

Global High Conviction Unit Class

TAMIM Fund

At 31 August 2025



The TAMIM Global High Conviction unit class was up +4.89% for the month of August 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.

It's September. Usually, the worst month for equity returns. There are plenty of reasons to fear a sell-off this time. The simplest being that trees don't grow to the sky and that the performance, particularly of the US and Chinese markets, has been consistent and strong despite incredulity at novel economic policy at the start of President Trump's second term. Profit taking is always tempting. Add in concerns around politicisation of The Fed, ((The ECB succumbed years ago), the removal of the BLS commissioner (for good reason but not the one used by the President), the legal rejection of US tariff policy on the basis of Executive overreach, and the rise in long bond yields almost everywhere with enormous debts to be serviced and there are now headwinds to further P/E expansion and low volatility continuing.

Detractors to performance came from Bumble (a small position due to its very high volatility), Kurita Water after insipid results, and Applied Materials (ditto). All fell 15% or more. Positive contributions were made by Teradyne, Hokkaido Electric Power, Tenet Healthcare. Teradyne rose 30% in the month. The tech related stocks are very volatile and so it makes sense to be diversified. We own 15 positions classified in GICS as Information Technology and many of our positions classified in GICS as Industrials, such as Quanta, Ebara and Emcor are very leveraged to technology spend and innovation.

We made a few trades. Weyerhaeuser was sold to reinvest in Logitech a Swiss based NASDAQ quoted manufacturer of computer hardware peripherals. We took profits in Iberdrola (see below for an observation on Renewables investments) and added to positions in Magna in Canada and Inpex in Japan.

The momentum in the market generated by an apparently dovish tone from Fed Chair Jay Powell, at Jackson Hole, faded into the month end. **NVIDIA's latest results confirmed a turning point; no longer the big positive surprises.** Earnings were strong—\$46.7 billion in quarterly revenue, up 56% year-on-year—and guidance for the next quarter, of \$54 billion met expectations. But the results packed no upside surprises. In a market priced for perfection, that was enough to dampen sentiments. The focus is shifting. With mega-cap valuations appearing stretched, investors are rotating toward sectors still in early growth phases.

We list those opportunities here:

First, infrastructure. The AI buildout is driving unprecedented demand for power and data centres. We are witnessing full-cycle capital investment across compute, grid, and energy systems. This is now about physical scale—AI at industrial intensity. Infrastructure spending could run into the trillions over the next five years.

Second, applications. Venture capital is reallocating toward AI tooling—vertical software, developer platforms, embedded systems. These are early-stage plays aligned with a deployment cycle just getting started.

The next leg of tech earnings will not hinge on headline beats from familiar names. It will come from the buildout beneath and the applications above—the hard infrastructure to run AI at scale, and the software that makes it productive. Investors who pivot early will be positioned in the true structural growth engines of the next decade.

Where the Future (threat?) Lies: The Strategic Rise of the SCO

Given the current political backdrop, the Shanghai Cooperation Organisation (SCO) summit being held in Tianjin this week is more than a symbolic gathering. With China hosting Russian President Vladimir Putin and Indian Prime Minister Narendra Modi, the summit marks a deeper pivot toward strategic alignment among non-Western powers.

Often dismissed as toothless by Western powers, the SCO is quietly becoming functional. It offers emerging powers a platform for coordination without Western preconditions. What is emerging is a pragmatic multipolarity—one rooted less in ideology and more in hard assets: logistics, energy, population scale, and technology. While Western nations grapple with fiscal incontinence, and very poor GDP per capita growth, the SCO bloc is building continuity. Long-term trade corridors, digital infrastructure, and energy ties are becoming the new instruments of influence. China's Belt and Road, Russia's pipelines, India's digital expansion, and its pivot to importing Russian energy despite alliances with The West, and Central Asia's resource leverage are forming an increasingly coherent framework.

The SCO may lack the force projection of NATO or the capital heft of the G7, but it reflects a critical shift in global influence toward execution, not just rhetoric. For investors, the message is clear: the world's growth engines and industrial productive capacity are increasingly anchored in regions prioritising scale, interdependence, and pragmatism. It is looking (pace Orsted) more and more that Net Zero, wind and solar, and their inefficiency as sources of essential power for industrial manufacturing, are incompatible with re-industrialisation (including Defence spending) by the West. Orsted the Danish windfarm and solar operator fell almost 35% as a large rights issue to remain viable shocked the market. China is essentially commissioning a new coal fired power station weekly. As a reminder the populations of India and China are combined over eight times that of the United States and relative labour productivity will begin to matter. Put another way, if India can pivot so quickly from being pro West to pro East, and investors are remaining comfortable with their allocations to India, then the Chinese market on a P/E half that at 11x should be of interest after years of neglect?

Japan remains a favourite. We have always thought 'G' critical to a company's sustainability and indeed to the whole corporate – individual – government ecosystem. The number of outside directors serving as chairmen of listed Japanese companies has doubled from 5 years ago. However, it is still less than 10% of total available positions and has to double again to reach US 'standard'. It is the journey to improvement that will drive returns on capital in Japan.

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Portfolio Highlights:

Evonik Industries AG (XTRA: EVK)

Evonik is a global leader in specialty chemicals, with market leadership across additives, nutrition, and smart materials. The company's amino acids business, particularly methionine for animal feed, remains a structural growth driver, though near-term results are weighed down by a weaker European economy. While revenue fell slightly year-on-year, cost-cutting and efficiency gains improved net income to €461m in FY25. With a dividend yield above 7% and a solid balance sheet, Evonik offers downside protection. Its local-for-local production model mitigates trade risk, and any improvement in European energy policy would disproportionately benefit the company. Given cost leverage, even modest revenue growth will now flow through at higher margins.



Logitech International S.A. (SWX: LOGN)

Logitech is the global leader in PC peripherals and digital interaction tools—from keyboards and webcams to gaming headsets and streaming gear. Positioned as a “picks and shovels” play on AI adoption and gaming demand, the company benefits indirectly from Nvidia’s GPU boom, as gamers and streamers pair GPUs with Logitech’s hardware ecosystem. FY25 revenues grew to \$4.6bn, with EBITDA stable at ~\$759m. Despite margin pressure, Logitech continues to generate strong free cash flow, carries net cash of \$1.4bn, and has demonstrated capital return discipline through dividends and buybacks. Trading on ~25x forward earnings, the valuation reflects quality and resilience, with upside from growth in hybrid work, gaming, and streaming ecosystems.



Magna International Inc. (TSX: MG)

Magna is the largest auto parts supplier in North America and the third largest globally, with exposure across body structures, seating, vision systems, and complete vehicle assembly. Beyond traditional components, its hybrid powertrain solutions stand out as a compelling growth area—an attractive “middle ground” between ICE and full EV adoption. FY25 net income rose to \$1.2bn despite top-line revenue pressure, reflecting resilience and cost management. With a dividend yield above 4% and trading at under 9x forward earnings, the stock provides value exposure to global auto demand while offering optionality in EV and hybrid adoption. Recent wins, including new vehicle assembly mandates with XPENG, reinforce its strategic position in next-generation mobility.



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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

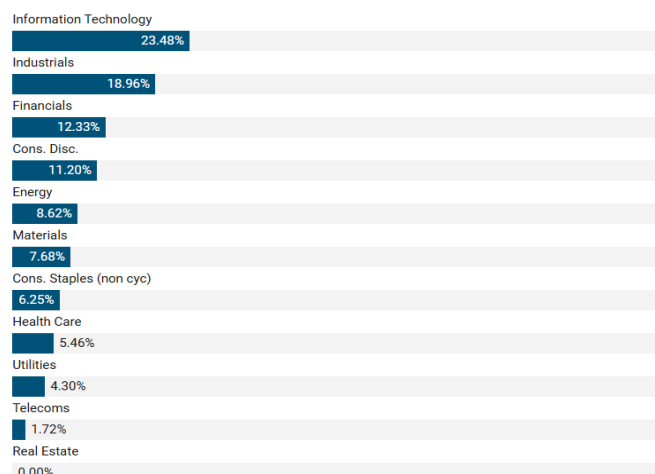
	Buy Price	Mid Price	Redemption Price
AU\$	\$1.6569	\$1.6527	\$1.6486

Selection of 5 Holdings

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

Portfolio Profile

Equities	96.65%
Cash	3.35%



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	0.30%	4.16%	3.95%	2.47%	2.27%	37.15%

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.