

Global High Conviction Unit Class

TAMIM Fund

At 31 August 2026



We provide this monthly report to you following conclusion of the month of July 2026.

The TAMIM Global High Conviction unit class was down -0.31% for the month of August 2026. The strategy has generated a return of +22.3% over the past 12 months and +20.5% p.a. over the past 3 years.

The other side of the same coin

Last month we wrote that a portfolio deliberately built out of businesses that are not the index, will behave differently from the index when the index has a difficult month. We were rather pleased with ourselves, as July had obliged by giving us a falling index and a rising portfolio.

August took the other side. The index rose 1.99 per cent. The portfolio fell 0.31 per cent. For the quarter so far the two are within three basis points of each other, which has a certain comic symmetry to it.

We mention this not to apologise for the month but because the discipline of being honest about a mechanism requires owning both directions of it. A portfolio that diverges from the index is a portfolio that will sometimes diverge downwards. Anyone who tells you they have constructed something that outperforms a rising market and protects in a falling one is either selling you an option they cannot afford or has not been doing this long enough. We have deliberately stepped away from the most crowded end of the global market. In months when that end runs, we will lag. July was the reward. August was the fee.

Where the month actually went

Industrials were the main detractor, costing 0.79 percentage points, with consumer cyclicals at 0.48 and financials at 0.33. The contributors were energy at 0.70, technology at 0.36 and materials at 0.25, with health care and staples adding modestly. There is an irony worth noting. The technology weighting we have spent most of this year reducing was the second largest positive contributor to the month, and its weight in the portfolio drifted back up to 19.1 per cent, not because we bought any, but because what we still own went up while other things did not. We hold Microsoft, Taiwan Semiconductor, Adobe, Brother and KLA, and we are comfortable owning them at these weights. Reducing exposure to a sector has never meant refusing to own the businesses in it that we can still defend on a multiple.

Energy was the standout. Gaztransport, Cheniere, Valero and SLB all sit in the top twenty-five and the sector finished the month at 9.4 per cent of the portfolio, its highest level this year. We have written before that the demand case for gas is not a story about the next quarter's spot price but about what happens when everyone who has promised a data centre discovers they also need something to power it. August was a month in which rather more people appeared to reach that conclusion simultaneously.

Industrials, by contrast, gave back a good deal of what they

had contributed over the preceding quarter. We have made no material change to the holdings. Misumi, NGK and Kamigumi remain core positions and our view of them is unchanged. A month in which the picks and shovels lag the people selling the dream is, if anything, a month in which the picks and shovels get marginally cheaper.

Cash finished at 0.30 per cent. That is as close to fully invested as this strategy gets, and it is a deliberate statement. We do not hold cash as a view on the market. We hold it when we have not yet found the next thing.

What we are watching

Our position on the capital expenditure cycle has not moved. The market has applauded spending commitments it has not yet been asked to fund, and we continue to think that strong employment, sustained buybacks and this scale of investment cannot all be delivered at once. August was a month in which the market decided to worry about it rather less. That is the market's privilege and we are not going to argue with it monthly.

What we will do is keep owning the businesses that benefit regardless of how that argument resolves. Power generation, transmission, storage, gas transport, industrial capability, exchanges and insurers. These are not exciting. They are not supposed to be. They generate cash, they distribute a sensible proportion of it, and they do not require a heroic forecast to justify what you pay for them.

The country split is largely unchanged, the United States at 49.5 per cent and Japan at 24.6 per cent, and we will repeat that the Japanese weighting is a consequence of where we find sensibly priced businesses with improving capital discipline, not a top-down call on Japan.

Finally, and we will keep saying it until it stops being true: the best hedge for your hard earned against rapacious, fiscally incontinent governments is to hold dividend paying equities with sensible multiples, with sensible management, operating in essential areas of the economy. That remains true in a month when it did not pay. It would be a poor sort of principle if it only held when it was winning.

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We made some trades of course. We sold in Spain and re-invested into ENAV in Italy, an airport operator. We trimmed NYK in Japan after a rise of 15% in the month and reinvested into Murata a key supplier of Multi Layered Ceramic Capacitors. (MLCCs) - Multi-layer ceramic capacitors (MLCCs) are tiny electronic parts used to store and regulate energy, block noise, and stabilize power in almost all modern circuit boards. ie important. Murata dominates globally with Taiyo Yuden and SEMCO from Korea also key players. Murata's share price was hit in August when management declared they would not seek to raise prices aggressively in the face of rampant demand but would do the typical Japanese thing of supplying the market at stable prices to gain and maintain market share. Long term greedy probably beats short term price gouging?

Lastly in a month full of stories, we note that a once owned highly profitable holding, Dick's Sporting Goods, suffered a c. 30+% price fall in one day as it announced poor results and downgraded expectations primarily due to the acquisition of Foot Locker about a year ago. We exited the last of our position in January 2026 hating the deal. Helping that decision to exit was keeping tabs on Nike, Adidas, Deckers (Hoka) and On which have all been under (share) price pressure as consumers seem unwilling to pay over the odds for shoes made in Vietnam and Indonesia. M&A is often a death knell to profit growth, at least for 2-3 years. Knowing this is another aspect of the Accounting Strategic Governance framework which we use to complement our quantitative stock models.

Portfolio Highlights:

Gaztransport et Technigaz (EPA: GTT)

Gaztransport et Technigaz (EPA: GTT) is one of the purest toll-booth businesses in the listed world, and almost no one outside the shipping industry has heard of it. The French company designs the membrane containment systems that allow liquefied natural gas to be carried at minus 162 degrees inside the hull of a ship. Rather than build the vessels itself, it licenses the technology to the shipyards, principally in Korea and China, and collects a royalty on essentially every large LNG carrier built. It is asset-light in the truest sense: the capital sits on the shipbuilders' balance sheets, while GTT keeps the intellectual property, the engineering know-how and the fee.



The order book is the story. The world is in the middle of a multi-year expansion of liquefied gas supply, with new export capacity coming on in the United States, Qatar and elsewhere, and every molecule of that gas needs a specialised ship to move it. That has handed GTT a backlog stretching years into the future, with the royalty recognised as each vessel is built. The company is also extending the model beyond carriers: into LNG as a marine fuel, where tightening emissions rules are pushing shipowners towards dual-fuel engines, and into the containment of ammonia and other future energy carriers.

The economics of a licensing near-monopoly are extraordinary, very high margins, little capital employed, and a generous return of cash to shareholders. In the fund it is a relatively recent and modestly sized position, a little over 1.5 per cent of the portfolio and carried close to cost, sitting in the energy sleeve despite being, in truth, an engineering and royalty business rather than a producer of anything.

You do not buy a business like this cheaply, and you should not expect to. The risk is concentration and cyclicality: GTT's fortunes are tied to the LNG newbuild cycle and to a handful of Asian shipyards, so a pause in ordering, whether from a gas-price shock or a shipbuilding glut, would slow the royalty stream. There is a long-running competitive and intellectual-property dimension to watch, and the newer ventures, including its hydrogen-electrolyser arm, are not yet proven earners. But the core is a near-monopoly on a piece of global energy infrastructure that the world is spending hundreds of billions of dollars to expand. It is a royalty on the movement of gas, about as unglamorous, and as well positioned, as an energy holding gets.

NGK Insulators (TSE: 5333)

NGK Insulators (TSE: 5333) is a ceramics company, which sounds like the least exciting sentence in this note, and is exactly why it belongs in it. The Japanese firm built its name on the high-voltage insulators that hang from electricity pylons, a product it still dominates globally, and has spent decades turning the same materials science into several quite different franchises: the honeycomb ceramic substrates that scrub emissions from vehicle exhausts, the precision components that sit inside semiconductor manufacturing equipment, and large sodium-sulfur batteries for grid-scale energy storage.



NGK INSULATORS

That spread of end-markets is the point. The electricity grid is being rebuilt and extended across the developed world to carry renewable power and to feed the data centres behind the computing boom, which is demand for insulators. The expansion of semiconductor capacity is demand for NGK's fab components. And the intermittency

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of renewable generation is demand for grid storage. One unglamorous ceramics maker, quietly geared to three of the most durable infrastructure trends in the market.

This is one of the fund's long-standing successes. The position has been held for years, has paid a steadily rising dividend across that time, the holding has more than doubled, and ranks among the best performers in the Japanese book. That is what compounding in a dull, high-quality business looks like: no drama, just years of patient ownership.

The honest caveat is the emissions business. As the internal combustion engine slowly gives way to the electric vehicle, demand for exhaust substrates will fade, and that is a real long-term headwind for one of NGK's historic profit centres. The task, and so far the company is managing it, is to grow the grid, storage and semiconductor franchises faster than the emissions business declines. Add the familiar Japanese caveats of yen translation and a conservative corporate culture. But the balance sheet is sound, the governance-reform tide is lifting returns across corporate Japan, and the structural demand behind the newer businesses is strong. It is the ceramics behind the grid and the fab: mundane, mission-critical, and compounding.

BHP Group (ASX: BHP)

BHP Group (ASX: BHP) is the world's largest diversified miner, and a holding close to home. It digs iron ore out of the Pilbara, copper out of Chile and Australia, and is building one of the world's largest potash mines in Canada. It exited petroleum and most of its coal some years ago, leaving a business increasingly built around two things: the iron ore that still generates the bulk of the cash, and the copper that is meant to be the future.

Copper is where the interest lies, and it is the quiet connection back to the theme running through this note. Electrification, of cars, of grids, and of the enormous data centres the computing boom requires, runs on copper, and the world is neither finding nor permitting new large copper mines quickly enough to meet the demand. BHP's existing copper position, led by its stake in Escondida, is among the best in the industry, and the iron-ore business is the cash machine that funds the pivot towards it. The metal under the build-out is as real an exposure to the theme as any semiconductor.

BHP is a long-held, core position in the fund, around 1.6 per cent of the portfolio, carried at an unrealised gain of roughly two-thirds and a dependable source of dividends over the years, as the report's distribution history shows. It is one of the few Basic Materials names in a portfolio deliberately light in the sector, which tells you it is held on conviction rather than to match an index.

A miner is a cyclical business and should be owned as one. The iron-ore price is hostage to Chinese steel demand, which is structurally slowing, and the whole sector lives and dies by the commodity cycle. BHP has its own execution questions, from the cost and timing of the Jansen potash project to the discipline required to avoid overpaying for growth after its failed tilt at Anglo American. The dividend is generous but variable, falling with commodity prices when they turn. Yet you are buying a low-cost, long-life asset base, run with more capital discipline than the sector's history would suggest, and geared to the one commodity whose demand looks most structurally underpinned. Real assets, real cash, and the metal electrification cannot do without, a deliberate counterweight to a book full of the digital economy.

The BHP logo is displayed in a large, bold, orange sans-serif font.

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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

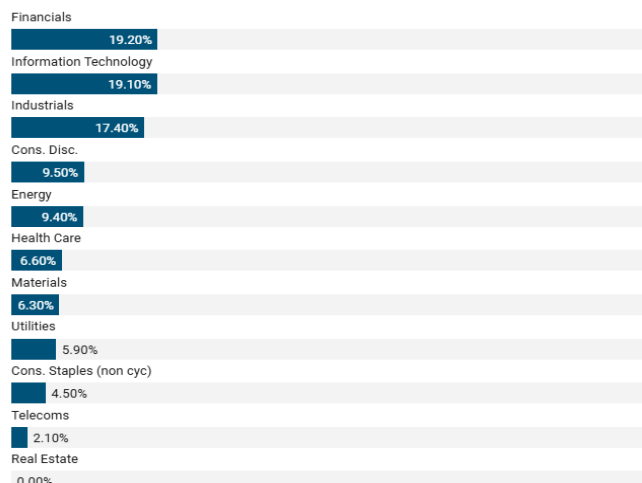
	Buy Price	Mid Price	Redemption Price
AU\$	\$1.7254	\$1.7211	\$1.7168

Selection of 5 Holdings

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

Portfolio Profile

Equities	99.70%
Cash	0.30%



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	-0.31%	22.34%	21.63%	13.87%	14.73%	694.68%
Cash	0.36%	3.95%	4.14%	3.24%	2.38%	42.58%

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.