

Blackfinch Adapt AIM Income Portfolio

Performance

Q3 2020

Adapt AIM Portfolios are a Discretionary Portfolio Management Service designed with the aim of mitigating Inheritance Tax (IHT) by investing in a portfolio of AIM shares, carefully constructed by our team of specialist investment managers.

Blackfinch act as Discretionary Investment Managers for the service and are assisted by Chelverton Asset Management, the award winning fund managers with proven expertise of investment in AIM and smaller-cap companies. Chelverton act as Investment Advisers to Blackfinch and assist with stock selection, due diligence and portfolio construction.

Investments will only be made in companies that meet our strict investment criteria and our portfolios will be managed following the same rigorous and disciplined process employed by Chelverton across their existing fund range.

Performance**

Total returns only and do not take into account fees. Figures are for illustrative purposes only and are based on model portfolio returns.

Calculated by FactSet

	Q3 2020	Since Portfolio Inception ⁴
Adapt AIM Income Portfolios	3.5%	42.5%
FTSE AIM All-Share Total Return ⁵	9.6%	39.3%
Annualised Volatility	3 year	Since Portfolio Inception ⁴
Standard Deviation	16.4%	14.4%
FTSE AIM All-Share Total Return Standard Deviation ⁵	16.8%	14.6%
Sharpe Ratio	-0.10	0.57
FTSE AIM All-Share - Total Return Sharpe Ratio ⁵	-0.06	0.53
Forward P/E Ratio⁶	13.0	

About

Launch Date	July 2016
Product Type	Discretionary
Minimum Investment	£15,000

Charges¹

Initial Fee	0%
Management Fee	1.5% + VAT
Dividend Yield ²	2.9%*

Key Features

Simple tax planning strategy targeting IHT exemption after 2 years

Eligible for an ISA; combining the tax benefits of an ISA with targeted IHT relief

Access to the experienced and acclaimed fund management team at Chelverton

Available on Standard Life, Transact, Platform One and Ascentric Platforms³

Access to capital at all times (subject to market liquidity)

Focus on dividend yield with prospects for capital growth

Low min. investment amount offering IHT relief to a wider audience of investors

¹See rate card for full details of current fees

²Based on quarter end values and model portfolio weightings. Calculated by FactSet

³Fee structure may vary according to choice of platform

⁴15/07/2016

⁵Source: FTSE Russell via FactSet.

⁶Forecast FY1 figure based on model portfolio weightings at quarter end. Calculated by FactSet.

AIM in Focus Vertu Motors

Vertu Motors is the fifth largest automotive retailer in the UK, operating through an extensive network of 135 sales and after sales outlets in over 110 locations across the country. Their dealerships predominantly operate under Bristol Street Motors, Vertu Motors, Farnell and Macklin Motors brand names.



- Interim results to 31 August 2020 announced adjusted profit before tax of £4.7m, despite showrooms being closed for 10 weeks during lockdown.
- Record profit for the month of September, with strong demand for both new and used vehicles, as well as the high margin service division.
- Steps taken to accelerate technology and systems improvement, realising £10m in annualised cost savings.
- Well positioned to scale the group's dealership operations through acquisition opportunities.

Performance**

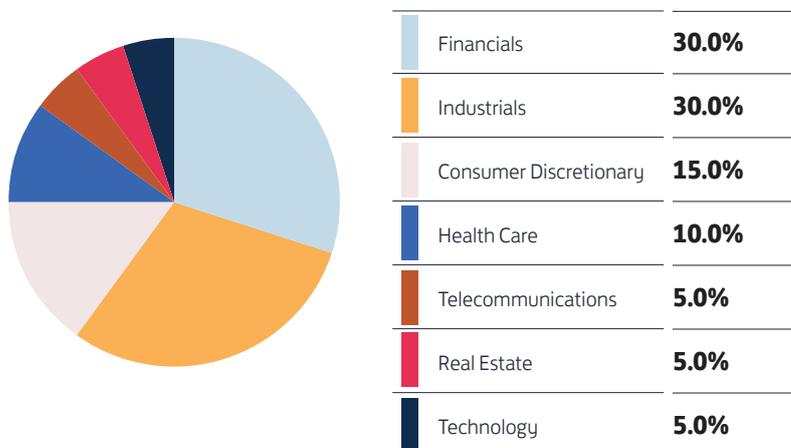
Figures are for illustrative purposes only and are based on model portfolio returns. Yearly performance is displayed for 12-month period running from 1 October to 30 September.

	Since Inception ¹	2020	2019	2018	Quarter	Sep 2020	Aug 2020	Jul 2020
Adapt AIM Income Portfolio ²	42.5%	-8.2%	5.5%	0.1%	3.5%	0.0%	3.2%	0.3%
FTSE AIM All-Share - Total Return ³	39.3%	12.0%	-18.9%	11.1%	9.6%	0.4%	9.0%	0.2%

Past performance cannot be taken as a guarantee of future performance. Please read the disclaimer on page 3 of this factsheet.

Exposure by Industry³

Percentage may not total 100% due to rounding



Example Holdings

Company Name	Industry
EMIS Group	Technology
Strix Group	Industrials
CareTech Holdings	Health Care
Mortgage Advice Bureau	Financials
Watkin Jones	Consumer Discretionary
Renew Holdings	Industrials
Bioventix	Health Care
Gateley	Industrials
Curtis Banks Group	Financials
Epwin Group PLC	Industrials

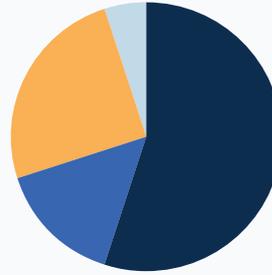
¹15/07/2016

²Total returns and do not take into account fees. Calculated by FactSet.

³Source: FTSE Russell via FactSet.

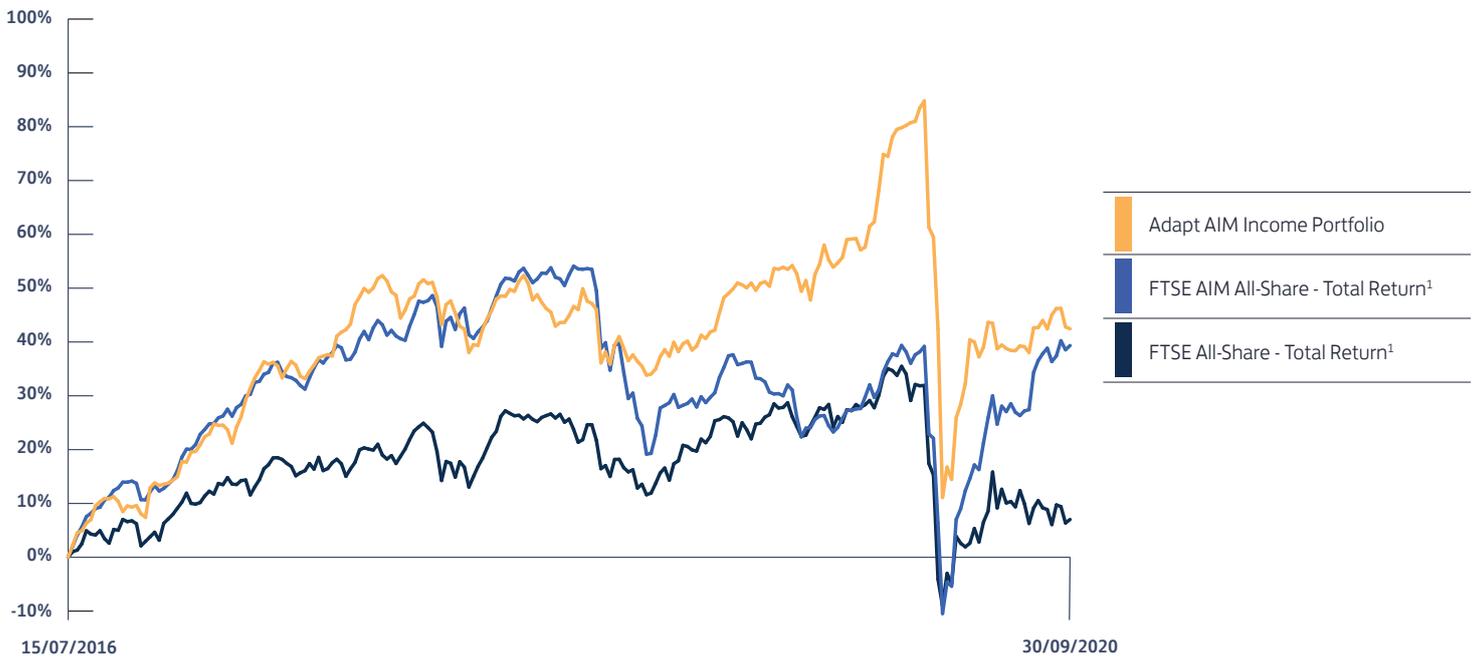
Exposures by Market Capitalisation (£m)

The Income Portfolio currently contains 20 equally weighted stocks with an average market capitalisation of £197.8 million.



£0-£100m	55.0%
£100m - £250m	15.0%
£250m - £500m	25.0%
£500m+	5.0%

Performance since Launch



¹Source: FTSE Russell via FactSet.
Financial data and analytics provider FactSet

IMPORTANT INFORMATION

Capital At Risk. This performance sheet is being issued by Blackfinch Investments Limited (Blackfinch), which is authorised and regulated by the Financial Conduct Authority (FCA number 153860). Registered address: 1350–1360 Montpellier Court, Gloucester Business Park, Gloucester, GL3 4AH. Registered in England and Wales Company Number 02705948.

Past performance cannot be taken as a guarantee of future performance. This performance sheet is based on a model portfolio. No guarantee can be made as to the composition of any individual portfolio. All figures are correct at the time of compilation. Any decision to invest in this service should not be based on this performance sheet but rather made on the basis of the information contained in the brochure, and the terms and conditions. Prospective investors must rely on their own examination of the legal, taxation, financial and other consequences of investing and the risk involved. Prospective investors should not treat the contents of this fact sheet as

advice relating to legal, taxation or other matters. If in any doubt about the proposal discussed in this paper, its suitability, or what action should be taken, the investor should consult their own professional advisers.

*Dividend yield reflects dividends received over a trailing 12 month period using end of period portfolio value. Due to the ongoing COVID-19 pandemic, many companies have suspended or deferred dividend payments such that the current published dividend yield is unlikely to be replicated going forward.

**Total returns are used in order to give a clearer representation of the actual returns achieved, combining both the capital returns with income received from dividends.

FactSet calculate returns by compounding daily returns.

Blackfinch Adapt AIM Growth Portfolio

Performance

Q3 2020

Adapt AIM Portfolios are a Discretionary Portfolio Management Service designed with the aim of mitigating Inheritance Tax (IHT) by investing in a portfolio of AIM shares, carefully constructed by our team of specialist investment managers.

Blackfinch act as Discretionary Investment Managers for the service and are assisted by Chelverton Asset Management, the award winning fund managers with proven expertise of investment in AIM and smaller-cap companies. Chelverton act as Investment Advisers to Blackfinch and assist with stock selection, due diligence and portfolio construction.

Investments will only be made in companies that meet our strict investment criteria and our portfolios will be managed following the same rigorous and disciplined process employed by Chelverton across their existing fund range.

Performance**

Total returns only and do not take into account fees. Figures are for illustrative purposes only and are based on model portfolio returns.

Calculated by FactSet

	Q3 2020	Since Portfolio Inception ⁴
Adapt AIM Growth Portfolios	5.1%	66.8%
FTSE AIM All-Share Total Return ⁵	9.6%	43.9%
Annualised Volatility	3 year	Since Portfolio Inception ⁴
Standard Deviation	15.7%	14.0%
FTSE AIM All-Share Total Return Standard Deviation ⁵	16.8%	14.7%
Sharpe Ratio	0.11	0.86
FTSE AIM All-Share - Total Return Sharpe Ratio ⁵	-0.06	0.57
Forward P/E Ratio⁶	20.8	

About

Launch Date	June 2016
Product Type	Discretionary
Minimum Investment	£15,000

Charges¹

Initial Fee	0%
Management Fee	1.5% + VAT
Dividend Yield ²	1.2%*

Key Features

Simple tax planning strategy targeting IHT exemption after 2 years

Eligible for an ISA; combining the tax benefits of an ISA with targeted IHT relief

Access to the experienced and acclaimed fund management team at Chelverton

Available on Standard Life, Transact, Platform One and Ascentric Platforms³

Access to capital at all times (subject to market liquidity)

Focus on delivering capital growth

Low min. investment amount offering IHT relief to a wider audience of investors

¹See rate card for full details of current fees

²Based on quarter end values and model portfolio weightings. Calculated by FactSet

³Fee structure may vary according to choice of platform

⁴24/06/2016

⁵Source: FTSE Russell via FactSet.

⁶Forecast FY1 figure based on model portfolio weightings at quarter end. Calculated by FactSet.

AIM in Focus Anpario

Anpario is a global producer and distributor of high performance natural feed additives for animal health, nutrition and hygiene. With over 30 years of experience, Anpario's agricultural products are developed and produced in the UK, then sold worldwide to over 80 countries.



- Half year reported revenue up 13% to £16m and Adjusted EBITDA up 24% to £3.4m, compared to H1 2019.
- South East Asia was the top performing region, benefitting from a number of business development initiatives including receiving multiple product registrations for an Indonesian subsidiary.
- Strong balance sheet position with a period end cash balance at June 2020 of £13.2m. Interim dividend announced, up 10% to 2.7p per share.
- The popular eubiotic, Orego-Stim®, has been launched into the aquaculture market, and has seen positive commercial trial results in Latin America.

Performance**

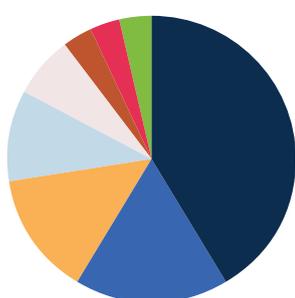
Figures are for illustrative purposes only and are based on model portfolio returns. Yearly performance is displayed for 12-month period running from 1 October to 30 September.

	Since Inception ¹	2020	2019	2018	Quarter	Sep 2020	Aug 2020	Jul 2020
Adapt AIM Growth Portfolio ²	66.8%	4.2%	-4.2%	7.5%	5.1%	-4.0%	7.6%	1.7%
FTSE AIM All-Share - Total Return ³	43.9%	12.0%	-18.9%	11.1%	9.6%	0.4%	9.0%	0.2%

Past performance cannot be taken as a guarantee of future performance. Please read the disclaimer on page 3 of this factsheet.

Exposure by Industry³

Percentage may not total 100% due to rounding



Technology	41.4%
Health Care	17.2%
Industrials	13.8%
Financials	10.3%
Consumer Discretionary	6.9%
Telecommunications	3.4%
Consumer Staples	3.4%
Energy	3.4%

Example Holdings

Company Name	Industry
Gamma Communications PLC	Telecommunications
GB Group PLC	Technology
Clinigen Group Plc	Health Care
CVS Group plc	Consumer Discretionary
Strix Group PLC	Industrials
Ideagen PLC	Technology
dotDigital Group plc	Technology
Craneware plc	Health Care
IQE plc	Technology
Restore plc	Industrials

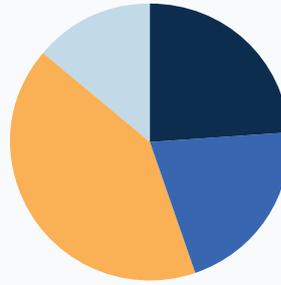
¹24/06/2016

²Total returns and do not take into account fees. Calculated by FactSet.

³Source: FTSE Russell via FactSet

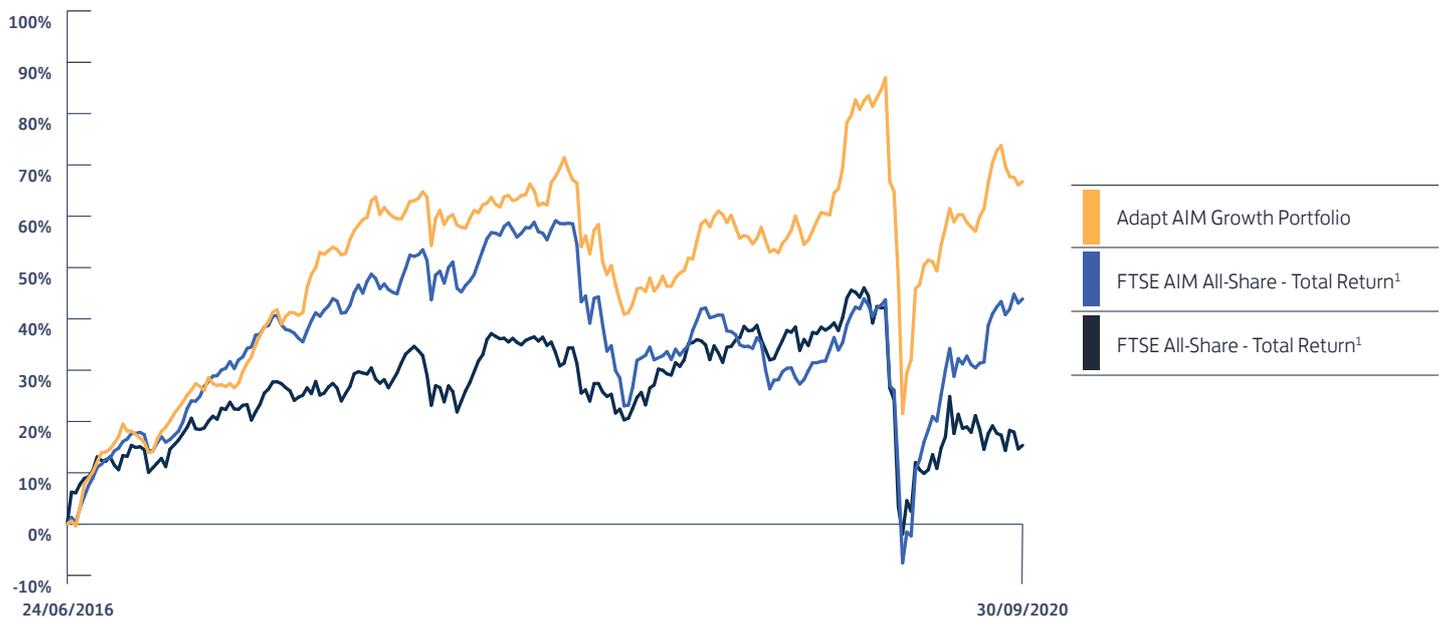
Exposures by Market Capitalisation (£m)

The Growth Portfolio currently contains 29 equally weighted stocks with an average market capitalisation of £370.7 million.



£0-£100m	24.1%
£100m - £250m	20.7%
£250m - £500m	41.4%
£500m+	13.8%

Performance since Launch



¹Source: FTSE Russell via FactSet.
Financial data and analytics provider FactSet

IMPORTANT INFORMATION

Capital At Risk. This performance sheet is being issued by Blackfinch Investments Limited (Blackfinch), which is authorised and regulated by the Financial Conduct Authority (FCA number 153860). Registered address: 1350–1360 Montpellier Court, Gloucester Business Park, Gloucester, GL3 4AH. Registered in England and Wales Company Number 02705948.

Past performance cannot be taken as a guarantee of future performance. This performance sheet is based on a model portfolio. No guarantee can be made as to the composition of any individual portfolio. All figures are correct at the time of compilation. Any decision to invest in this service should not be based on this performance sheet but rather made on the basis of the information contained in the brochure, and the terms and conditions. Prospective investors must rely on their own examination of the legal, taxation, financial and other consequences of investing and the risk involved. Prospective investors should not treat the contents of this fact sheet as

advice relating to legal, taxation or other matters. If in any doubt about the proposal discussed in this paper, its suitability, or what action should be taken, the investor should consult their own professional advisers.

*Dividend yield reflects dividends received over a trailing 12 month period using end of period portfolio value. Due to the ongoing COVID-19 pandemic, many companies have suspended or deferred dividend payments such that the current published dividend yield is unlikely to be replicated going forward.

**Total returns are used in order to give a clearer representation of the actual returns achieved, combining both the capital returns with income received from dividends.

FactSet calculate returns by compounding daily returns.