

Global High Conviction Unit Class

TAMIM Fund

At 31 October 2025



The TAMIM Global High Conviction unit class was up +2.55% for the month of October 2025. The strategy has generated a return of +23.68% over the past 12 months and 19.20% p.a. over the past 3 years.

Stock moves in the month were extreme. Ibiben rose approximately 60%, Sumitomo Electric Industries 33%, Teradyne 32% Kurita Water 16% and Alphabet 15%. Price declines in F5 of 21%, International Paper of 17% and Evercore of 13% remind us that errors are always with us. We trimmed Ibiben.

“Is it ‘To Infinity and Beyond’ or ‘Obviously an Ouroboros’?”

Markets had a little wobble and then it was ‘situation normal’ and they went back up with the A.I. theme leading the way. As we wrote last time, the problem with momentum as a risk factor is that while it’s profitable, it comes with elevated risk. Since everything moves together you lose diversification benefits in a portfolio such that in any correction there is less resilience than you believed. Momentum is not a factor to allow to dominate.

There is no need to expand on the theme du jour and that the driver of momentum is A.I. Valuations however are stretched based upon normal recent (last 40 years) experience. A lot of smart people are trying to call the top and indeed there are signs on valuation grounds and internecine linkages to overcome balance sheet deficiencies for some companies, that we are approaching the top. On valuation grounds it looks like revenues and profits will have to go to infinity and beyond. Peak complacency abounds.

Yet maybe the commitments to spend on A.I. are honoured and the capital to do so is raised? This gives us the Ouroboros analogy. The Ouroboros is a mythical snake that eats itself. If A.I. requires so much power that cannot yet be provided, what will happen to the EXISTING demand from consumers such as households and industries? If much of the incremental power currently planned for the grid is consumed by A.I. then the consumers will be starved and there can be no revenues generated to the A.I. providers. If power is not fully diverted to A.I. but remains split, then the revenues projected will be short. This will not be good for the multiples of the stocks nor the value of IPOs. Sam Altman of OpenAI said the company is committed to spending USD1.4trn to develop 30 gigawatts of computing resources, enough to power roughly 25 million US homes. Where is that power coming from in time to justify the rating? He would like OpenAI to add 1 gigawatt of compute every week, an astronomical sum as each gigawatt currently comes with a capital cost of over USD40bn.

The Ouroboros is a mythical snake that eats itself. It is possible that the A.I. boom is an Ouroboros?

Our stance? If A.I. spend continues then the grid and traditional fuels are needed very quickly or the Ouroboros reveals itself. If the A.I. spending doesn’t appear the grid is outdated for accommodating renewables anyway. Invest in the companies that build, maintain and repair the transmission grids.

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Portfolio Highlights:

Kurita Water Industries (TSE: 6370)

Kurita Water Industries is one of the world's leading specialists in industrial water treatment, combining seven decades of engineering expertise with mission-critical relevance across the semiconductor, pharmaceutical, and data centre supply chains. Founded in 1949, the company today operates through two primary divisions, Electronics and General Industry, delivering ultra-pure water systems, filtration technology, and full life-cycle treatment services that support some of the most water-intensive and technologically demanding manufacturing environments in the world.



The Electronics segment continues to benefit from structural growth in semiconductor and display production. Kurita supplies ultra-pure water systems essential for advanced chip fabrication, along with process chemical management that supports higher yields and reduced downtime. Its General Industry division provides boiler, cooling, and wastewater treatment solutions to customers across refining, chemicals, automotive, food processing, and materials industries. Kurita's embedded position within these operations is strengthened by its integrated service model, which uses on-site engineering, real-time analytics, and long-term maintenance contracts to ensure high efficiency and regulatory compliance.

Water scarcity and environmental regulation are becoming defining constraints on global industrial expansion, particularly in chip fabrication, where facilities consume tens of millions of litres of water per day. Kurita's recycling technology transforms wastewater into re-usable industrial input, reducing both cost and ecological burden. Its recurring-revenue profile, high switching costs, and long-duration customer relationships provide a resilient cash-flow foundation. As global investment in data centres and semiconductor megaprojects accelerates, Kurita remains essential infrastructure for the digital economy.

Ibiden Co., Ltd. (TSE: 4062)

Ibiden is a critical supplier at the heart of the semiconductor value chain, producing high-performance printed circuit boards and integrated circuit substrates that support CPUs, GPUs, and next-generation computing hardware. Established in 1912, the company has evolved from its origins in power generation into a world-class manufacturer of electronic materials and advanced ceramics. Its technologies underpin the physical link between chip design and chip functionality, enabling heat management, signal integrity, and mechanical stability at microscopic precision.



The company's Electronics segment provides substrates used by global leaders in computing and high-performance devices. Ibiden's longstanding relationships with blue-chip customers reflect decades of process mastery, vertical integration, and an ability to consistently meet exacting tolerances that few competitors can match. Beyond electronics, its Ceramics segment supplies diesel particulate filters, high-temperature insulation, and graphite components used across automotive and industrial applications, providing diversification through economic cycles.


Ibiden's competitive advantage lies in its deep materials expertise and its ability to integrate production processes across substrate and ceramic technologies. The company continually reinvests in capacity and proprietary manufacturing methods, including waste-heat recovery and material recycling, which enhance both efficiency and margins. As AI computing, electric vehicles, and advanced packaging drive exponential demand for high-density interconnect substrates, Ibiden is positioned to benefit from a multiyear structural tailwind. Its entrenched role within global technology supply chains makes it a durable compounder of industrial capability.

Sumitomo Electric Industries (TSE: 5802)

Sumitomo Electric is one of Japan's largest industrial and technology conglomerates, supporting the global transition toward electrification, advanced connectivity, and high-performance infrastructure. Founded in 1897, the company operates across five major domains including Environment & Energy, Automotive, Infocommunications, Electronics, and Industrial Materials. Its reach extends into virtually every layer of modern infrastructure, from renewable power grids to electric vehicles, data networks, and semiconductor fabrication.



The Environment & Energy segment produces high-voltage power cables, grid equipment, and superconducting technologies that enable the efficient transmission of electricity across renewables-heavy networks. Its



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Infocommunications division manufactures optical fibre, fusion splicers, and high-speed networking components essential for cloud computing, 5G rollout, and hyperscale data centres. In automotive, Sumitomo Electric is one of the world's largest producers of wiring harnesses and electronic subsystems, benefiting from rising EV penetration and the growing complexity of vehicle electronics and safety platforms.

The company's Electronics and Industrial Materials divisions produce ultra-fine wires, laser optics, and high-performance alloys used across advanced manufacturing and energy infrastructure, while sustained investment in R&D supports emerging areas such as next-generation semiconductors and loss-reducing superconducting cables. With broad diversification, long-standing customer relationships, and strong exposure to global megatrends including electrification, automation, and digital connectivity, Sumitomo Electric remains a strategically vital supplier to both developed and emerging industrial ecosystems.

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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\$	\$1.7303	\$1.7260	\$1.7217

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	2.55%	23.68%	19.20%	16.83%	14.38%	578.34%
Cash	0.30%	4.04%	4.02%	2.58%	2.28%	37.96%

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.

Selection of 5 Holdings

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

Portfolio Profile

Equities	98.89%
Cash	1.11%

