Australia Small Cap Income Unit Class
TAMIM Fund

At 31 August 2023

Dear Investor,

We provide this monthly report to you following conclusion of the month of August 2023.

The TAMIM Small Cap Income Fund was up +0.49%. CYTD the fund is up +2.65% net of fees.

During the month the ASX 300 was down -0.76%, with the ASX Small Ordinaries down -1.31%.

August was as always, an extremely busy month as hundreds of companies within our investment universe reported their financial results. Overall we had a relatively positive reporting period with most companies meeting or exceeding expectations (HLO, CAF and RKN as examples). Inevitably there's always a handful of disappointments and we had a few of those including IVE Group (IGL) and PeopleIn (PPE) to name a couple.

We are finding some really exciting and undervalued companies to invest in and we have taken some profits on companies that have run hard post the results and deployed funds into some new ideas. We will discuss some of those in future reports. We also cleaned up or in the process of exiting some positions we no longer have conviction in.

The month began in a promising manner with our largest holding at the time, Symbio (SYM) receiving a takeover offer which we discussed last month. The month finished on a further takeover in Healthia (HLA) receiving a bid at almost 90% premium. As we go to print in September the Fund received another bid for our holding in Cirrus (CNW) as well.

We are seeing more takeovers in the smaller end of the market emerge last few weeks which reaffirms our view that small caps are still considerably undervalued and are just in the early stages of their recovery.

Overall we remain cautiously optimistic on the outlook for equity markets for the remainder of the year and look forward to further updates from some key holdings over the next few weeks and months. As we continue to show, our fundamental based approach to stock picking is yielding results for those investors who remain patient.

Key Facts

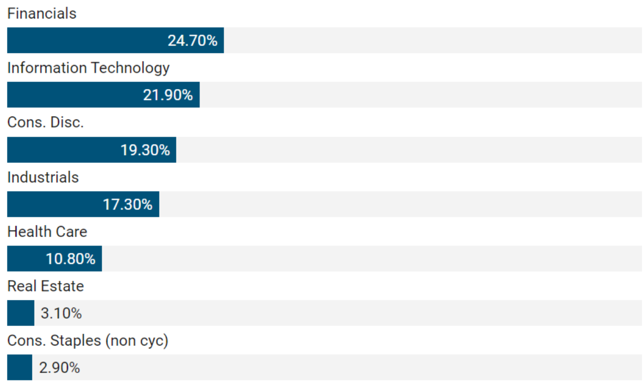
Investment Structure:	Unlisted unit trust
Minimum investment:	A$100,000
Applications:	Monthly
Redemptions:	Monthly, with 30 days notice
Unit pricing frequency:	Monthly
Distribution frequency:	Semi-annual
Management fee:	1.25% p.a.
Performance fee:	20% of performance in excess of hurdle
Hurdle:	Greater of: RBA Cash Rate + 2.5% or 4%
Lock up period:	Nil
Buy/Sell Spread:	+0.25%/-0.25%
Exit fee:	Nil
Administration & expense recovery fee:	Up to 0.35%
APIR code:	CTS8008AU

NAV

	Buy Price	Mid Price	Redemption Price
AU$	$1.4020	$1.3985	$1.3950

Portfolio Allocation

Equity	90.30%
Cash	9.70%



Portfolio Performance

Inception: 1/1/2019	1 month	6 months	1 year	3 years (p.a.)	Since inception (p.a.)	Since inception (total)
Small Cap Income	0.49%	1.10%	-7.9	10.32%	10.21%	57.34%
ASX Small Ords	-1.31%	0.90%	-1.13%	3.00%	5.94%	30.89%
Cash	0.34%	1.93%	3.39%	1.30%	1.13%	5.40%

Note: Portfolio returns are quoted net of fees. Returns shown for longer than 1 year (other than "Since inception (total)") are annualised. The information provided in this factsheet is intended for general use only. 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. Please consider our Information Memorandum and Services Guide before investing in any of our products. Past performance is no guarantee of future returns. Returns displayed in this document are unaudited. For wholesale and sophisticated investors only. ASX Small Ords refers to the S&P/ASX Small Ordinaries Index.

Below we provide company specific commentary in the portfolio section of the report from the August reporting season. We will provide further updates in our next monthly report during October.

Sincerely yours,

Ron Shamgar and the TAMIM Team.

Portfolio highlights:

Healthia (ASX: HLA) is an allied health business mainly focused on podiatry, physiotherapy, occupational therapy and optometry. It has more than 300 clinics around Australia. The FY23 results were released alongside a takeover bid for the group, and showed revenue of $252.6 million 26.1% higher year-on-year (YoY) and nearly four times higher than the revenue in FY19. Net profit excluding amortisation more than doubled from $9.2 million in FY22 to $18.9 million in FY23

The takeover bid values Healthia at approximately $260 million or $1.80 per share, representing a whopping 84.6% premium to Healthia's share price at the close on the previous day. It also already has the support of 26.8% of the shareholder register. We see the offer at approximately 10x EV/EBITDA as fair and we do not believe a competing offer is likely at this stage.

HLA is a classic example of when being patient in investing pays off. We have held HLA for several years and since last year, have been underwater on our entry price as the company was still struggling from COVID related issues. We always believed the underlying business is valuable and eventually this paid off with the takeover bid significantly higher than our entry price with dividends included.

Helloworld Travel (ASX: HLO) is a leading Australian & New Zealand travel distribution company, comprising retail leisure travel and business travel networks, travel broker networks, wholesale travel services, online operations and event-based freight operations.

The company FY23 results came in at the higher end of guidance with underlying EBITDA of $44.1 million having previously guided for between $42-$45 million. Total Transaction Value (TTV) accelerated to $2.57 billion ahead of the $2.56 billion on the previous guidance. Revenues grew to $165.9 million up a whopping 139.5% which converted to a profit of $19.2 million compared to a loss of $28.8 million in the prior period highlighting the strong post pandemic recovery.

The retail travel sector is experiencing a resurgence of optimism and growth as travel recovers post COVID although management believes full recovery will only be in FY25. Unlike many other companies, HLO have guidance of $66 - $72 million EBITDA for the upcoming year. We believe this sets HLO for a further upgrade by the 1H results in February next year. The company is paying an annual dividend yield of 4% fully franked and we expect further acquisitions during FY24. With a market cap of $500 million and $120 million of net cash and investments, our valuation is in excess of $4.00.

ClearView Wealth (ASX: CVW) delivered an increase in gross premiums of 9% to $325 million and raised its 2023 final dividend to 3 cents per share up from 2 cents in the prior period. CVW continued to gain ground with new business and an increase in market share. The company saw an increase of 25% in new advice business with a solid end to the year up 41% in the second half alone. Market share is up to an estimated 9% surpassing the previous highs of 8.6% set back in FY19.

ClearView shifted its strategy from a customer retention focus in earlier financial years to now honing in on growth which has driven the transformation strategy to launch new products and structural market changes. As financial adviser numbers across the industry begin to stabilise the business see itself in a strong position to take advantage of a further potential market rebound.

The ClearView report set itself up for some lofty goals in FY26. The company believes it has established a path forward to grow its life insurance business to close in on $400 million in premiums and is targeting Underlying Life Insurance NPAT (net profit after tax) margin of 11%-13% by FY26. Based on the current trajectory of the business we believe these targets will be achieved earlier than FY26.

The company is now a high growth and simplified life insurance business that is taking market shares in a $10 billion life insurance market. With a net asset base of 71 cents compared to the last share price of 54 cents, we wouldn't be surprised if an acquirer turns their attention to CVW once again.

Centrepoint Alliance Limited (ASX: CAF) operates in the financial services industry and provides a range of financial advice and licensee support services (including licensing, systems, compliance, training and technical advice) and investment solutions to financial advisers, accountants and their clients across Australia, as well as mortgage aggregation services to mortgage brokers.

CAF saw revenue grow to $43.1 million, a 19% increase over the previous comparable period (PCP). The performance by the Company can be attributed to two key factors: a $22.4 million expansion in organic licensed advisers and the $20.7 million contribution from the ClearView Advisory (CVA) acquisition. This flowed through to a 4% rise in gross profit, amounting to $1.3 million above the PCP.

Excluding one-off costs and asset sales, CAF's operating earnings (EBITDA) rose to $7.6 million, a 6% increase from the PCP. This growth was again driven by the CVA acquisition and organic licensee fee expansion. Profit Before Tax reached $6.6 million and the cash balance increased to $15.6 million, up by $0.9 million from June 2022. The company remains debt free and delivered a fully franked dividend for FY23 of 3 cents per share, increasing from 1.5 cents in the prior year.

Centrepoint maintains its status as the third-largest licensee, boasting 511 authorised representatives under its licences, and supporting 196 self-licensed practices with an estimated 797 advisers. The business is seeing its "Lending as a Service" (LaaS) initiative gaining traction, with 30 participating firms and $25 million in settled loans. LaaS empowers advisers to establish lending businesses by acting as authorised representative. This approach allows advisers to maintain client ownership while capitalising on CAF's infrastructure and in-house lending experts for support.

The sector is undergoing consolidation and last year CAF did receive a takeover offer at 32 cents. We expect corporate activity to remain and either CAF will merge or be acquired by someone or otherwise lead consolidation on its own.

Reckon Limited (ASX: RKN) a market leading software provider to small to medium sized businesses and legal professionals released their first half results with group revenue up 4% compared to the previous corresponding period (PCP) to $28.2 million of which $25.8 million was considered recurring revenue. Net Profit After Tax (NPAT) rose 16% to $3.8 million driven by further R&D expenditure resulting in a lower effective tax rate. The loss making but faster growing Legal Group has achieved impressive subscription revenue growth, with a 19% increase to $5.3 million (13% in constant currency terms).

Notably, this marks the fifth consecutive half of subscription revenue growth since H1 2021. The company's focus on investing in cloud-based software products and persistent sales and marketing efforts in the expansive US legal market are aimed at tapping into law firms that continue to rely on traditional desktop software. Currently, Reckon serves 497 clients, including 8 of the top 25 law firms in the US and 5 of the leading 7 law firms in Canada.

RKN strategically enhanced its balance sheet by utilising strong cash flow, clearing $2.7 million in debt and lowering net debt to $0.3 million. Operating cash flow remained solid at $3.8 million, even after accounting for $7.3 million in development expenses. This financial stability not only led to significant debt reduction but also facilitated a 2.5 cent fully franked dividend for shareholders. The Board plans to maintain a semi annual dividend moving forward.

As we previously highlighted, management is highly incentivised to realise asset sales over the next few years that align with significant upside to shareholders if realised. We believe the sale of both its software divisions are only a matter of time and in the meantime we are paid to wait.