

AIM Global High Conviction Fund Factsheet

March 2024

The AIM Global High Conviction Fund is a long-only global equity fund, following a simple investment strategy: we look for *exceptional* businesses, run by *exceptional* people, at the *right price*. We believe this combination will deliver outperformance over the long term.

For the month ending March 2024, the AIM Global High Conviction Fund delivered an absolute return (after all fees) of +1.2% compared to a benchmark return of +3.0%. We estimate that AUD strength detracted roughly -0.3% from our absolute return over the period.

For the quarter, ending March 2024, the AIM Global High Conviction Fund delivered an absolute return (after all fees) of +10.2% compared to a benchmark return of +13.9%. We estimate that AUD weakness added roughly +3.2% to our absolute return over the period.

As in the preceding months – and providing a relatively succinct summary of what happened in markets for the quarter – March saw the continuation of the trend of markets being led higher by a ‘narrow’ rally, with perceived AI-beneficiaries again carrying the day.

While we are positive about the impact that AI can have on productivity, we also know that that it is very possible to be right on the big picture (‘AI will transform our economies’) and still lose money hand over fist by investing in the perceived winners of today if the competitive forces shaping the industry turns it into a race to the bottom.

We think paying top dollar to participate in a nascent industry that does not lend itself to high-conviction forecasts introduces meaningful absolute risk (i.e., risk of permanent loss of capital).

Markets have come out of the blocks at a very rapid pace in 2024. At present, we await first quarter performance data from

the majority of our holdings over the next six weeks, allowing us to offer a more considered opinion on their fundamental performance.

We continue to favour exceptional businesses run by aligned owner-operator management teams, where we find that we have greater conviction about their ability to continue earning high returns on capital for an extended period.

Monthly Contributors & Detractors (in AUD)

The top contributors to monthly performance were **IMCD** (+15.6%), **Watsco** (+9.4%), **Terravest** (+8.0%), **Games Workshop** (+6.4%) and **Northrop Grumman** (+3.6%).

The top detractors to monthly performance were **Teqinion** (-4.7%), **Union Pacific** (-3.2%), **Constellation Software** (-2.0%), **Nintendo** (-1.7%), and an **as-yet-undisclosed position** which we started to purchase during the month.

Quarterly Contributors & Detractors (in AUD)

The top contributors to quarterly performance were **TerraVest** (+38.5%), **Amazon.com** (+24.2%), **Berkshire Hathaway** (+23.3%), **LVMH** (+16.2%) and **Constellation Software** (+14.8%).

There were only four detractors in absolute terms over the first quarter: **Teqinion** (-12.3%), **Nike** (-3.5%), **UnitedHealth** (-1.3%) and the same **as-yet-undisclosed position** we started to purchase in March.

Performance

To 31 March 2024	1 month	6 months	1 year	2 years (p.a.)	3 years (p.a.)	4 years (p.a.)	Strategy Inception* (p.a.)
AIM Global High Conviction Fund	+1.2%	+16.9%	+24.5%	+13.3%	+13.3%	+15.1%	+13.7%
Global Equity Benchmark [#]	+3.0%	+20.0%	+28.4%	+15.7%	+14.3%	+16.6%	+13.4%

Total returns shown for the AIM Global High Conviction Fund have been calculated using exit prices after taking into account all of the product’s ongoing fees and assuming reinvestment of distributions. No allowance has been made for entry fees or taxation. Past performance is not indicative of future performance. # Source: Apex Group. Refer to [PDS](#) for more detail. * 31 August 2019.

Portfolio Characteristics	
Top 10 positions (% of AUM)	54.9%
Number of positions	21
Active Share	89.9%
Return on Invested Capital (ROIC)	22.5%
Free Cash Flow Yield	3.5%

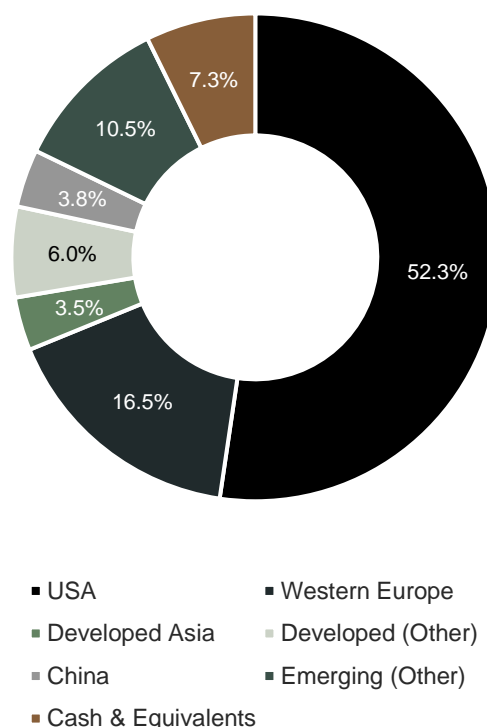
Fund Facts	Details
Management Fee	1.375% p.a. (incl. GST)
Benchmark	Refer to PDS .
Performance Fee	10% (excl. GST) of benchmark outperformance subject to a high-water mark
Pricing	Daily

Target Market Determination: this fund is appropriate for investors with “Medium to High” risk and return profiles. A suitable investor for this fund is prepared to accept medium to high risk in the pursuit of capital growth with a medium investment timeframe. Investors should refer to the TMD for further information, which can be found [here](#).

Top Ten Holdings (alphabetically)

Stock	End Market
	eCommerce & Cloud Infrastructure
	Electrical Components
	Niche Vertical Market Software
	Niche Hobbyists & IP
	Aerospace Components
	High-end Luxury
	Video Gaming & IP
	Niche Vertical Market Software
	Heating & Chemical Transport/Storage
	Health Insurance & Services

Geographic Revenue Exposure



Source: Constantia estimates, FactSet. Data as of 31 March 2024.

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