TT INTERNATIONAL

Q2 2025

# TT ASIA EX JAPAN EQUITY FUND

THIS IS A MARKETING COMMUNICATION

## Fund Performance

Past performance does not predict future returns

| | Fund Gross | Fund Net | MSCI Asia ex Japan | Gross Rel. | Net Rel. |
|---|---|---|---|---|---|
| June | 6.8 | 6.7 | 6.2 | 0.6 | 0.5 |
| Q2 | 21.0 | 20.6 | 12.7 | 7.4 | 7.1 |
| YTD | 24.2 | 23.5 | 14.8 | 8.2 | 7.6 |
| 1 Year | 16.6 | 15.3 | 17.5 | -0.7 | -1.9 |
| 3 Year | 14.5 | 13.2 | 9.7 | 4.3 | 3.2 |
| 5 Year | 10.5 | 9.3 | 6.8 | 3.4 | 2.3 |
| Incep. | 5.7 | 4.6 | 4.1 | 1.6 | 0.5 |

3, 5, 10 year and Incep. returns are annualised.

Returns are in USD

Fund Value (USD mil) 43

Inception 02/05/18

The following information is in addition to, and should be read only in conjunction with, the performance data presented above.

| | Fund Gross | Fund Net | MSCI Asia ex Japan | Rel. | Net Rel. |
|---|---|---|---|---|---|
| 2018 | -16.7 | -17.4 | -15.3 | -1.6 | -2.4 |
| 2019 | 23.5 | 22.3 | 18.5 | 4.2 | 3.2 |
| 2020 | 19.4 | 18.2 | 25.4 | -4.7 | -5.7 |
| 2021 | 4.4 | 3.3 | -4.5 | 9.2 | 8.1 |
| 2022 | -24.4 | -25.2 | -19.4 | -6.3 | -7.3 |
| 2023 | 17.7 | 16.5 | 6.3 | 10.7 | 9.5 |
| 2024 | 5.1 | 4.0 | 12.5 | -6.6 | -7.6 |
| 2025 | 24.2 | 23.5 | 14.8 | 8.2 | 7.6 |

## Q2 2025 Attribution

| | |
|---|---|
| Country Allocation | -0.4 |
| Security Selection | 8.0 |
| Currency Effect | -0.2 |
| **Management Effect** | **7.4** |

Asian equities rallied over the quarter as the dollar weakened and investors shifted away from US assets. The fund saw a positive absolute return, significantly outperforming its benchmark.

## Performance

The fund finished ahead of its benchmark, with outperformance particularly notable in India, Taiwan and Korea.

## Market Background

Asian equities rallied over the quarter as the dollar weakened and investors shifted away from US assets.

## Outlook

We believe the US Dollar is still historically overvalued, even after the post-“Liberation Day” sell-off. We also see the US fiscal situation as unsustainable; the US needs to tighten its belt more than any other major economy. Meanwhile, the explosive growth in shale oil that benefited the US in the recent past is unlikely to be repeated. For all these reasons, we expect US exceptionalism to fade, resulting in a weaker trade-weighted dollar and a rotation of capital out of crowded US assets. Asian equities should be major beneficiaries of this. Foreign ownership in the region is only about 25% and valuations appear compelling: on a CAPE basis Asia trades at roughly a 40% discount to the S&P 500, the widest gap in a quarter-century.

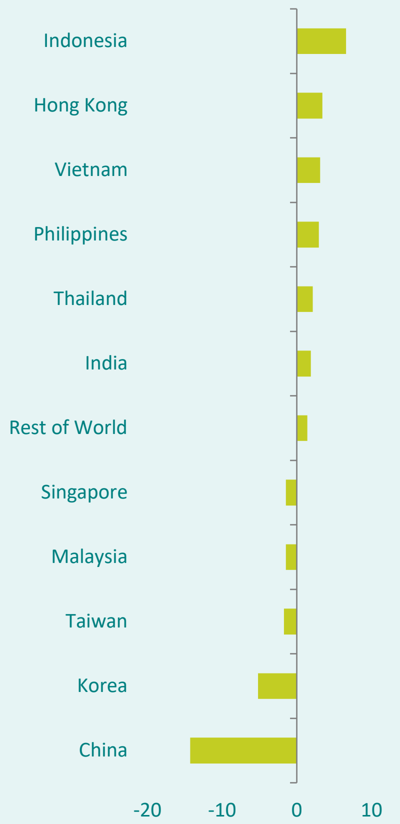
Against a backdrop of tariff rhetoric, we have largely built the portfolio around Asian domestic demand. In India we note clean corporate balance sheets, a rebounding property cycle, rising government capex and a pro-growth RBI, all of which underpin our domestic-demand plays Lemon Tree, Aditya Birla Capital, Sunteck and Nuvama Wealth. Elsewhere we remain constructive on Indonesia, where US Dollar weakness should allow the central bank to cut rates and unwind the SRBI liquidity drain, benefiting banks (BSI, BNI) and developers (Pakuwon, Ciputra). We have also been adding to the Philippines, which is extremely cheap versus its own history.

Two exceptions to our domestic-demand bias are the AI hardware supply chain – more than 20% of the fund sits in Chroma, SK Hynix, Asia Vital Components, Elite Material, TSMC and similar names – and a small basket of deeply discounted Hong Kong-listed shares, notably Crystal International and Stella International. We continue to expect generative AI to automate 15-40% of white-collar tasks, supporting multi-year demand for data-centre infrastructure.

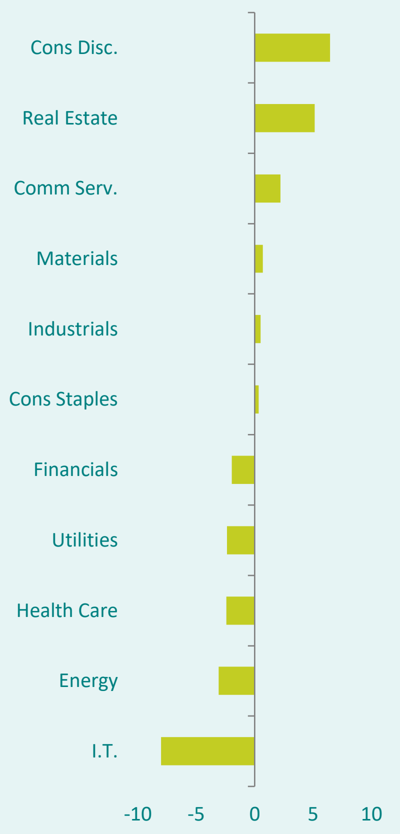
Conversely, we remain underweight China as it is very unlikely to emerge from the trade war with a better deal than other Asian economies, and continues to battle a number of structural headwinds, including a deflationary economy, property sector weakness, poor demographics and excess debt.

Finally, from a risk management perspective, we have raised cash and reduced the beta of the fund, recognising that markets have moved a long way, despite macro risks remaining elevated.

## Country relative to Index %




## Sectors relative to Index %




## Portfolio Positioning

Over the quarter we added to the Philippines through Monde Nissin and Robinsons Land. The latter has a plan to reach P25bn net income by 2030, which translates into an 11% CAGR, and with share buybacks, the EPS CAGR should be greater. In that context, it seems completely unjustified that the company is trading on 5x 2025 earnings. The recent sale of P30bn of assets to its subsidiary, RL commercial REIT, frees up capital at Robinsons Land to invest in its growth pipeline, as well as continue to provide attractive shareholder returns.

Another purchase was Motilal Financial Services, an Indian brokerage and wealth manager. We continue to see wealth management as an excellent play on India's growing middle class and rising wealth. Motilal has been enjoying strong inflows into its wealth and asset management operations. We expect these trends to continue, and believe that this will lead to the stock being valued more like a wealth manager such as Nuvama rather than a brokerage. Thus, we see an opportunity for both earnings and valuation multiples to expand.

Finally, we shifted out of Quanta Computer into Alchip, which we believe has more upside from the AI opportunity. It offers design services for custom AI chips, and already has a large contract with Amazon. Amazon and other hyperscalers are increasingly using these custom chips, partly because different workloads can be run more efficiently, and also because the cost of Nvidia chips is rising.

## Stock Focus

**Elite Material (Taiwan, I.T.)**

Elite Material is Taiwan's leading producer of copper-clad laminates—the layered substrates that carry signals across printed circuit boards—and has built its franchise on advanced "prepreg" resin mixes that cut signal loss and improve insulation. Around 60% of revenue comes from tech-infrastructure clients such as AI servers and networking gear, 25% from smartphones and 10% from automotive applications. In the high-spec segment, it is the original equipment makers such as Apple and Nvidia, rather than the PCB fabricators, who stipulate Elite's product, attesting to the company's technical edge. Elite has roughly a third of the global "green" CCL market and a 28% share in high-speed materials, having displaced more expensive Japanese rivals through steady gains in performance and price. The shares rallied in line with much of the AI complex.

The investment case rests on a blend of earnings visibility and structural growth tied to AI hardware. Management targets a five-year compound annual growth rate of 16% for revenue and 17% for earnings, underpinned by c.30% growth in the tech-infrastructure division and incremental margin gains as the sales mix shifts further towards higher-end laminates. Cashflow return on assets has averaged 14% over the past decade and is approaching 20% today, comfortably ahead of peers in the substrate sector. Even after a period of catch-up investment, capital intensity remains modest, suggesting that additional volumes should translate into attractive free cash flow. Yet the shares trade on about 18x projected 2025 earnings – roughly in line with the broader substrate and AI-materials cohort, but a discount to companies with similar growth and return profiles – offering potential upside of 30-40% if Elite's leadership in next-generation laminates is rewarded more fully by the market.

TT INTERNATIONAL

Q2 2025

# TT ASIA EX JAPAN EQUITY FUND

THIS IS A MARKETING COMMUNICATION

## Performance Attribution Q2 2025

On this page we identify where your portfolio added or subtracted value, relative to the benchmark.

### Country Selection (%)

| Country | Country Allocation | Security Selection | Currency Effect | Management Effect |
|---|---|---|---|---|
| **Total Portfolio** | **-0.4** | **8.0** | **-0.2** | **7.4** |
| **Equity** | **0.1** | **8.0** | **-0.1** | **8.0** |
| India | 0.0 | 3.2 | 0.0 | 3.2 |
| Taiwan | 0.0 | 2.8 | 0.1 | 2.9 |
| China | 0.7 | 0.2 | 0.5 | 1.5 |
| Korea | -0.4 | 1.6 | -0.2 | 0.9 |
| Singapore | 0.1 | 0.5 | 0.0 | 0.7 |
| Philippines | -0.1 | 0.3 | 0.0 | 0.2 |
| Canada | 0.0 | 0.1 | 0.0 | 0.1 |
| Malaysia | 0.1 | 0.0 | 0.0 | 0.1 |
| Indonesia | -0.1 | 0.2 | -0.1 | 0.1 |
| Australia | 0.0 | -0.2 | 0.0 | -0.1 |
| Thailand | -0.2 | -0.2 | 0.0 | -0.4 |
| Vietnam | -0.3 | 0.0 | -0.2 | -0.5 |
| Hong Kong | 0.2 | -1.0 | -0.1 | -0.9 |
| **Other** | **-0.1** | **0.1** | **0.0** | **0.1** |
| **Non Equity** | **-0.5** | **0.0** | **-0.1** | **-0.6** |
| Foreign Exchange | 0.0 | 0.0 | -0.1 | -0.1 |
| Cash | -0.5 | 0.0 | -0.1 | -0.6 |

### Highlights

- The fund finished substantially ahead of its benchmark, with outperformance particularly notable in India, Taiwan and Korea.
- The AI complex rebounded strongly from its sell-off. We had taken the opportunity to add on weakness, and therefore benefited substantially from the rally.
- The fund benefited from its China underweight, with the country being targeted most aggressively by Trump.
- Our footwear and apparel manufacturers Stella and Crystal were hit on trade war concerns. However, both have strong visibility, with their customers demanding more supply from them, not less.

### Sector Selection (%)

| Sector | Sector Allocation | Security Selection | Currency Effect | Management Effect |
|---|---|---|---|---|
| **Total Portfolio** | **-0.8** | **8.5** | **-0.2** | **7.4** |
| **Equities** | **-0.4** | **8.5** | **-0.1** | **8.0** |
| Industrials | 0.0 | 1.9 | 0.3 | 2.1 |
| Information Technology | -0.3 | 2.0 | 0.2 | 1.9 |
| Financials | 0.1 | 1.9 | -0.5 | 1.5 |
| Materials | 0.0 | 0.7 | 0.1 | 0.8 |
| Consumer Discretionary | -0.3 | 1.1 | -0.1 | 0.7 |
| Communication Services | 0.0 | 0.5 | -0.1 | 0.4 |
| Real Estate | 0.0 | 0.4 | -0.1 | 0.3 |
| Consumer Staples | 0.0 | 0.1 | 0.0 | 0.1 |
| Utilities | 0.1 | 0.0 | 0.1 | 0.1 |
| Health Care | 0.1 | -0.2 | 0.0 | 0.0 |
| Energy | -0.1 | -0.1 | 0.1 | -0.1 |
| **Non Equity** | **-0.5** | **0.0** | **-0.1** | **-0.6** |
| Foreign Exchange | 0.0 | 0.0 | -0.1 | -0.1 |
| Cash | -0.5 | 0.0 | -0.1 | -0.6 |

### Highlights

- At the sector level, outperformance was particularly notable in Industrials and I.T.
- Our Indian domestic-demand names were strong as the RBI is starting to ease and growth has picked up, easing investor concerns.
- The fund lost out from not owning SK Hynix, but this was more than offset by the impact of owning SK Square.

### Stock Selection (%)

| | Stock | Country | Sector | Management Effect (%) | TT Held |
|---|---|---|---|---|---|
| **Top Contributors** | SK Square | Korea | Industrials | 2.30 | √ |
| | Asia Vital Component | Taiwan | Information Technology | 1.04 | √ |
| | Aditya Birla Capital Ltd | India | Financials | 0.87 | √ |
| | Elite Material | Taiwan | Information Technology | 0.85 | √ |
| | Chroma | Taiwan | Information Technology | 0.73 | √ |
| **Top Detractors** | Crystal International Group Ltd | Hong Kong | Consumer Discretionary | -0.65 | √ |
| | SK Hynix | Korea | Information Technology | -0.50 | ´ |
| | Trip | China | Consumer Discretionary | -0.41 | √ |
| | Minor International PCL | Thailand | Consumer Discretionary | -0.32 | √ |
| | Stella Holdings | Hong Kong | Consumer Discretionary | -0.32 | √ |

Q2 2025

# TT ASIA EX JAPAN EQUITY FUND

THIS IS A MARKETING COMMUNICATION

## Portfolio Breakdown (%)

| | TT Asia ex Japan | | MSCI Asia ex Japan |
|---|---|---|---|
| | 31 Mar | 30 Jun | 30 Jun |
| Australia | 0.8 | | |
| China | 24.5 | 18.0 | 32.3 |
| Hong Kong | 8.6 | 8.3 | 4.9 |
| India | 24.2 | 22.4 | 20.6 |
| Indonesia | 7.4 | 7.9 | 1.3 |
| Korea | 4.9 | 7.0 | 12.2 |
| Malaysia | | | 1.5 |
| Philippines | 1.9 | 3.5 | 0.5 |
| Singapore | 1.0 | 2.8 | 4.2 |
| Taiwan | 18.8 | 19.8 | 21.5 |
| Thailand | 2.7 | 3.3 | 1.1 |
| Vietnam | 3.6 | 3.1 | |
| **Asia Pacific ex Japan** | **98.3** | **96.1** | **100.0** |
| Rest of World | 1.2 | 1.4 | |
| Cash | 1.7 | 3.9 | |
| **Total** | **100.0** | **100.0** | **100.0** |

## Sector Allocation (%)

| | TT Asia ex Japan | | MSCI Asia ex Japan |
|---|---|---|---|
| | 31 Mar | 30 Jun | 30 Jun |
| Communication Services | 12.7 | 13.2 | 10.9 |
| Consumer Discretionary | 17.5 | 19.9 | 13.4 |
| Consumer Staples | 2.0 | 3.9 | 3.5 |
| Energy | 0.8 | | 3.1 |
| Financials | 25.1 | 20.7 | 22.7 |
| Health Care | 3.8 | 1.0 | 3.4 |
| Industrials | 4.9 | 8.2 | 7.7 |
| Information Technology | 22.2 | 19.1 | 27.1 |
| Materials | 4.6 | 4.3 | 3.6 |
| Real Estate | 6.0 | 7.3 | 2.1 |
| Utilities | | | 2.4 |
| Cash | 0.5 | 2.5 | |
| **Total** | **100.0** | **100.0** | **100.0** |

## Top 10 Stocks

**March 31, 2025**

| Security | Country | Weight % |
|---|---|---|
| Tencent | China | 9.5 |
| TSMC | Taiwan | 9.3 |
| Aditya Birla Capital Ltd | India | 4.5 |
| AXIS BANK | India | 3.8 |
| AIA Group | Hong Kong | 2.9 |
| Crystal International Group Ltd | Hong Kong | 2.6 |
| Trip | China | 2.5 |
| Lemon Tree Hotels | India | 2.5 |
| Nuvama Wealth Management | India | 2.4 |
| Sunteck Realty Ltd | India | 2.4 |
| Top 10 Positions | | 42.4 |
| Top 20 Positions | | 61.6 |
| No. of stocks | | 54 |

**June 30, 2025**

| Security | Country | Weight % |
|---|---|---|
| TSMC | Taiwan | 9.7 |
| Tencent | China | 7.4 |
| SK Square | Korea | 3.4 |
| SEA A ADR | Singapore | 2.8 |
| Trip | China | 2.7 |
| Crystal International Group Ltd | Hong Kong | 2.7 |
| Pakuwon Jati | Indonesia | 2.4 |
| AXIS BANK | India | 2.4 |
| Minor International PCL | Thailand | 2.3 |
| Netease | China | 2.3 |
| Top 10 Positions | | 38.0 |
| Top 20 Positions | | 58.0 |
| No. of stocks | | 52 |

## Additional Fund Performance Information:

### Fund 12-Month Discrete Periods (%)

| | Jul 24 - Jun 25 | Jul 23 - Jun 24 | Jul 22 - Jun 23 | Jul 21 - Jun 22 | Jul 20 - Jun 21 |
|---|---|---|---|---|---|
| Gross of fees | 16.6 | 21.1 | 6.2 | -32.7 | 63.1 |
| Net of fees | 15.3 | 19.7 | 5.1 | -33.4 | 61.5 |
| Index | 17.5 | 13.3 | -0.8 | -24.8 | 40.0 |
| Relative (gross) | -0.7 | 6.9 | 7.0 | -10.5 | 16.5 |
| Relative (net) | -1.9 | 5.7 | 5.9 | -11.4 | 15.3 |



**Additional Risks**

**FDI Risk:** FDI may fluctuate in value rapidly and leverage through FDI may cause losses that are greater than the original amount paid for the relevant FDI.

**Operational Risk:** human error, system and/process failures, inadequate procedures or control may cause losses to the Fund.

**Liquidity Risk:** the Fund may have difficulty buying or selling certain securities readily which may have a financial impact on the Fund.

**Credit/Counterparty Risk**: a party with whom the Fund contracts for securities may fail to meet its obligations (e.g. fail to pay principal or interest or to settle an FDI) or become bankrupt, which may expose the Fund to a financial loss.

For more information on these and other risk factors that apply to the Fund, see the section entitled "Risk Factors" in the Prospectus.

**Sustainable Disclosures**

Further information in relation to the sustainability-related aspects of the Fund can be found at *https://www.ttint.com/fund-documentation/*

**Important Information:**

**Index Disclaimer**

The MSCI information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

**Switzerland**

The offer and marketing of shares in the Fund in Switzerland will be exclusively made to, and directed at, qualified investors (the "Qualified Investors"), as defined in Article 10(3) and (3ter) of the Swiss Collective Investment Schemes Act ("CISA") and its implementing ordinance. Accordingly, the Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority ("FINMA"). This document and/or any other offering or marketing materials relating to shares in the Fund may be made available in Switzerland solely to Qualified Investors. In respect of its offer and marketing in Switzerland to qualified investors with an opting-out pursuant to Art. 5(1) of the Swiss Federal Act on Financial Services ("FinSA") and without any portfolio management or advisory relationship with a financial intermediary pursuant to Article 10(3ter) of the Swiss Collective Investment Schemes Act ("CISA"), the Fund has appointed a Swiss representative and paying agent. Copies of the Prospectus, key information documents (KIDs), the articles of association as well as the annual and semi-annual reports of any UCITS referenced in this communication may be obtained free of charge from the Fund Swiss Representative and Paying Agent. Representative: First Independent Fund Services Ltd, Feldeggstrasse 12, CH-8008 Zurich. Paying Agent: NPB New Private Bank Ltd, Limmatquai 1, CH-8001 Zurich