HAWKSMOOR
INVESTMENT MANAGEMENT

AIM PORTFOLIO SERVICE
GROWTH

INVESTORS' REPORT | **GROWTH**

GROWTH INVESTOR 2023 | AWARDS — FINALIST BEST AIM PORTFOLIO SERVICE

GROWTH INVESTOR 2022 | AWARDS — WINNER BEST AIM PORTFOLIO SERVICE

GROWTH INVESTOR 2021 | AWARDS — RUNNER UP BEST AIM PORTFOLIO SERVICE

In the third quarter, sentiment was dampened by widespread media pessimism surrounding UK politics and uncertainty ahead of the November Budget. This backdrop weighed particularly heavy on AIM stocks, where most companies are domestically focused, resulting in a modest drag on our performance in July and August. However, global equity markets rebounded in September, supported by a rate cut from the Federal Reserve and a more dovish outlook. The UK market also participated in the rally, ending the quarter on a more positive tone.

The budget in the UK in late November is focusing minds, but with regard to AIM, the risk of Business Relief being fully scrapped remains very low. This was already addressed in the last Budget, which confirmed that the relief would be halved from April 2026. While speculation continues about what is to come, it is clear that more individuals will be affected by Inheritance Tax, and AIM remains an efficient tool for mitigating IHT particularly for large estates and in ISA wrappers.

At a company level, we continue to see strong progress across the portfolio. Companies with exposure to defence and structural growth themes are outperforming. For example, Cohort reported robust results, with a record order book and deliveries extending into the mid-2030s. This is driven by opportunities arising from the UK Strategic Defence Review and increasing global demand for defence technology.

Similarly, Avingtrans delivered results ahead of market expectations, supported by strong performance in its Advanced Engineering Systems division. The Group is benefiting from rapid global growth in AI and data centre infrastructure, the electrification of transport and links to new nuclear power projects.

We are also observing a shift in investor sentiment, with capital moving away from the US. The UK is becoming increasingly attractive due to its low valuations. Our AIM portfolio is managed with a dual mandate: to invest in companies that qualify for Business Relief and to build a high quality small-cap portfolio that can stand on its own merits.

Finally, we are proud to have been recognised as the **Best IHT Portfolio Service** at the **MoneyAge Awards 2025.**

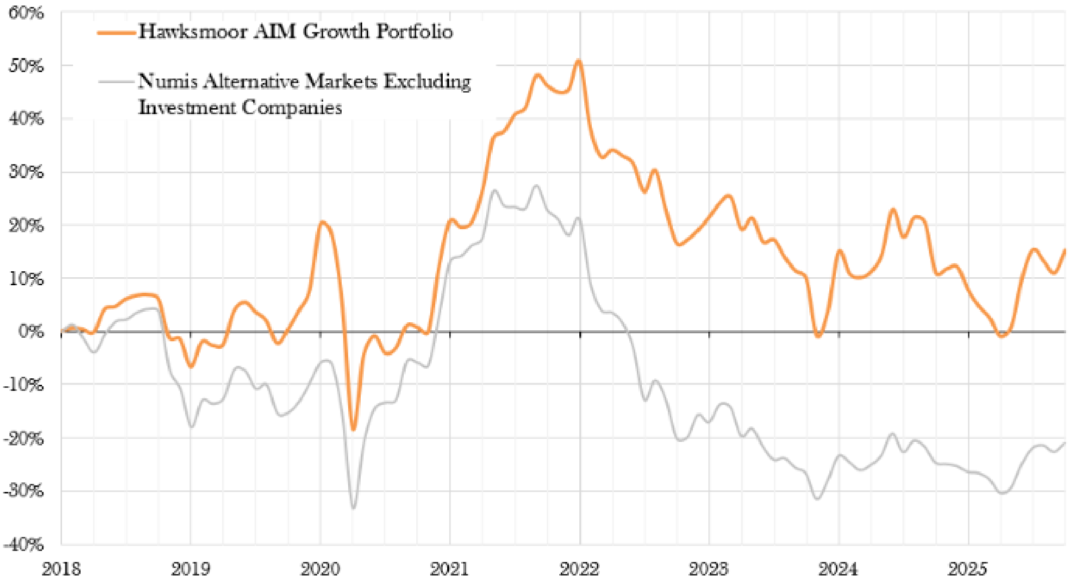
Company Focus | Keystone Law Group

In each of our quarterly briefings we present one of the companies in which we invest (not necessarily held by all clients) to provide examples of the kind of opportunities that one can find amongst quality smaller companies that trade on AIM.

Keystone Law is a non-traditional, fast-growing law firm built on an organic growth model. It provides a platform for self-employed lawyers (known as principals) who can work flexibly from anywhere, while Keystone manages all administrative, compliance, and marketing functions. Principals retain 75% of their fees, with the remaining 25% going to Keystone. The firm also operates a central London office staffed with junior lawyers, administrators, and support teams in compliance and marketing—essential functions that enable the platform to run smoothly.

Keystone's key growth driver is the recruitment of experienced lawyers who bring their own client base. The selection process is highly selective, and offers are not time-limited, allowing the firm to focus on quality. Keystone is a capital-light, cash-generative business, operating in the structurally growing space of flexible working.

Performance of an illustrative Hawksmoor AIM Growth Portfolio



Discrete Calendar Years	2018	2019	2020	2021	2022	2023	2024
Hawksmoor AIM Growth [1]	-6.7%	28.8%	0.5%	24.9%	-19.5%	-5.3%	-6.3%
AIM Benchmark [2]	-17.9%	14.8%	20.1%	7.0%	-31.5%	-7.6%	-3.9%

Cumulative Performance	1 month	3 month	6 month	1 year	3 year	5 year
Hawksmoor AIM Growth [1]	3.9%	-0.1%	16.4%	3.9%	-1.1%	14.4%
AIM Benchmark [2]	2.1%	1.2%	13.4%	4.8%	-1.2%	-16.1%

PAST PERFORMANCE IS NOT A GUIDE TO FUTURE PERFORMANCE.

Our AIM Portfolio Service invests in exceptional UK smaller companies for long-term capital growth. It can also be used for inheritance tax planning since we endeavour to ensure that every investment will qualify for *Business Relief* once held for at least two years.

It is a virtue of Hawksmoor's size that we are not restricted to only the largest, most popular of AIM companies, where valuations can become artificially elevated by tax relief demand. Rather, our proprietary investment process combines a disciplined screening process with rigorous fundamental analysis designed to identify value and quality.

GROWTH INVESTOR 2023 | AWARDS — FINALIST BEST AIM PORTFOLIO SERVICE

GROWTH INVESTOR 2022 | AWARDS — WINNER BEST AIM PORTFOLIO SERVICE

GROWTH INVESTOR 2021 | AWARDS — FINALIST BEST AIM PORTFOLIO SERVICE

Meet the team

Tinzar Minmin
Head of AIM Services

Tinzar has a BSc in Actuarial Mathematics and a Masters in Actuarial Finance from the University of Leeds. Previously she worked as an Analyst at the Bank of New York Mellon before joining Hawksmoor Group in 2019. Tinzar was included in Citywire's 2023 'Top 30 Under 30' list of rising investment stars. She is a Chartered Member of the CISI.

George Salmon, CFA
Senior Investment Analyst

Robert Fullerton, CFA
Senior Research Analyst

Important Information

FPC25348

Hawksmoor Investment Management Limited is authorised and regulated by the Financial Conduct Authority. Registered in England No. 6307442. Registered office: 2nd Floor, Stratus House, Emperors Way, Exeter Business Park EX1 3QS.

This document should not be interpreted as investment advice for which you should consult your financial adviser. The information and opinions it contains have been compiled or arrived at from sources believed to be reliable at the time and are given in good faith, but no representation is made as to their accuracy, completeness or correctness. Any opinion expressed, whether in general or both on the performance of individual securities and in a wider economic context, represents the views of Hawksmoor at the time of preparation, they may be subject to change. The value of an investment can fall as well as rise and you may not get back the amount originally invested. Investments in AIM carry an above-average level of risk – please see **Guide to the AIM Portfolio Service** for full details, which can be found on our website www.hawksmoorim.co.uk.

[1] *Methodology and source:* Hawksmoor, as at the date of this report. Performance is quoted on a total return basis after all charges and taxes, excluding any external adviser fees, calculated based on the average actual performance of all clients in the Hawksmoor AIM Portfolio Service.

[2] Deutsche Numis Alternative Markets Excluding Investment Companies Index, quoted on a total return basis.