, express or implied, is given as to their accuracy or completeness. This is neither an offer nor a solicitation to buy or sell any investment referred to in this document. Evelyn Partners Investment Management LLP (EPIM LLP) documents may contain future statements which are based on our current opinions, expectations and projections. EPIM LLP does not undertake any obligation to update or revise any future statements. Actual results could differ materially from those anticipated. No responsibility can be accepted for any loss arising from action taken or refrained from based on this publication. In relation to this profile, EPIM LLP is unable to assess or provide advice on the suitability of this profile for individual circumstances. No consideration has been given to the suitability of any investment profile for the particular needs of any recipient. EPIM LLP will not be responsible to any other person for providing the protections afforded to retail investors or for advising on any investment, as a result of using this information. This factsheet does not constitute personal advice and is not promoting the service. Anyone considering using the service should seek financial advice.

* The AIM Composite is defined as portfolios managed by the AIM Team, that are discretionary and have an AIM mandate. There are currently 209 portfolios in the composite. Individual client returns will differ from the Composite depending upon the timing of the investment and the individual stocks selected. The AIM Composite and the Numis Alternative Markets Index is calculated on a gross of management fees basis. The effect of fees and charges would be to reduce the overall value of the portfolio. Index data is calculated on a total return basis, i.e. including dividends reinvested. ** Inception date is 30 June 2006. Source: Evelyn Partners Investment Management LLP / Refinitiv / Numis Alternative Markets Index. Evelyn Partners Investment Management LLP is authorised and regulated by the Financial Conduct Authority.