

Fat Prophets Global Contrarian Fund (FPC) announces a Disclosure pursuant to ASX Listing Rule 4.12

Dear Shareholders,

The estimated net tangible asset backing decreased during January with pre-tax and post-tax NTA increased **9.86%** to **\$1.3383** and **7.44%** to **\$1.3148** respectively. At the end of January, the fund had drawn borrowings of 20.97% reflecting modest portfolio leverage which lifted net exposure to 120.97%.

	31 st January 2025	31 st December 2024	Change
Pre-Tax NTA	\$1.3383	\$1.2182	9.86%
Post-Tax NTA	\$1.3148	\$1.2238	7.44%

MARKET OUTLOOK AND PORTFOLIO CHANGES

The Fund had a solid start to the year and good performance in January. This strong performance has notably continued into February, with all the Fund’s major contrarian themes delivering a solid contribution. Surging gold and silver, which recovered all of the post US election selloff, benefited the portfolios PGM miners. **What was notable is that precious metals accelerated higher, despite a very strong US dollar.** The narrative has shifted to tariffs and what that could mean for inflation in the US. We are of the view that tariffs, if imposed by the Trump administration to the fullest extent will prove inflationary and damaging to the US economy. Under that scenario, bond yields would likely rise and place further pressure on the US fiscal deficit. This environment is positive for gold and precious metals.

Another tailwind for gold has been central bank buying led by the Chinese, who are continuing to diversify reserves. This trend could accelerate if tariffs are the catalyst for a trade war. Gold miners meanwhile continue to generate significant free cashflow and profits. This has especially been the case in Australia where A\$ spot gold has topped \$4600oz. **Evolution Mining** reported record profits, revenues and dividends this week. M&A activity could soon accelerate within the sector as its now cheaper to “buy than build new mines”.

January also likely saw China/Hong Kong stocks bottom out following the recent post US election correction. The actual tariffs outlined by the incoming Trump administration have so far been “less than feared”. With the announcement of DeepSeek, the Chinese have developed a work around for an AI LLM model which doesn’t rely on next generation chips that have been embargoed by the US. **This is**

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a potential game changer for many companies in China's tech universe, of which many have since been sharply re-rated. We hold a high conviction that China will narrow the gap with the US in technology.

China's tech sector stands to benefit from AI in a similar way to the US, which should see efficacy increase and costs reduced. However, valuations for China tech are still at a huge discount to the US and we see significant scope for re-rating. We also believe that China's government might just get the fiscal stimulus response right sized and targeted to boost consumer confidence and spending at a key meeting next month. Meanwhile global fund managers and investors remain chronically underweight Chinese stocks.

Japanese financials also performed strongly in January with the BOJ readying financial markets for another interest rate hike with headline inflation returning to 3%. This is beneficial for the Japanese economy and especially the banks where net interest rate margins are set to expand. Whilst Japanese financials have been amongst the best performing sectors, we believe there is further rerating potential as the BOJ could possibly lift the benchmark to 1% and beyond that next year. Japan's banks still screen cheap with an average price to book ratio of around 1X and return on equity set to keep rising sharply in the years ahead. We are not surprised that the major banks are committing to significant share buyback programs.

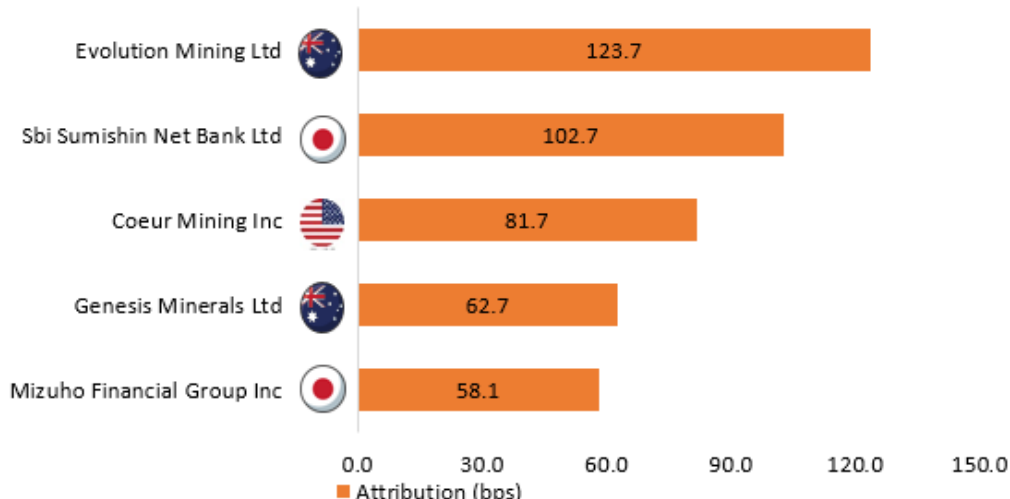
KEY METRICS

EOM Gross Assets	EOM Cash	Current Net Exposure (31/01/2025 estimate)
\$37.87m	-20.97%	120.97

POSITIVE ATTRIBUTIONS

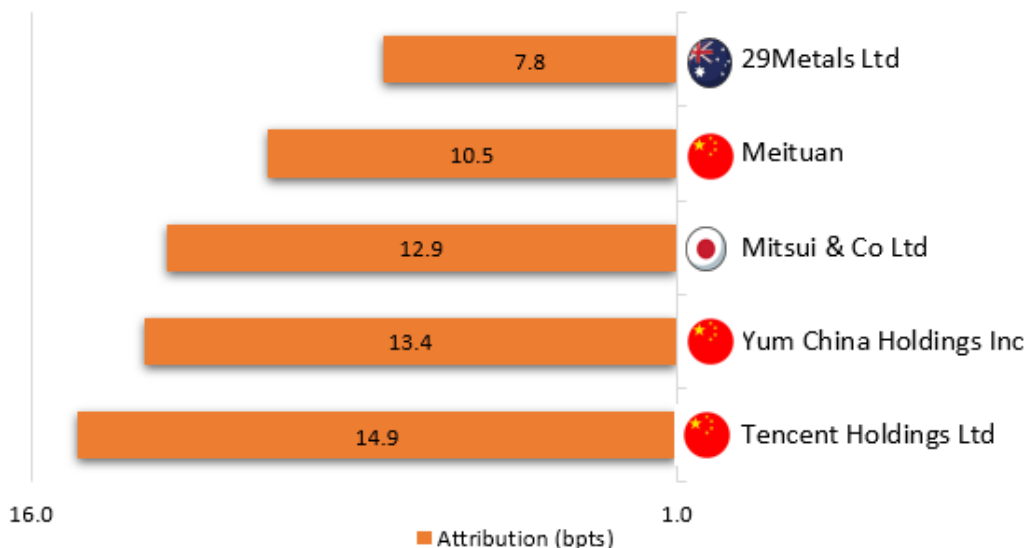
Precious metals provided the largest positive attribution to the portfolio in January. Australian gold producer **Evolution Mining and Genesis Mining** rose on the back of record spot A\$ gold prices. Evolution delivered ahead of expectations on earnings and gold production. Japan bank **SBI Sumishen** delivered a solid result and rallied on takeover speculation. **Mizuho** benefited from rising interest rates, solid earnings results and an inaugural buyback program. Silver producer **Coeur Mining** also received a boost from silver prices hitting decade highs.

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NEGATIVE ATTRIBUTIONS

In terms of negative attributions, our copper exposure **29 Metals** has disappointed operationally. **Mitsui & Co** has disappointed with inline earnings, but lower than expected buybacks and has been since sold from the portfolio. **Yum China, Tencent Holdings and Meituan** weighed due to weakness in the broader China/Hong Kong market in January over tariff fears but have since rebounded strongly.



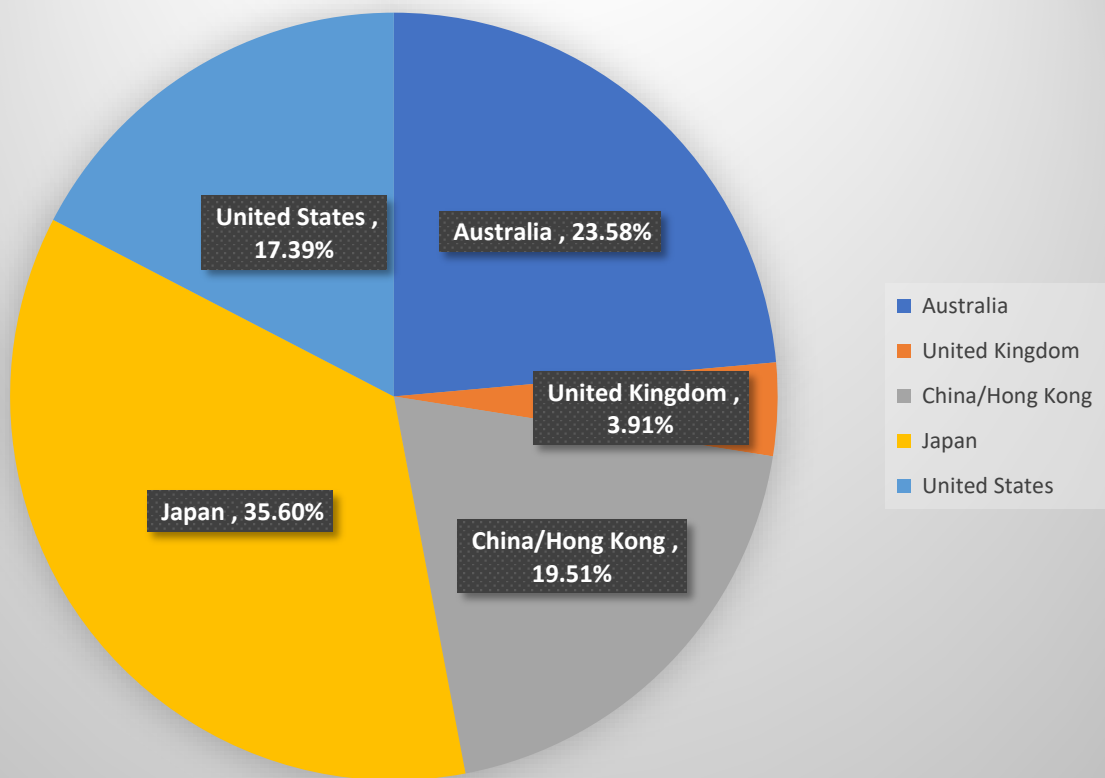
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TOP 10 HOLDINGS

Sumitomo Mitsui Financial Group	Japan	10.73%
Evolution Mining Ltd	Australia	7.23%
Coeur Mining Corp	United States	5.59%
Mizuho Financial Group	Japan	5.30%
Mitsubishi UFJ Financial Group	Japan	5.07%
Sbi Sumishin	Japan	4.61%
Northern Star Resources	Australia	4.10%
Meituan	Hong Kong	4.03%
Resona Holdings	Japan	3.46%
Tencent Holdings	Hong Kong	3.42%

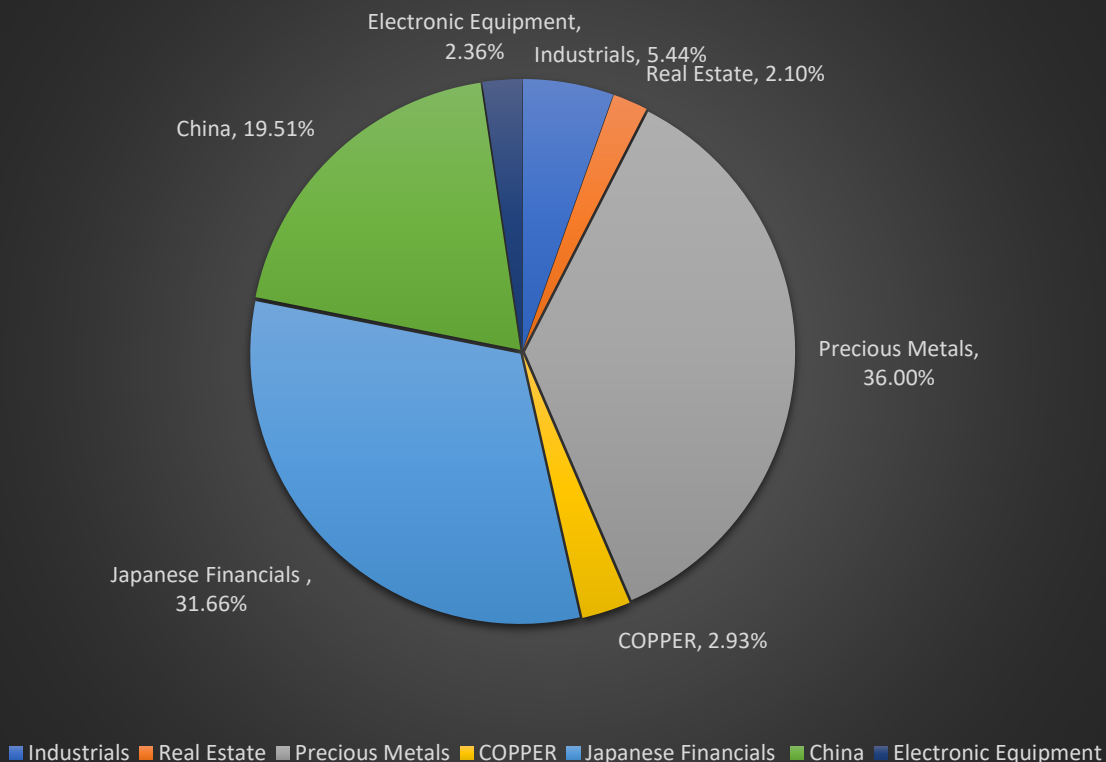
									
TYO 8316	ASX EVN	NYSE CDE	TYO 8411	TYO 8306	TYO 7163	ASX NST	HKG 3690.HK	TYO 8308	HKG 0700

Geographic Exposure as at 31st January 2025



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Sector Dispersion as at 31st Jan 2025



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