Amati AIM IHT DDQ

September 2025

Risk Warning

Investment in smaller companies can be higher risk than investment in well-established blue chip companies. Portfolios investing significantly in smaller companies can be subject to more volatility due to the limited marketability of the underlying asset.

Amati, in its capacity as discretionary investment manager, will select stocks which it expects to qualify for BPR, but it cannot guarantee 100% of the portfolio will be exempt from IHT after 2 years, nor that the qualification rules as set out by HMRC will not change in future in a way that affects the status of individual holdings.

Any investment in equities is subject to risk, and smaller companies can Involve more risk than larger companies. Illiquidity means that buying and selling portfolio holdings may take time, and in a worst case scenario companies could be delisted from AIM making them very difficult to deal in. This investment product places your capital at risk and you may not get back the full amount invested. Tax treatment may be subject to change and depends on the Individual circumstances of each investor. The availability of tax reliefs also depends on the investee companies maintaining their qualifying status.

Neither past performance nor forecasts are reliable indicators of future results and should not be relied upon. Unquoted or smaller company shares listed on AIM are likely to have higher volatility and liquidity risks than other types of shares quoted on the London Stock Exchange Official List. This content is not intended to constitute investment, tax or legal advice. Investors should consult their professional financial adviser to determine the suitability of this investment before they proceed.

Main features of BPR

- For fully qualifying investments, 100% IHT exemption on share transfers following the shareholder's death.
- Shares must have been held for at least two years, and must continue to be held as shares meeting the requirements of the BPR legislation, until the death of the donor, so it is advisable to ensure that the clients Will clearly identifies which beneficiary is to inherit the shares.
- The relief can be restricted where the company owns "excepted" assets not used for the purposes of the trade
- Shareholdings must be in companies whose businesses are not wholly, or mainly, that of dealing in securities; land and buildings; or the making and holding of investments

Investment Team

Dr Paul Jourdan
Fund Manager

Scott McKenzie
Fund Manager

Gregor Paterson
Analyst

Dr Gareth Blades
Analyst

Fund Details

Investment Manager	Amati Global Investors
Custodian	James Brearley & Sons Ltd
BPR Adviser	Philip Hare & Associates LLP
Website	www.amatiglobal.com
Benchmark Index	Deutsche Numis Alternative Markets Total Return Index
Investment Type	Portfolio
Investment Objective	Growth
Sector	Diversified Portfolio
Exit Strategy	Client can exit the investment by giving three months' notice
Portfolio Type	Standardised portfolio of stocks, not bespoke to any client
ISAable Fund	Yes - no extra charge
Pooled Investment?	No - shares held on client's account
Minimum Investment	£50,000
Investment Manager Fee	Annual 1% plus VAT on portfolio value, paid monthly in arrears deducted from client account (includes all dealing fees)
Administration and Custody Charges	Annual 0.3% on portfolio value, subject to a £120 minimum and £3,000 maximum, paid quarterly in arrears. Annual £35 nominee, fee., no additional charge for the ISA wrapper, HMRC-approved probate valuations £25.
Initial Charge	None
Adviser Charges	As agreed between the client and financial adviser

Key Data

AUM	£41.5m
Number of Stocks	28
Market Cap Range	£94m - £2,789m
Weighted Average Market Cap	£496m
Total AUM	£297.4m

Source: Amati Global Investors as at 30/09/2025

Sales Contacts

Should you have any questions concerning the AIM IHT Portfolio Service, please don't hesitate to contact one of the Amati Sales Team.

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Amati AIM IHT DDQ

What Resources are available to The Manager?

Over many years Amati has developed its own browser-based research system: Amati Connex. Notes of every phone conversation and meeting we have with companies, brokers and advisers are logged in this system alongside research. The result is that we have all information and analysis on the universe of companies that we follow logged in one system, from where it can be retrieved expediently.
The major third party systems we use include Fidessa for real time market data, and Refinitiv and Quest for company analysis, screening, research, portfolio attribution and risk analysis. Philip Hare & Associates LLP provides advisory services to Amati on the BPR status of prospective holdings, and issues an annual monitoring report on the BPR status of the portfolio. It also advises on material transactions undertaken by portfolio companies, to determine whether a corporate event would prejudice the continuing BPR status of the holding.

How are Investments Identified?

The management of the fund is team based, and the research and portfolio management functions are combined. This approach allows broader coverage of markets and stocks and enables the team to develop an in-depth knowledge of a prospective investee company prior to initiating a position in the stock. Although there is inevitably some crossover, due to the collaborative nature of the process, individual fund managers assume broad responsibility for originating deals and performing the initial due diligence across the following industry sectors:

Dr Paul Jourdan:
Resources, Energy Transition, Financials, Healthcare & Technology

Gregor Paterson:
Industrials, Telecoms, Support Services & Energy Transition

Scott McKenzie:
Construction, Financials, Retail, Travel & Leisure

Dr Gareth Blades:
Healthcare & Technology

We have extensive experience of investing in UK quoted smaller companies. Our investment process is first and foremost driven by company research, involving a bottom up, stock picking approach. Ideas are generated internally through our own research and also introduced to us by our sell-side contacts. We value input from the sell-side, maintaining a variety of broker and analyst relationships and accumulating the knowledge of their individual strengths and weaknesses. If possible, most offers of management contact are accepted, in order to effectively monitor companies and sectors. We average around 80 company meetings, conference calls and analyst discussions per month (around 5 per manager per week). We selectively undertake site visits.

Following contact, the fund managers will carry out their own research using external information such as prospectuses, annual reports, broker research notes and 3rd party industry sources, plus internally generated analytical tools and models.

Documentation relating to the research process is recorded on Amati's proprietary Connex research database, and available for peer review.
We focus on high quality, mature, structural growth stocks at the higher end of the AIM liquidity spectrum which fit into the following categories:

Management and Family Ownership
· Significant equity stakes held by management/family
· Professionally managed for long term growth
· Strong and prudent balance sheet

Durable Defensive
· Attractive yield and well covered dividend
· Defensive qualities, non-cyclical

Established Technology
· Profitable and history of growth
· Cash generative and high margin
· Clear USP and strong barriers to entry

We seek to avoid companies with the following characteristics:
· Aggressive accounting flattering revenues, profits and finances
· Growth by unnecessary acquisition, distorting costs with no underlying EPS enhancement
· Consistently reporting 'exceptional' and 'restructuring' costs
· Poor profit/cash conversion
· Competitive threats from larger companies with greater operating scale or from new technologies
· Repeated cash calls
· Significant liabilities – debt, lease, deferred considerations, pensions
· Lumpy, irregular income
· 'Fashion' stocks

A variety of valuation measures are used, including Market Cap and Enterprise Value based ratios, and these are compared across the peer groups and in relation to growth profiles.
For better followed companies we will use brokers' forecasts and models as our starting point, and as a means of analysing the expectations in the market.
Broker research, produced by reputable analysts, is normally referred to as part of the research process, acting as a channel for information and opinion, but is never the sole determining factor of our investment decision. We always like to form our own views on company management and business quality, and will use our own industry connections to sense check an investment case.

Amati AIM IHT DDQ

How is the portfolio constructed?

At present we have a single Model Portfolio of BPR-qualifying AIM stocks, which provides the template for the discretionary management of portfolios held by clients of wealth managers and other intermediaries.

The stocks chosen for the Model Portfolio are those that to the best of our knowledge are likely to qualify for BPR; as such they could potentially provide up to 100% inheritance tax relief after a holding period of two years (subject to the final determination of HMRC). Client portfolios can also be held in an ISA wrapper, thus additionally providing freedom from income tax and capital gains tax. For client portfolios not held in an ISA wrapper, CGT computations are available on request.
The Amati AIM IHT Portfolio Service targets a diversified portfolio of between 25-40 holdings in well-financed and profitable companies, each with 2-5% weightings.

Dividends received from portfolio companies are reinvested and portfolio turnover is very low, and we avoid short term trading calls. While we aim to beat the benchmark (Deutsche Numis Alternative Markets TR) over the medium to long term, we are benchmark agnostic in the management of the portfolio, where the overarching investment philosophy is one which foregrounds income and wealth preservation as much as capital growth.
All due diligence carried out by individual managers is subject to peer review, before a final buy or sell Investment decision is made. Consequently portfolio construction reflects a consensus, team-based view.

We use our own systems to model category and sector exposures, real time stock weightings, top twenty investments, liquidity exposure and market cap distribution. Our aim is that the portfolio as a whole is well-diversified.

What prompts the manager to sell?

There are a number of factors influencing sell discipline within the investment process. Portfolio holdings are under constant re-appraisal in the light of market dynamics and we will adjust position sizes to maintain appropriate weightings, although we would rarely allow a holding to exceed 5% of the fund.

Although the presumption is always in favour of a medium to long term holding period, fundamental issues with a portfolio company, including signs of poor corporate governance or where the original investment premise no longer applies, would prompt an outright sale.

Another key selling influence is competition for portfolio space within a normal range of 25-40 holdings. Existing positions will be substituted when they offer a poorer risk-reward ratio than new ideas, thereby maintaining strong conviction views within the portfolio. A deteriorating sector or macro outlook will also be an environmental factor determining when to sell or reduce holdings.

Stewardship & ESG

Amati Global Investors recognises that managing investments on behalf of clients involves taking into account a wide set of responsibilities in addition to seeking to maximise financial returns for investors. Industry practice in this area has been evolving rapidly and Amati Global Investors has been an active participant in seeking to define and strengthen its principles accordingly. This involves both integrating ESG considerations into the investment managers' decision-making process as a matter of course, and also signing up to major external bodies who are leading influences in the formation of industry best practice. The consideration of ESG issues has always been implicit in our investment process, and at some level there is engagement on some aspect of ESG during almost every interaction with investee or potential investee companies.

The results of our engagement with companies varies and will depend on the amount of leverage we have in terms of our shareholding, but in any case we always try to make a difference, even if only at the margins. Importantly, we almost always engage directly with the company itself and our views are not mediated by the broker or by an institutional proxy voting advisor. We believe that our investment process should take into account the broader social and environmental impact of the companies in which we invest.

The following is an outline of the kinds of ESG considerations that the investment manager will take into account as part of the investment process:

Environmental - examining issues arising from supply chains, climate change and contamination. The investment manager looks for management teams who are aware of the issues and are proactive in responding to them.

Social - seeking to avoid unequivocal social negatives, such as profiting from addiction or forced labour and to support positive impacts which will more likely find support from customers and see rising demand.

Governance - examining and, where appropriate, engaging
with companies on board membership, remuneration, conflicts of interest such as related party transactions, business leadership and culture.

Human rights - adopting and advocating a Clean Trade approach, which means avoiding companies that tacitly support the most oppressive regimes.

There are specific concerns in relation to resources companies such as environmental degradation, labour relations and oppressive regimes. Dr Paul Jourdan has very good credentials in this area and is a trustee of the Clean Trade charity. The Clean Trade principles concern the interpretation of Article 1(ii) of the International Covenant on Civil and Political Rights, which states: "All peoples, may, for their own ends freely dispose of their natural wealth and resources without prejudice to any obligation arising out of international economic co-operation, based upon the principle of mutual benefit, and international law." Clean Trade argues that where the level of freedom in a country falls below certain thresholds, then there can be no reasonable expectation of this article being satisfied.

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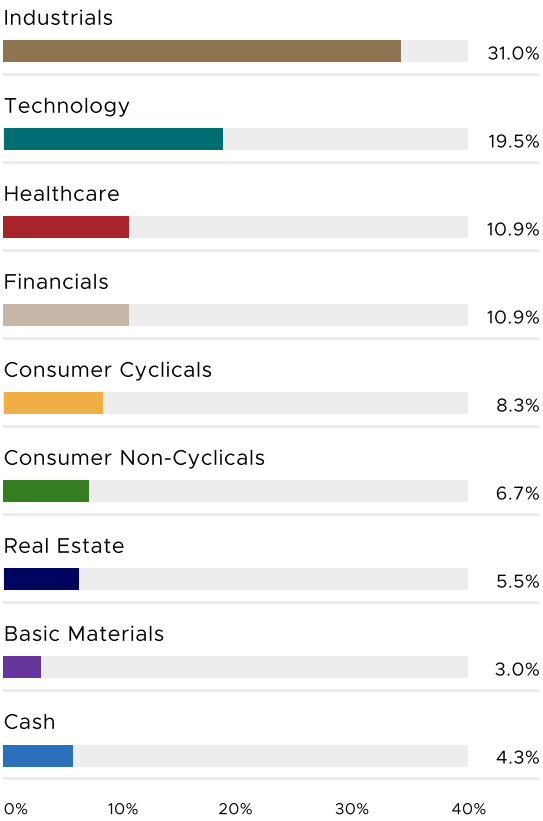
Sector Weightings



Source: Amati Global Investors as at 30/09/2025

Geographical Distribution by Revenue

United Kingdom	63.2%
Europe (ex UK)	14.7%
North America	8.7%
Rest of the World	13.3%

Source: Amati Global Investors as at 30/09/2025

Cumulative Performance

	AIM IHT Return (%)*	Index Return (%)**
1 month	0.12	2.10
3 months	-5.10	1.24
6 months	12.69	13.39
1 year	-3.73	4.79
2 years	-0.22	7.79
3 years	-10.69	-0.75
5 years	-8.20	-14.88
10 years	45.70	22.30
Since Launch#	78.58	13.20

Cumulative performance data as at 30/09/2025

*Amati AIM IHT Model Portfolio dividends reinvested, net of AMC, platform fees and trading costs, excluding advisory charges

**Deutsche Numis Alternative Markets Total Index Return
#29 August 2014

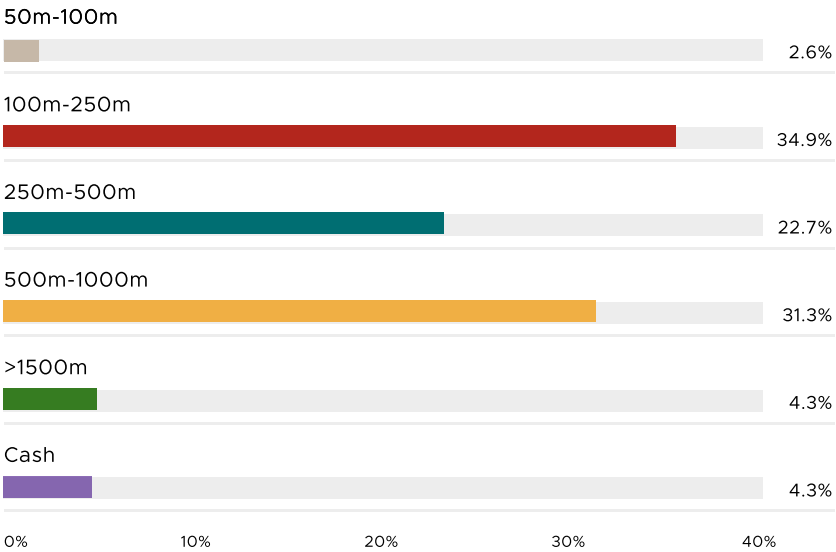
Discrete Annual Performance

	Fund Return (%)	Benchmark Return (%)
30/09/2025	-3.73	4.79
30/09/2024	3.64	2.86
30/09/2023	-10.49	-7.92
30/09/2022	-30.62	-34.40
30/09/2021	48.14	30.73

Discrete annual performance data as at 30/09/2025

Past performance is not a reliable indicator of future performance.

Market Cap (£)



Source: Amati Global Investors as at 30/09/2025

Amati AIM IHT DDQ

What is our Investment Philosophy

We are active, high-conviction investment managers and our investment process is driven by fundamental research and analysis, which we undertake in order to identify outstanding growth companies. We also seek to determine the most appropriate time in which to invest in them in terms of their risk/reward characteristics.

We have a team-based approach to investing, preferring collaborative and consensus views, where investment ideas are generated by the free flow of thought and where positions are constantly challenged. We avoid rigid style categories and seek out opportunities regardless of market conditions, and we do not favour one valuation technique to the exclusion of others, preferring to use all the tools at our disposal, including fundamental analysis, technical indicators and market sentiment.

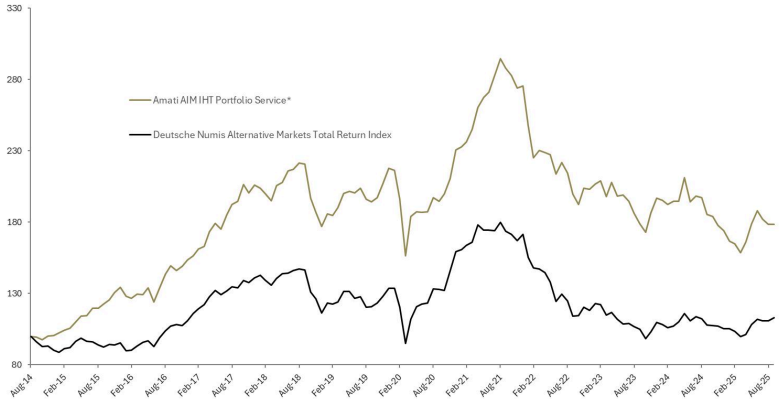
We seek to diversify liquidity risk through holding stocks capitalised at £1 billion and above, alongside those which are below £250m. This allows us to benefit from the exceptional returns quite commonly given by micro-cap stocks, while ensuring that we maintain sufficient flexibility and liquidity in the event of a market sell-off.

While we construct our portfolios from the bottom-up, we are also aware of macroeconomic and sectoral factors, and we believe that this, combined with our disciplined approach to risk, delivers a distinctive approach to investment management and compelling client investment proposition.

Dr Paul Jourdan offers an insight into Amati's approach on ESG. To view please click here.

To read our statement on Stewardship and Shareholder Engagement, please visit our website.

Performance vs Benchmark



Source: Amati Global Investors as at 30/09/2025

*Amati AIM IHT Model Portfolio dividends reinvested, net of AMC, platform fees and trading costs, excluding advisory charges (re-based to 100).

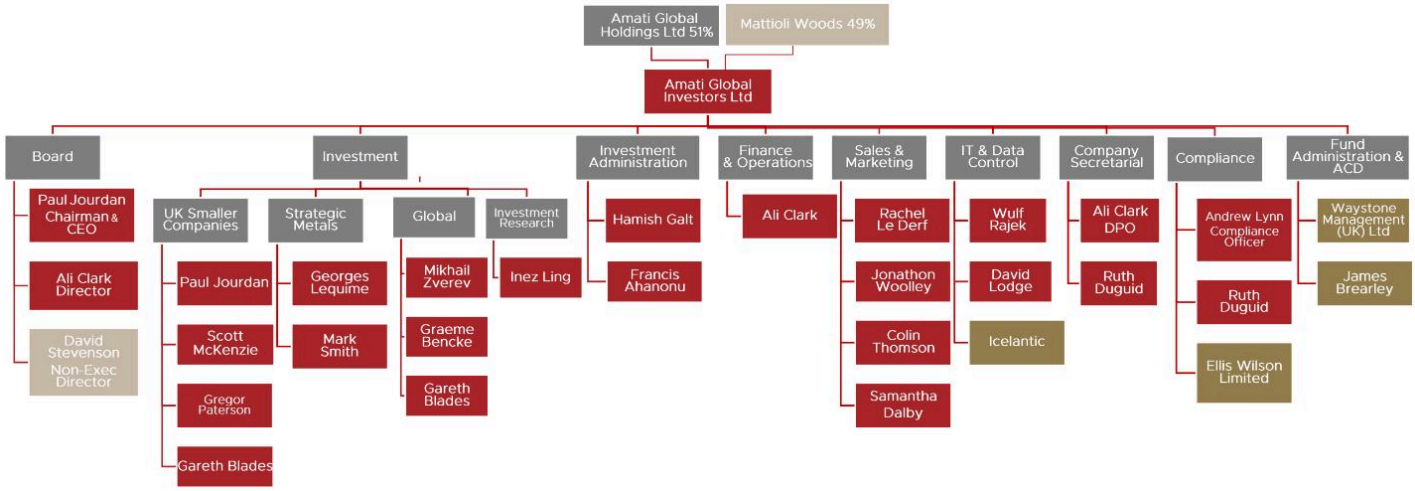
**The stocks comprising the Index are aligned with the objectives of the Service, and on that basis the Index is considered an appropriate performance comparator for the Service. Please note that the Service is not constrained by or managed to the Index.

Sources: Amati Global Investors Ltd and Numis Securities Ltd.

Past performance is not a reliable indicator of future performance.

Other funds the management are responsible for

WS Amati Strategic Metals Fund	£62.7m
WS Amati UK Listed Smaller Companies Fund	£168.5m
WS Amati Global Innovation Fund	£24.7m

Source: Amati Global Investors as at 30/09/2025

Amati Organisational Chart