

ESP AiM PORTFOLIO SERVICE

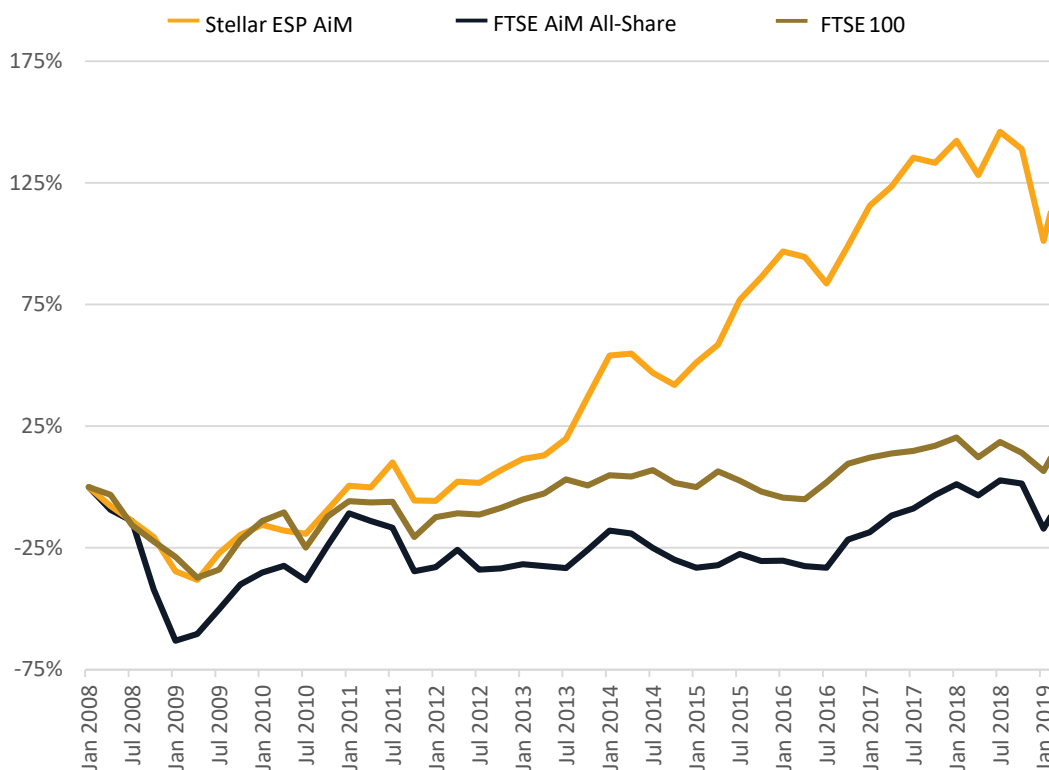
PERFORMANCE FACTSHEET

TO 5 FEBRUARY 2019

ESP AiM is a discretionary portfolio which offers 100% inheritance tax relief after two years.

ESP AiM provides a straightforward solution to an increasingly common problem. Individuals, whose estates are over the nil rate band, can reduce the impact of IHT by investing in a portfolio of AiM shares, which will mitigate the liability after just two years.

ESP AiM CUMULATIVE PERFORMANCE



ESP AiM DISCRETE PERFORMANCE

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Stellar ESP AiM	6%	-17%	12%	10%	30%	-2%	38%	18%	-6%	19%	29%	-35%
FTSE AiM All-Share	6%	-18%	24%	17%	4%	-19%	20%	2%	-25%	38%	76%	-63%
FTSE 100	5%	-11%	7%	17%	-4%	-5%	11%	8%	-7%	9%	21%	-29%

Source: Pilling & Co Stockbrokers Limited.

Investors should note that past performance is not a reliable indicator of future performance and Investors should not rely upon past performance when considering whether or not to invest in Stellar ESP AiM.

Important Information

Stellar Asset Management Limited does not offer investment or tax advice or make recommendations regarding investments. Prospective investors should ensure that they read the brochure and fully understand the risk factors before making any investment decision. This document is dated February 2019 and is exempt from section 21 of the Financial Services and Markets Act 2000 and is not required to be and has not been approved for the purposes of the section because it is only being communicated to selected Investment Professionals (as defined under article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005). If this document is forwarded to any other person, you must ensure that you have taken responsibility for the document under the financial promotions rules and identified yourself as the issuer. Stellar Asset Management Limited of Kendal House, 1 Conduit Street, London W1S 2XA is authorised and regulated by the Financial Conduct Authority.

Investment Manager

Stellar Asset Management Limited

Nominee

Pershing Nominees Limited

Custodian

Credo Capital Limited

Tax Objective

IHT Relief after two years

Investment Objective

Capital growth

Structure

Discretionary Portfolio

Initial Fee

0.5%

Annual Management Fee

0.75% (plus VAT)

Annual Administration Fee

0.25% (plus VAT)

Dealing Fee

1%

Minimum Investment

£40,000

£20,000 (ISA)

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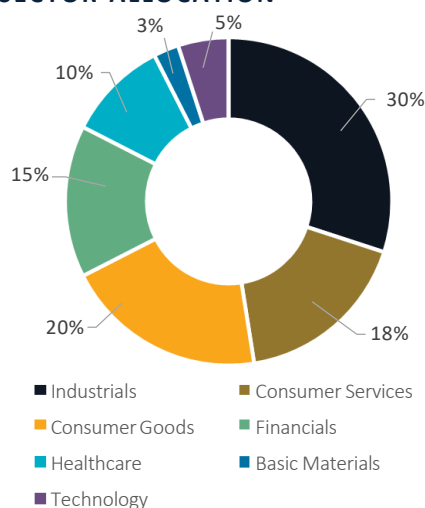
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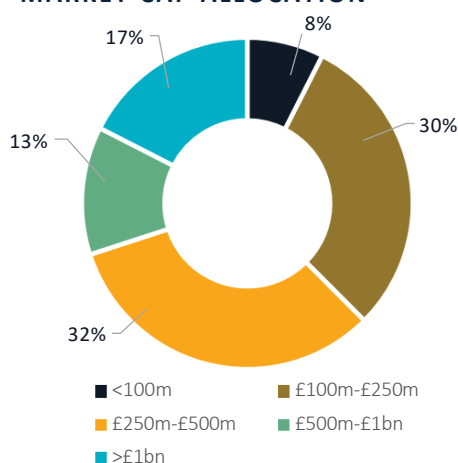
TOP TEN HOLDINGS

RWS Holdings Plc	4.55%	Alliance Pharma Plc	3.22%
Dart Group Plc	3.67%	James Halstead Plc	3.20%
Abcam Plc	3.59%	GB Group Plc	3.02%
Gooch & Housego Plc	3.33%	Advanced Medical Solutions Group Plc	3.01%
Churchill China Plc	3.30%	Scapa Group Plc	2.87%

SECTOR ALLOCATION



MARKET CAP ALLOCATION



Source: Pilling & Co Stockbrokers Limited to 5 February 2019.

THE STELLAR 40

Over the month to close of business on 5 February, our ESP AiM Portfolio Service increased 5.7% whilst the benchmark index advanced 5.8%.

Anyone still feeling the pain of a brutal fourth quarter in markets last year has at least been able to start the new year with some cheer. Most trading sessions in the calendar year-to-date have been positive and there has been really encouraging movement in several of our stocks. However, it is not a rising tide that lifts all boats and, with 40 stocks to consider, we have to be realistic about the variety we see in stock level results.

CVS Group has been the main detractor from our performance this month. The company has been struggling to eke out the efficiencies it requires from its latest vet surgery acquisitions. A rise in locum rates which shows no signs of abating is not helping but that will be a problem for the wider business too.

Workplace and facility compliance group Marlowe saw a 10% share price erosion, but these are early days for a newly constructed business spanning the fire, air and water safety monitoring that most commercial buildings cannot do without. The group continues to bolt-on small complementary service businesses and we saw another announcement of such this month.

Most stocks registered a gain in January and at the top of the charts – with a 30% advance – came Churchill China buoyed by a positive trading statement. Abcam was 20% ahead after the group announced it expects 11% growth in revenue in the first half and remains on track to deliver its full-year financial targets; the results of long-term investment.

Not all strong price movements are driven by specific news. Affordable housing developer Telford Homes had to shoulder a pretty poor fourth quarter share price performance as confidence drained from the market for housebuilders. January marked a clear reversal with the stock 17% ahead on no additional news from the company but evidence of a change in investor sentiment.

COMPANY SPOTLIGHT

RWS Holdings Plc



RWS is the world leader in patent translation and localisation services, meaning patents can be filed seamlessly anywhere in the world. Their *Life Sciences* division provides a full suite of language solutions for clinical trials. RWS Moravia works with global companies to expand internationally, ensuring they do not get tripped up by linguistic nuance or cultural differences.

The latest acquisition of Alpha Translations Canada Inc for \$6m primarily provides translations to multinational law firms and will strengthen its legal and financial offering.

Price (p)	492
Market Cap (£m)	1,280
Earnings per share (p)	17.4
Profit before tax (£m)	39.7

PLATFORM AVAILABILITY

ascentric

Platform One
a premium service for private investors

Standard Life

transact
take control

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