



# Empiria's Investment Memo

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# Empiria Strategic Fund

Presented by Elliott Tay

## 01

### EXECUTIVE SUMMARY

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#### Overview

The Empiria Strategic Fund seeks long-term capital appreciation by investing in high-growth U.S. large-cap equities, balanced with dividend-growing companies that offer stable cash flow and downside protections

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### INVESTMENT APPROACH

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Securities are chosen based on fundamental analysis and through its balance sheet and income statements by analyzing financial statements to identify consistent YoY revenue and earnings growth, low forward P/E ratios, expanding EPS and FCF, and other valuation metrics. After identifying such companies, we would analyse it compared to its competitors and assess whether the company has a defensible economic moat and a hard-to-replicate business model. We also apply DCF valuation to avoid paying a premium and identify firms that can grow into their valuations. This will allow us to pick companies that will grow into its valuation to minimize risk and downside of its value erosion due to it being overvalued or losing market share to competitors.

## 03

### TOP 10 Holdings

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1. **Nvidia**
2. **Meta**
3. **Amazon**
4. **Broadcom**
5. **Alphabet Class A Shares**
6. **JP Morgan**
7. **Goldman Sachs**
8. **American Express**
9. **Advanced Micro Devices**
10. **Microsoft Corp**

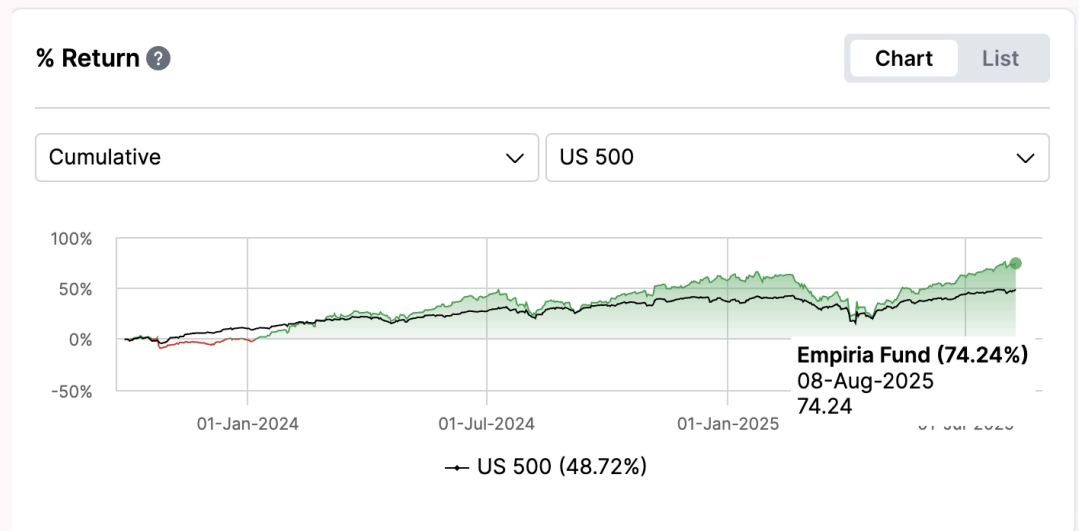
## 04

### PERFORMANCE

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## Performance Since Inception (Sep 2023 to Aug 2025):

- Empiria Strategic Fund: **+74.24%**
- S&P 500 Benchmark: **+48.72%**
- Alpha: **+25.52%**
- Sharpe ratio: **1.3 (since inception)**
- Sortino ratio: **1.2 (since inception)**
- Standard Deviation **19.2% (since inception)**



## Year-to-Date Performance (Jan 2025 – Aug 2025):

- Empiria Strategic Fund: **10.73%**
- S&P 500: **+8.71%**
- Alpha: **2.02%**

**74.2%    ~38%    10.7%**

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Cumulative  
performance since  
Sep 2023

CAGR over around  
the past 2 years

YTD performance

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# 05

## RISK MANAGEMENT

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The fund employs a disciplined position sizing approach (max 20% per position), periodic rebalancing, and considers macro/FX hedging as needed to mitigate volatility and protect capital. We constantly analyse macroeconomic tailwinds such as war, recessions and other black swan events to ensure that our capital is well protected. To ensure that we hedge our portfolio adequately, we will add other temporary positions in different asset classes such as commodities like gold and silver, put options or inverse ETFs to capture gains during bear or down markets to hedge against volatility. However, we believe that strong companies would be resilient in tough macroeconomic tailwinds due to their ability to generate positive cash flows in any economic climate.

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## CASE STUDY HIGHLIGHT

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## 1. CheeseCake Factory (NASDAQ: CAKE)

### Investment Thesis:

Cheesecake Factory was selected based on multiple fundamental factors:

### Key Metrics:

- Consistent year-over-year **EPS growth**
- **Low forward P/E** of 16,
- Attractive **free cash flow yield** compared to industry peers and reasonable consistent dividend growth rate.
- Expansion-driven growth with an increasing number of store openings globally and an **expected 3-4 more stores opening** in US by 2026

These metrics suggested the company was undervalued relative to its fundamentals and offered both growth and defensive qualities within the consumer discretionary space.

### Performance:

As of July 2025, the position has returned **+40.1% year-to-date**, significantly outperforming the **Consumer Discretionary sector like XLY**, which gained 0.23% over the same period.

### Conclusion:

Cheesecake Factory's mix of fundamental undervaluation and physical growth strategy positions it as a resilient outperformer amid sector volatility.

## 2. Broadcom (NASDAQ: AVGO)

### Investment Thesis:

Broadcom is a compelling long-term compounder that uniquely balances capital appreciation with consistent dividend growth which is a rare combination in the semiconductor sector. It was selected based on strong fundamentals and secular tailwinds in infrastructure and AI.

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### Key Metrics:

- 34% average YoY revenue growth in recent years
- Projected revenue CAGR of 30–40% over the next five years
- 14.1% dividend CAGR over the past five years

### Performance:

With a **YTD performance of +25.16%** compared to the **VanEck Semiconductor ETFs +18.84%**, Broadcom has outperformed its benchmark, validating our thesis and selection discipline.

### Conclusion:

The company provides rare exposure to both high-growth themes and dividend consistency, making it an ideal core holding that aligns with the Fund's dual focus on upside capture and downside resilience.

# 07

## TEAM

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Elliott Tay

**Founder & Portfolio Manager, Empiria Strategic Fund**

**Full Stack Software Engineer, G.Tech Pte. Ltd**

**Former President, SUTD Marketwatch (Investment & Finance Club)**

A full-stack software engineer with a deep understanding of data science and machine learning, Elliott combines technical rigor with investment acumen. As the former president of SUTD's Investment Club, he has led multiple financial education initiatives and manages a multi-year portfolio **tracked and verified through Saxo Bank**, a regulated broker. The portfolio has outperformed the S&P 500 since inception. His strategy blends fundamental equity analysis with macro awareness and systematic thinking.

# 08

## GOALS AND MANAGEMENT FEES

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We are seeking additional investment capital of around \$1 million to have enough liquid capital to scale the Fund's capital base, enabling greater position flexibility and increased hedging capacity. As a single-manager fund, Empiria benefits from streamlined execution, high conviction, and full accountability.

**1M+**

AUM by end 2026

**100K+**

Current AUM as of July 2025

**0.75%**

Flat Management Fees per annum

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.