

Global High Conviction Unit Class

TAMIM Fund

At 31 July 2025



The TAMIM Global High Conviction unit class was up +4.89% for the month of July 2025. The strategy has generated a return of +15.72% over the past 12 months and 17.60% p.a. over the past 3 years.

If everything looks shipshape, then you've overlooked something

Risk assets especially equities continued their ascent. The indices rose about 2.5% and 3% respectively. This continued rise in equity prices occurred despite some signs of stress at the long end of the US yield curve as investors finally fear indigestion from continued deficits. We expect (hope) the potential growth rate of the USA to rise as private capital investment replaces government spending. This will ameliorate the debt to GDP metric. It will however take time.

We're pretty hardened investors so the crowing about how President Trump influenced decisions by Apple and Nvidia et al to 'NEWLY' invest hundreds of \$ billions, may or may not have been incremental ie will it shift the dial as NEW investment? On the other hand, it's not as if companies are going to disinvest? "Animal Spirits" look to be reviving here and certainly more so than in Europe, which has decided to mobilise more government spending by reclassifying the (re)building bridges and power supply as defence spending. It all helps perhaps.

Some companies blamed tariffs for disappointing results (Nike) and some said 'wir schaffen das' - Japanese carmakers exporting to the US. Decisions on pricing, resilience to take a margin squeeze to maintain market share, and the attractions of product line-ups are what makes analysis worthwhile. We use a quality factor to assess the resilience of companies to adverse events. This has proved useful. Buy backs which we thought were going to come under pressure, look like rising again, to over \$1 trillion. If companies can keep the C suite sweet by maintaining support for share prices, maybe they can afford to also take a bit of a hit on margins for their customers who aren't in the C suite? This is the Main Street vs Wall Street debate in a nutshell and Main Street appears to be the favoured party by this administration.

Deals were struck between the US and Japan, good for Japan of course, and we wondered why it took so long given Japan's role as the largest owner of US treasuries and as its most potent friend in the Pacific but anyway. Europe promised to buy lots of USA LNG and got a deal which was widely believed to be a rollover by them. India was threatened with tariffs if it continued to buy Russian gas and it is obvious that the US is going to use its economic power to influence geopolitics. Here, the best option is to keep it simple – friend or foe? Friends are more likely to be treated consistently and thus easier to analyse their companies.

As we write this the likely squeeze on corporate profit margins is apparent based on the different trends in consumer price inflation, and producer price inflation where the latter is rising faster than the former. Such things normally result in increased investment to raise productivity and lower the costs of production and hence rebuild margins, but we've not been

rising faster than the former. Such things normally result in increased investment to raise productivity and lower the costs of production and hence rebuild margins, but we've not been in normal times for a while. On balance we expect a mix of increased investment and labor layoffs. On the latter it has been clear for a while that the data on the labor market was pretty useless, and we couldn't fathom why the central banks kept their mantra of being 'data driven'. So, the head of the BLS got removed and replaced by a loyalist. Cue the outrage in the legacy media. It wasn't the bad jobs report that should have triggered this change but the complete uselessness of the outmoded survey-based data gathering.

Our biggest concern remains the concentration of the market in just a few stocks. This is what we may have overlooked. Despite a sell-off in April, the concentration ratio of the 7 stocks (possibly some of them not so magnificent now?) has gone up again and it approaches 25% of the S&P 500. To be fair they also represent a disproportionate percentage of the profits. However, it is not a healthy market and for the run to continue it has to broaden out. Our outperformance has come from minimal investment in these companies, and we have made great profits from Japanese technology, power grid and general infrastructure reinvestment, and basic materials companies.

July notable risers were eBay + 23%, Hokkaido Electric Power in Japan, a nuclear power operator which we highlighted late in 2024, +22%, Sumitomo Electric Industries +22%, Corning + 21%, and Teradyne +19%.

Detractors were Qualcomm, HCA Healthcare, Reliance, Shin-Etsu Chemical and Qwest Diagnostics.

We took profits in Tegna after a takeover approach from Nexstar, and made a new investment in AECOM, a Texas, US based infrastructure project consulting service.

Global High Conviction Unit Class

TAMIM Fund

At 31 July 2025

Portfolio Highlights:

Ebara Corporation (TSE: 6361)

Ebara represents a quintessential example of what we mean by “In Rust We Trust.” While officially classified as an industrial, its operations cut across some of the fastest-growing global industries. Its pump and compressor businesses are essential to infrastructure renewal—covering irrigation, sewage systems, tunnel drainage, and municipal waste plants—making it a clear beneficiary of urbanisation and energy transition trends. The company’s precision machinery division is particularly attractive, with a strong position in semiconductor manufacturing equipment such as plating, cleaning, and CMP (chemical mechanical polishing), processes critical to the smooth functioning of wafers. Trading at roughly half of stated book value for its Japanese nuclear exposure, Ebara combines “boring industrial” optics with genuine exposure to next-generation growth markets, from semiconductors to nuclear power.



AECOM (NYSE: ACM)

We have long argued that infrastructure is one of the best secular investment opportunities, and AECOM is positioned at the centre of this trend. The company provides consulting, engineering, environmental, and program management services across energy, water, transport, and healthcare. Revenue growth has been consistent, with FY25 net income more than doubling year-on-year to \$614m, reflecting both operating leverage and disciplined project execution. Recent wins, such as US Army Corps contracts across Europe and partnerships to build Saudi Arabia’s logistics hubs, demonstrate its global reach. Risks remain—particularly in California, where large-scale projects are notorious for delays and cost blowouts—but AECOM’s global diversification mitigates this. With margins expanding and forward P/E trending towards ~22x, AECOM offers investors a high-quality lever on the coming wave of public and private infrastructure spending.



F5, Inc. (NASDAQ: FFIV)

F5 has quietly established itself as a critical enabler of global cloud and communications infrastructure. Its suite of multicloud application security and delivery solutions enjoys strong partnerships with AWS, Microsoft Azure, and Google Cloud. This makes F5 a focused way to play the ongoing expansion of cloud services without being exposed to the slower-growing segments of the hyperscalers. Financially, the business is robust: EBITDA margins rose to 28% in FY25 with net income up 20% y-y. Its balance sheet remains pristine, with net cash of ~\$1.2bn and debt-to-equity under 2%. While top-line growth has been modest at ~6%, upward earnings revisions across the sell side reflect both defensive characteristics and incremental upside from AI-driven cybersecurity products. Trading at ~20x NTM earnings, F5 is not cheap, but given its balance sheet strength, margin profile, and mission-critical role in the cloud stack, we view it as an attractive defensive technology holding.



Global High Conviction Unit Class

TAMIM Fund

At 31 July 2025

Overview

The TAMIM Global High Conviction strategy is a portfolio of global equities from major developed global exchanges. The portfolio holds approximately 60 of the best ideas from around the globe. The portfolio uses a systematic and consistent approach to stock selection and portfolio construction to deliver strong risk adjusted returns to our clients while focusing on attempting to preserve their wealth.

Key Facts

Investment Structure:	Unlisted Unit Trust
Minimum investment:	A\$100,000
Management fee:	1.00% p.a.
Admin & expense recovery fee:	Up to 0.35%
Performance fee:	20% of performance in excess of hurdle
Exit fee:	Nil
Single security limit:	+/- 5% relative to Investable Universe
Country/Sector limit:	+/- 10% relative to Investable Universe
Target number of holdings:	80-110
Portfolio turnover:	Typically < 25% p.a.
Cash level (typical):	0-100% (0-10%)
APIR code:	CTS5590AU

NAV

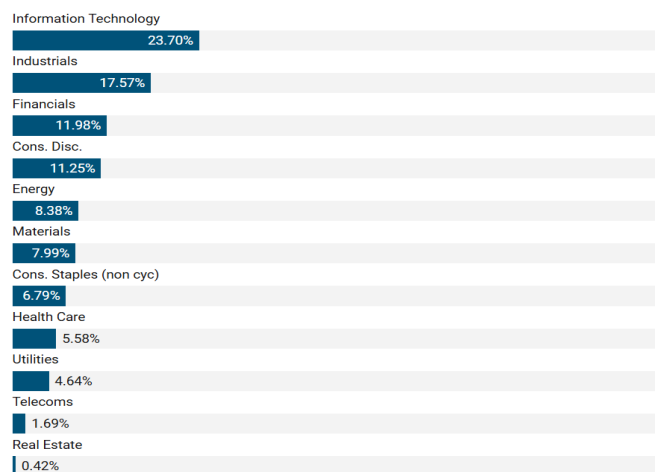
	Buy Price	Mid Price	Redemption Price
AU\$	\$1.6190	\$1.6150	\$1.6109

Selection of 5 Holdings

Stock	Country
Canon	JP
Schlumberger	USA
Corning	USA
Cummins	USA
Ebara	JP

Portfolio Profile

Equities	98.92%
Cash	1.08%



Portfolio Performance

Inception: 15/07/2011	1 month	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)	Since inception (total)
Global High Conviction	4.89%	15.72%	17.60%	15.44%	14.44%	534.71%
Cash	0.32%	4.22%	3.90%	2.41%	2.26%	36.75%

Strategy inception: 15/07/2011 | TAMIM Fund: Global High Conviction unit class inception: 31 December 2019

Returns prior to 31 December 2019 reflect the Individually Managed Account (IMA) underlying portfolio returns. IMA returns reflect a higher fee structure. Individually Managed Account (IMA) returns will, by their nature, vary from the underlying portfolio and TAMIM Fund portfolio. Should you wish to see your individual return, please log in to your account online. Returns are quoted net of fees and assume dividends/distributions are reinvested. Past performance is no guarantee of future performance. The information provided should not be considered financial or investment advice and is general information intended only for wholesale clients (as defined in the Corporations Act). The information presented does not take into account the investment objectives, financial situation and advisory needs of any particular person nor does the information provided constitute investment advice. Under no circumstances should investments be based solely on the information herein. You should seek personal financial advice before making any financial or investment decisions. The value of an investment may rise or fall with the changes in the market. Past performance is no guarantee of future returns. Investment returns are not guaranteed as all investments carry risk. This statement relates to any claims made regarding past performance of any Tamim (or associated companies) products. Tamim does not guarantee the accuracy of any information in this document, including information provided by third parties. Information can change without notice and Tamim will endeavour to update this document as soon as practicable after changes. Tamim Funds Management Pty Limited and CTSP Funds Management Pty Ltd trading as Tamim Asset Management and its related entities do not accept responsibility for any inaccuracy or any actions taken in reliance upon this advice. All information provided in this document is correct at the time of writing and is subject to change due to changes in legislation. Please contact Tamim if you wish to confirm the currency of any information in the document. Returns shown for longer than 1 year (other than Inception) are annualised. All returns shown are AUD denominated.