

AIM Global High Conviction Fund Factsheet

September 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 September 2024, the AIM Global High Conviction Fund delivered an absolute return (after all fees) of -1.4% compared to a benchmark return of -0.4%. We estimate that AUD strength detracted roughly -1.8% from our absolute return over the period.

For the quarter ending September 2024, the AIM Global High Conviction Fund delivered an absolute return (after all fees) of +4.7% compared to a benchmark return +2.4%. We estimate that AUD strength detracted roughly -1.8% from our absolute return over the period – similar to September.

Not much happened in the way of fundamentals for the majority of our holdings in the month of September. The most noteworthy development was the highly successful launch of Games Workshop’s licensed video game *Warhammer 40,000: Space Marine 2* to widespread critical and fan acclaim. Channel checks in the month since launch suggest that this has translated into greater awareness and engagement with the hobby.

From a markets perspective, the main event of the month was the US Federal Reserve cutting interest rates by 0.5% on the 18th. This rate cut – which was followed by a significant policy shift towards stimulus by Chinese authorities – led to a ‘risk-on’ rally in the second half of the month. Confirming a trend that has now held for several years, our strategy tends to lag in such moments, as we generally don’t own stocks that would benefit from such macro-events.

A mentor once pointed out to us that ‘if your investment strategy only works when central banks lower the cost of money, it’s not

much of a strategy’. While this statement is possibly a touch harsh, there is a kernel of truth underlying it. We certainly prefer to own businesses that have a greater say in their own destiny, and our investment approach does not rely on the addition or withdrawal of liquidity to determine short-term price action.

A more fundamental development to keep an eye on is whether lower rates and greater liquidity spurs a pick-up in industrial activity and investment in the US, which has been muted for the majority of 2024. Should this be the case, many of our businesses with industrial exposure should be very well positioned to benefit over the next several quarters.

Monthly Contributors & Detractors (in AUD)

The top three contributors to monthly performance were **IMCD**, (+4.0%), **Games Workshop** (+2.6%) and **Amazon.com** (2.1%).

The top three detractors to monthly performance were **Topicus.com** (-4.8%), **TerraVest** (-2.8%) and **Constellation Software** (-2.4%).

Quarterly Contributors & Detractors (in AUD)

The top three contributors to quarterly performance were **TerraVest** (+29.8%), **HEICO** (+10.6%) and **Constellation Software** (+8.9%).

The top three detractors to quarterly performance were **Amazon.com** (-7.2%), **Microsoft** (-7.2%) and **Roper Technologies** (-4.4%).

Performance

To 30 September 2024	1 month	6 months	1 year	2 years (p.a.)	3 years (p.a.)	5 years (p.a.)	Strategy Inception* (p.a.)
AIM Global High Conviction Fund	-1.4%	+2.2%	+19.4%	+18.6%	+8.8%	+13.1%	+12.8%
Global Equity Benchmark [#]	-0.4%	+2.7%	+23.2%	+22.3%	+10.6%	+12.4%	+12.6%

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)	57.3%
Number of positions	21
Active Share	90.4%
Return on Invested Capital (ROIC)	24.9%
Free Cash Flow Yield	3.5%

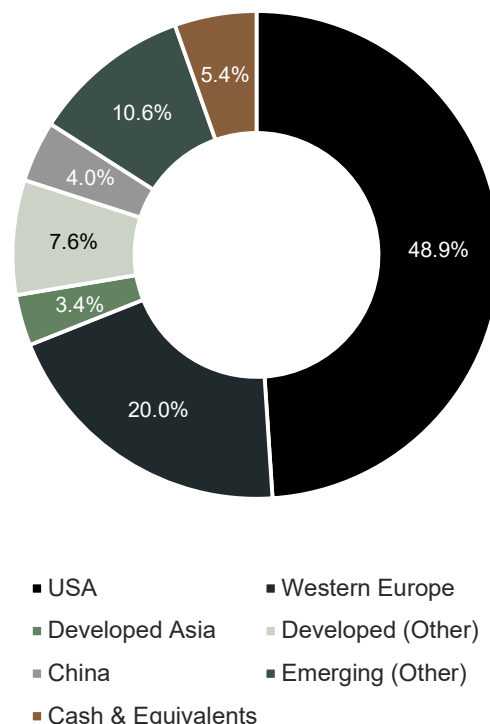
Fund Facts	Details
Management Fee	1.375% p.a. (incl. GST)
Benchmark	Refer to PDS .
Performance Fee	10% (excl. GST) of benchmark outperformance subject to a high-water mark
Pricing	Daily

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
	Dental Care & General Industrials
	High-end Luxury
	Video Gaming & IP
	Heating & Chemical Transport/Storage
	Heating & Air-conditioning

Geographic Revenue Exposure



Source: Constantia estimates, FactSet. Data as of 30 September 2024.

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