

Fund Factsheet

The AIM Global High Conviction Fund is a long-only global equity fund. The Fund employs a [quality investment strategy](#) that focuses on buying only the best businesses when the market prices them like average businesses. The compounding ability of these quality businesses lies at the heart of our approach to growing our investors' wealth.

For the month of March, the AIM Global High Conviction Fund delivered a return of -0.97% (net of all fees) compared to a benchmark return of -0.72%. We estimate that AUD strength detracted roughly -3.9% from our absolute return.

March saw global markets react negatively to an increasingly fraught geopolitical and macro-economic backdrop, with business fundamentals taking a backseat. As the US Federal Reserve increased interest rates and indicated its willingness to be more aggressive over the course of the year to moderate inflation, markets have effectively begun pricing in the possibility of a recession, with the US yield curve inverting. Effectively, markets are betting that the Federal Reserve is making a policy error and will have to cut rates to support the US economy at some point in the next two years. Thus - and somewhat counterintuitively - markets began bidding up secular growth names as the month progressed on the belief that these businesses are likely to be able to grow even in the face of slowing US economic activity.

Our focus remains on bottom-up fundamentals. When we listen to the management teams of businesses we invest in and monitor, it seems premature to believe a US recession is imminent. Regardless, the businesses we own are well-capitalised, lightly geared, and generate superior returns on invested capital, and we remain comfortable with owning them in the Fund.

Activity in the Fund was muted in March. After using February to introduce two new positions - PayPal, and one as yet undisclosed - the margin of safety on offer in March simply was not as attractive. The Fund owns 21 businesses, and has roughly 5.1% in cash, which we stand ready to deploy should volatility pick up again.

A material detractor to our absolute monthly performance was the strength of the AUD, largely due to commodity currencies being bid up as alternative sources of raw materials benefitted flows into the Australian commodity export market.

The top five contributors to the absolute return of the Fund in March were **Fastenal** (+46bps, +11.5% in AUD, +15.4% in USD), **Berkshire Hathaway** (+45bps, +6.1% in AUD, +9.8% in USD), **Thermo Fisher Scientific** (+35bps, +5.0% in AUD, +8.6% in USD), **UnitedHealth** (+26bps, +3.9% in AUD, +7.5% in USD) and **Amazon.com** (+12bps, +2.6% in AUD, +6.1% in USD).

The five greatest detractors to absolute returns in March were **Etsy Inc.** (-102bps, -22.5% in AUD, -19.8% in USD), **Estée Lauder Inc.** (-47bps, -11.2% in AUD, -8.1% in USD), **LVMH** (-29bps, -5.8% in AUD, -1.6% in EUR), **Nike** (-22bps, -4.6% in AUD, -1.2% in USD) and **Autodesk** (-14bps, -6.0% in AUD, -2.7% in USD).

Fund Performance and Analytics

Period	Return
March	-1.0%
3 Month	-11.1%
Financial YTD	1.43%
Calendar YTD	-11.1%
Since strategy inception (ann.) *	13.2%
Since fund inception (ann.)	6.1%

Portfolio Analytics	
Top 5 positions (% of AUM)	35.8%
Top 10 positions (% of AUM)	61.8%
Standard Deviation (ann.)	11.6%
Sharpe Ratio	1.10
Upside Capture	112.0%
Downside Capture	98.0%

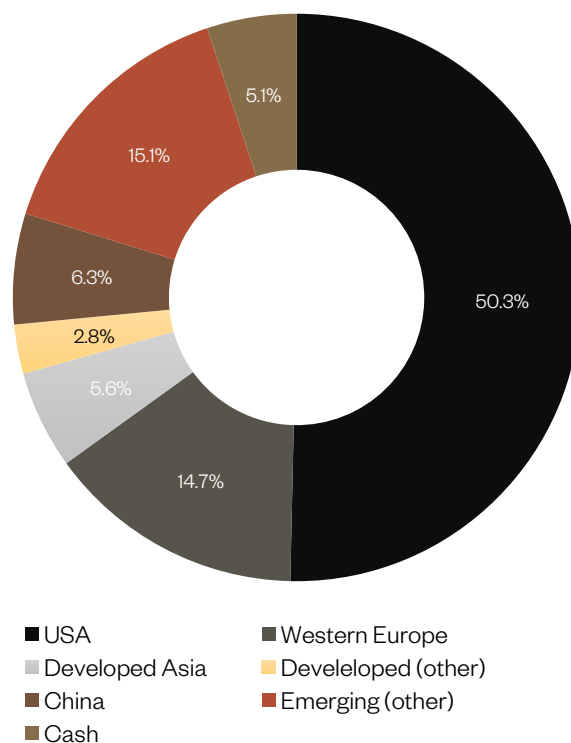
Quoted net of fees; past performance is not indicative of future performance. * The AIM GHCF was restructured to become a global long-only mandate on 30 June 2019

Portfolio Characteristics

Characteristics	AIM GHCF	MSCI World
<i>Profitability</i>		
Gross Margin	50.0%	30.8%
Operating Margin	22.7%	14.6%
Free Cash Flow Margin	19.5%	11.1%
<i>Returns on Capital</i>		
Return on Invested Capital (ROIC)	18.3%	8.3%
<i>Leverage</i>		
Debt/Equity	73.3%	87.6%
Net Debt/Equity	19.8%	58.5%
<i>Valuation</i>		
Free Cash Flow Yield	3.1%	4.1%
<i>Holdings</i>		
Number of positions	21	1540
Active Share	88.4%	0.0%

Source: AIM, MSCI, FactSet. Data as of 31 January 2022.

Geographic Revenue Exposure



Top Ten Holdings

Stock	Sector	Weight
HEICO Corp.	Industrials	7.9%
Berkshire Hathaway	Financials	7.4%
Constellation Software	Information Technology	7.0%
Thermo Fisher Scientific	Health Care	7.0%
UnitedHealth Group Inc.	Health Care	6.5%
Microsoft Corp.	Information Technology	6.3%
Alphabet Inc.	Communication Services	6.1%
Nintendo Co., Ltd.	Communication Services	4.8%
Accenture PLC	Information Technology	4.6%
Fastenal Co.	Industrials	4.3%

Sector Exposure

Sector	Weight
Communication Services	10.8%
Consumer Discretionary	15.9%
Consumer Staples	3.9%
Healthcare	16.7%
Information Technology	25.7%
Financials	7.4%
Industrials	12.2%
Materials	3.7%
Cash	5.1%

Relative Fund Performance

	AIM	MSCI World
March	-0.97%	-0.72%
3 months	-11.11%	-8.17%
6 months	-1.74%	-1.68%
12 months	13.39%	11.69%
2 years	36.54%	38.25%
3 years*	45.29%	41.15%
CY2021	31.14%	29.29%
CY2020	14.18%	5.58%

Quoted net of fees; past performance is not indicative of future performance. * The AIM Global High Conviction Fund was restructured in June 2019 to become an unhedged global long-only equity mandate. Prior to 2019 the Fund was a currency hedged global long/short mandate with a USD benchmark.

Fund Overview

Description	Details
Fund structure	Registered Unit Trust
Domicile	Australia
Pricing	Daily
Redemptions	Daily
Management Fees	1.43%* p.a. (incl GST)
Performance Hurdle	MSCI World Net Total Return Index (AUD)
Performance Fee	10%* of hurdle outperformance, subject to a highwater mark
Target Market Determination (TMD) Document	PDF
Administrator	Mainstream BPO
Accountant	Ernst & Young
Legal Counsel	Ernst & Young
Prime Broker	Morgan Stanley
Risk & Portfolio Management	Imagine Trading System

*inclusive of GST

This communication has been prepared and issued by Aitken Investment Management Pty Ltd ABN 63 603 583 768, AFSL 473534. It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. Past performance is not an indication of future performance. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The product disclosure statement (PDS) for the AIM Global High Conviction Fund, issued by The Trust Company (RE Services) Limited, should be considered before deciding whether to acquire or hold units in the fund. The PDS and target market determination (TMD) can be obtained by calling 02 8379 3700 or visiting www.aimfunds.com.au. No company in the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of an investor's capital.