

Australia Small Cap Income Unit Class

TAMIM Fund

At 30 July 2022

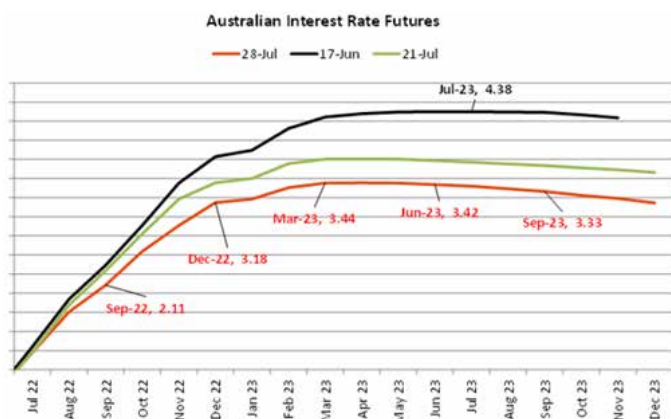


Dear Investor,

We provide this monthly report to you following the conclusion of the month of July 2022.

During the month the ASX300 was up +5.95%, while the Small Ords was up +11.43%. The TAMIM Fund: Australian Small Cap Income portfolio finished the month up +6.74% net of fees. Over the past year the Fund is down by -3.95% versus the ASX/Small Ordinaries which was down -10.95%. July saw markets rebound strongly off the back of one of the worst June months in history. As we highlighted in previous reports, recent sentiment has been overly bearish and we believe equities were oversold. These indicators usually signal strong buying opportunities - which we have encouraged investors to take advantage of.

The current key drivers of sentiment and markets are inflation figures and the corresponding interest rate expectations. The below chart is key to understanding what's happening and why markets were oversold leading up to June and have since rallied back.



As seen in the above chart interest rate markets initially expected aggressive rate rises in Australia (and the US) to continue into 2023. However that expectation has now lowered with a rate cut now priced in for May 2023. This change of expectation around interest rate movements and signs of inflationary pressures finally rolling off, has been the main reason markets have turned positive again.

Portfolio Performance

Inception: 1/1/2019	1 month	6 months	1 year	2 years (p.a.)	3 years (p.a.)	Since inception (p.a.)	Since inception (total)
Small Cap Income	6.74%	-8.22%	-3.95%	26.61%	11.54%	15.05%	65.15%
ASX Small Ords	11.43%	-6.64%	-10.95%	8.55%	2.54%	7.98%	31.62%
Cash	0.11%	0.24%	0.29%	0.21%	0.34%	0.50%	1.79%

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.

Key Facts

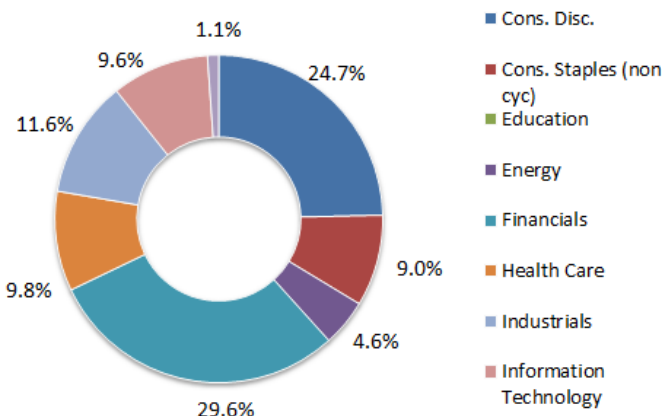
Investment Structure:	Unlisted unit trust
Minimum investment:	A\$250,000
Applications:	Monthly
Redemptions:	Monthly, with 30 days notice
Unit pricing frequency:	Monthly
Distribution frequency:	Semi-annual
Management fee:	1.25% p.a.
Performance fee:	20% of performance in excess of hurdle
Hurdle:	Greater 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\$	\$1.4718	\$1.4682	\$1.4645

Portfolio Allocation

Equity	90.7%
Cash	9.3%



Australia Small Cap Income Unit Class

TAMIM Fund



At 30 July 2022

July also saw US quarterly earnings which weren't as bad as expected. Overall and as we keep highlighting, the US and Australian economies are still showing resilience along with a tight labour market and an engaged consumer.

There's no doubt that as rates keep rising eventually we will see a slowdown which will require a fine balancing act by central bankers. So far their track record isn't impressive so we expect them to overshoot on the way up as they did on the way down. This may cause continued volatility in equities but also great buying opportunities.

In the meantime we have adjusted the portfolios and we are confident we are positioned well as we head into reporting season. We are recently seeing heightened M&A activity which we expect will continue. So far several of our stocks have seen M&A including Tassal (TGR), Link Group (LNK) and Centerpoint Alliance (CAF). We expect more to come.

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

Sincerely yours,

Ron Shamgar and the TAMIM Team.

Portfolio Update

Centrepoint Alliance Limited (CAF.ASX) released their unaudited results for FY22 which saw their EBITDA more than double to \$7.2 million. Centrepoint Alliance continues to grow its licensed adviser base of authorised representatives both organically and via acquisition. The company ended FY22 with 517 licensed advisers. This growth was attributable to the acquisition of 175 ClearView advisers in November 2021 and additional net growth of 27 advisers from the market.



The further growth of the lending business remains a key strategic focus. The business is a boutique lending aggregator providing broking services to circa 80 mortgage brokers. Annual settlements grew 36% from the prior year to \$900 million taking the total loan book to circa \$3.2 billion. CAF also received a Non-Binding Indicative Offer from Diverger Limited (DVR.ASX) to acquire all shares in Centrepoint. Whilst directors seem to think the bid is opportunistic it nonetheless validates CAF's business and shows there is outside interest for a takeover. We expect M&A to be a key feature in this sector going forward.

DDH1 Limited (DDH.ASX) DDH provides a range of specialised surface and underground drilling services to mining and exploration clients in Australia. DDH delivered record FY22 results on the back of their merger with Swick mining which transformed the company into the largest drilling company in Australia and the third largest in the world. Statutory revenue was up 41% to \$415 million with operating EBITDA up 27.2% to \$94.9 million. Their fleet of drill rigs grew by 15 to 183 and a further 11 are on order or under build. Rig utilisation was up 2.4% to 77.4% and we expect this to trend upwards given the enormous amount of cash that Junior miners have raised over the past few years.



DDH has also commenced a share buyback program of up to 34,280,468 shares or approximately 10% of DDH's current share capital. This will provide support in DDH's share price and shows that management think the company is undervalued. The recent results put DDH on a pro-forma EV/EBITDA - Capex of 4.7x. The current dividend yield on our entry price is circa 10%.

Australia Small Cap Income Unit Class

TAMIM Fund

At 30 July 2022

SRG Global Ltd (SRG.ASX) is an engineering-led specialist construction, maintenance and mining services group operating across the entire asset lifecycle. In July SRG put out a guidance update and FY23 outlook. They said FY22 EBITDA is expected to be at the top end of previous guidance of \$54 - \$57 million with strong FY22 operating cash flow and EBITDA to cash conversion of circa 105%. The company is in a strong Net Cash position of \$20.5 million after funding the acquisition of WBHO Infrastructure in March 2022 and is expected to see continued strong margin performance underpinned by excellent operational execution.



SRG now has over two thirds of their earnings coming via recurring/annuity earnings which is almost unheard of for a contracting company. FY23 EBITDA expected to be circa 25% higher than FY22 EBITDA result so we can expect circa \$70 million of EBITDA in FY23. We expect SRG to grow through a mixture of M&A and organic growth and they are well funded to do so, working off SRG's FY23 guidance they are trading at a FY23 EV/EBITDA of around 4.15x and a PE of 11x.