Australia Small Cap Income Unit Class
TAMIM Fund

At 30 November 2024

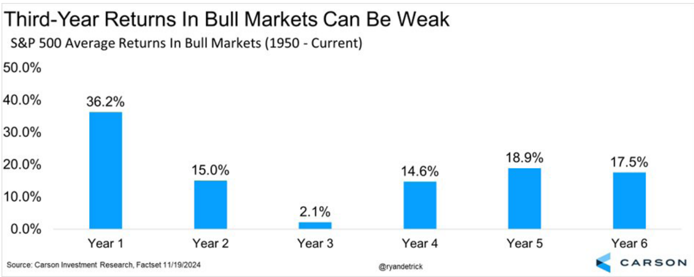
Dear Investor,

We provide this monthly report to you following conclusion of the month of November 2024.

The TAMIM Small Cap Fund achieved a net return of -1.27% for the month, versus the Small Ords up 1.32%.

Over the last 12 months the fund is up +25.54% net of fees versus the Small Ords up +19.89%.

We are now 2 years in this current bull market which began early 2023, as we flagged at the time. Historically, bull markets that make it to their 2nd year anniversary tend to continue and last an average of 5.5 years. Every 20 years we have seen bull markets average up to 12 years in length and those were driven by tech/industrial revolutions. We believe the current AI advancements will deliver such a bull market in the years to come.



This bull market will also be aided by a market friendly new Trump administration whose main focus is to cut regulations, reduce taxes and end the current global conflicts in Ukraine/Russia and the Middle East. We see all of the above as extremely positive for reduced inflation, strong economic (GDP) growth driven by the private sector and lower interest rates. All of the above will drive a continued strong US economy and bouyant markets. The ASX will follow.

It's important to keep in mind, that on average and during bull markets, we expect 2-3 pullbacks every year. These pull backs vary from 5-15% and are great buying opportunities. Those that recall the Silicon Valley bank crisis in March 2023, Middle East conflict in October 2023 and the yen carry trade margin call in early August 2024, would remember, that all were seen at the time as potential threats to the market - yet ended up being exactly what we flagged them to be at the time - great buying opportunities!

Key Facts

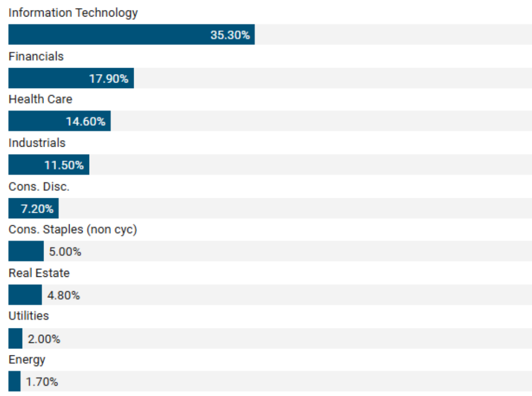
Investment Structure:	Unlisted unit trust
Minimum investment:	A$100,000
Applications:	Monthly
Redemptions:	Monthly, with 30 days notice
Unit pricing frequency:	Monthly
Distribution frequency:	Semi-annual
Management fee:	1.25% p.a.
Performance fee:	20% of performance in excess of hurdle
Hurdle:	Greater 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$	$1.7111	$1.7069	$1.7026

Portfolio Allocation

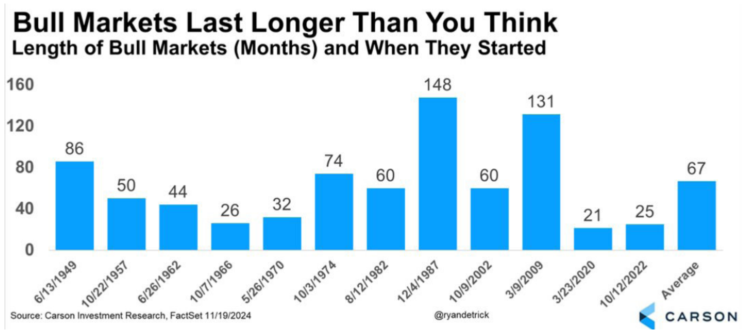
Equity	94.90%
Cash	5.10%



Portfolio Performance

Inception: 1/1/2019	1 month	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)	Since inception (total)
Small Cap Income	-1.27%	25.54%	2.00%	7.33%	12.10%	96.48%
ASX Small Ords	1.32%	19.89%	-0.08%	4.60%	7.38%	52.40%
Cash	0.36%	4.35%	3.05%	1.91%	1.80%	11.11%

We urge investors as we have done so for the last 6 years, to take advantage of any market volatility next year and invest further into these great buying opportunities - we are certain will emerge over time.



We are quite excited about the portfolio holdings in the fund as we head into 2025 and see significant upside ahead - just as we flagged a year ago heading into 2024.

Finally, we expect markets to remain positive heading into Christmas with some key catalysts coming up in the new year during the January quarterly updates. We also expect any M&A brewing in the background, to be announced pre Christmas (similar to last year) as boards scramble to get deals signed off before Christmas. Hopefully, luck is on our side - once again.

We provide a brief commentary on portfolio updates during the month in the portfolio section of the report. We look forward to providing further updates in our next monthly report in January.

We would also like to take this opportunity and wish our investors a very warm and safe festive holiday season and a happy new year. We are pleased to have delivered another exceptional year of strong market leading returns.

Sincerely yours,

Ron Shamgar and the TAMIM Team.

Portfolio highlights:

Servcorp (ASX: SRV) provided an update at their AGM. Highlights include:

- Company is committed to growth in the 2025 financial year, particularly in Saudi Arabia, and continue to look for further opportunities for growth, in mature markets with proven management performance.

- Servcorp updated the market with respect to plans for the Middle East operations. The business has performed well in the first quarter of the 2025 financial year, and all other work streams have been progressing on schedule for a potential listing in 2025. However, given the current environment in the Middle East and the value inherent in retaining full ownership of the business, the decision has been taken to not proceed with the listing at this time.

- Outlook for the 2025 financial year was given that subject to no worsening near-term economic conditions globally, Servcorp expects mature net profit before non-cash impairment of assets and tax will be between $61.0 million and $65.0 million. Management expect to produce more than $75.0 million in underlying free cash.

- Demand for Coworking has surged as businesses evolve to adopt flexible workspace capability. Servcorp has provided this capability for four decades and is determined to stay ahead in this changing competitive landscape utilising their technology platform, which provides the capability to adapt to the requirements for flexibility.

Servcorp has the leading products in the industry, a unique value proposition that truly differentiates, global reach, strong cash generation and healthy net cash position. All of which reinforce our confidence in Servcorp's potential to continue to drive returns for shareholders. Although with no Saudi IPO a key near term catalyst has evaporated, we still see the stock valuation as undemanding with a strong dividend yield and a founder/MD who keeps buying shares on market on a regular basis.

Praemium Limited (ASX: PPS) is a leading platform provider in the Australian wealth management industry, currently servicing $60 billion in assets under administration and reporting on $280 billion. The company is focused on the high net worth segment, which represents a $3.2 trillion market opportunity in Australia. During the month PPS held its investor day.

The presentation highlighted several key trends and opportunities in the advice market. Post-Hayne, the number of financial advisors has declined by 45%, but demand for advice is growing, creating an “advice gap” that PPS aims to address. Comparisons to the UK market show Australian advisors have significant potential to increase their fee income by adopting more efficient practices.

Technology is seen as critical for advisors to grow their businesses and reduce the advice gap. PPS’s core strengths in reporting and administration of sophisticated assets, including alternatives and non-custodial investments, position it well to serve the needs of high net worth clients and their advisors.

To capitalise on these opportunities, PPS has refreshed its operating model and executive team, with a focus on service excellence and advisor-led product development. The launch of the Spectrum platform is a key initiative, allowing advisors to manage all client investments through a single administration solution.

Spectrum leverages PPS’s capabilities in areas like trading, execution, HIN administration and multi-currency support. It also provides advisors access to a broad range of investment solutions, including private markets and alternatives, which are in high demand.

The integration of the OneVue business is another key priority, with a structured approach to capturing synergies and ensuring a seamless transition for clients. PPS is also reviewing its superannuation strategy to improve the member and advisor experience.

Underpinning these initiatives is a strong focus on technology, with investments in infrastructure, security, automation and data/AI capabilities. The risk and governance function is also evolving to enable the business while providing appropriate oversight and assurance.

Overall, PPS is positioning itself as the platform of choice for high net worth investors and their advisors, leveraging its domain expertise, service excellence and technology capabilities to drive growth and innovation in the wealth management industry. The stock trades on 10x Ebitda, pays a 3% ff dividend and has 15% of its valuation in net cash. We see the platform sector as ripe for consolidation and due to the valuation discrepancy between PPS and HUB/NWL, we believe an eventual takeover offer is only a matter of time.

Gentrack (ASX: GTK) is a leading provider of mission-critical software solutions for the utilities and airport sectors. The company’s business model is centered around delivering recurring revenue through a combination of software-as-a-service (SaaS) offerings and professional services.

In FY24, GTK reported total revenue of $213 million (ahead of their $200 million guidance), representing 25.5% year-over-year growth. This strong performance was driven by robust growth across the company’s two main business segments - Utilities (G2) and Airports (Veovo).

The Utilities segment, which accounts for around two-thirds of total revenue, grew 23% in FY24 to $181 million. Excluding prior year one off insolvency revenues, growth was even more impressive at 51%. This included a 33% increase in recurring revenue to $121 million, as the company continued to expand its footprint with existing customers and win new logos. The non-recurring revenue (NRR) in Utilities more than doubled to $60 million, driven by a range of implementation projects and regulatory changes. We expect NRR to continue to grow as existing clients implement and upgrade their current solutions and new logo wins come on board.

The Veovo business, which provides airport management software, grew 25% year-over-year when excluding the impact of hardware sales (45% including hardware sales) to $32 million. This highlights the strong underlying demand for GTK’s solutions in the digitising and automating the airport sector. Management is looking at M&A to bolster this division with other solutions it can cross sell to its tier 1 and tier 2 global airport clients including some of the worlds largest such as Dubai, Sydney and London airports.

Importantly, GTK has been able to drive significant operating leverage in its business model. Despite the rapid revenue growth, the company’s headcount growth has been more moderate and non-linear, indicating improved productivity per employee. This, combined with the high-margin nature of the company’s recurring revenue streams, has allowed GTK to expand its EBITDA margins.

In FY24, EBITDA came in at $23.6 million, at the low end of the guidance range. However, this included a significant one-time impact from the company’s long-term incentive (LTI) schemes and UK payroll taxes, which accelerated due to the strong share price appreciation. Stripping out these LTI costs, the underlying EBITDA growth was an impressive 42% year-over-year to $41 million. With GTK expensing all their development costs compared to other listed software companies, this figure is even more impressive.

Looking ahead, GTK expects the LTI costs to moderate substantially in FY25 and FY26, which should help support further EBITDA margin expansion. The company is targeting EBITDA margins of 15-20% over the medium term, after expensing all development costs. Management avoided giving a specific FY25 guidance and instead choosing to wait for later in the year and assess the timing of new contacts wins before isssuing more accurate guidance.

In terms of cash flow, GTK demonstrated strong execution, with a 35.6% increase in its closing cash balance to $66.7 million. This was after the company invested $12.9 million into its Amber Electric investment. Free cashflow was an impressive $30 million. Due to timing of payments, 2H cashflows are generally stronger than 1H.

A key pillar of GTK's strategy is its G2 software platform, which the company believes has a unique and highly capable set of features compared to competitors. The company is seeing increasing interest from its customer base in adopting the G2 stack, with nearly all new sales being G2-oriented.

Geographically, GTK sees continued strong demand in its core markets of Australia, New Zealand and the UK. The company is also making inroads in international markets like Asia and Europe (Saudi and Philippines new logo wins in FY24), though it acknowledged the longer sales cycles in these regions (12-36 months).

Overall, GTK's impressive FY24 results highlight the strength of its business model and the growing demand for its software solutions globally. The underlying fundamentals of the business appear strong, and the outlook for continued growth remains positive.

We first bought GTK in mid 2022 at $1.50 ($150 million cap) and have seen the company execute and grow to $13.00 ($1.3 billion cap) or more than 8x our initial investment. We believe the stock is now being more fully appreciated by investors as a highly profitable tech company with substantial growth tailwinds for the next decade. The energy transition is real and every utility company (Energy/Water) will need to upgrade their billing stack in the next few years.

We see significant catalysts in the next 12 months as the pipeline of new business has reached a maturity inflection point and some larger contract wins should be announced in the near term. We see these new logo wins and continued market awareness to the growth story as the main drivers of our updated valuation of $25.00 in the near term (12-18 months). GTK for now remains a conviction holding in the fund and we believe a dividend is likely in the absence of any M&A.

Superloop (ASX: SLC) held their AGM and we had the chance to meet the company with some key highlights including:

superloop

Financials and Outlook:

- The company had a very strong four-month period, adding 192,000 new subscribers across the group. This included the successful migration of 124,000 customers from the Origin acquisition.

- The company affirmed its guidance for over 50% EBITDA growth in FY25, with the Origin migration being a critical factor.

- The consumer division added 19,000 net new customers in the four-month period, with a disproportionate weighting towards the latter part of the period. Marketing spend increased due to production costs for new brand campaigns, but the company is focused on maintaining discipline and not chasing volumes at higher costs.

- The smart communities division saw significant progress, with 6,000 new lots contracted across 9 new customers. However, the earnings contribution from this division is not expected to be material until the second half of FY26, as there is typically an 8-24 month timeline from contract signing to homes being built and generating revenue.

Operational Initiatives:

- Automation and digitisation remain a key focus, with the company aiming to reduce sales costs as a percentage of revenue by a further 2-3 percentage points. Examples include the implementation of the Teddy AI chatbot, which has already reduced human agent interactions by 50%.

- The company sees opportunities in the enterprise connectivity market as customers transition from legacy MPLS networks to IP-based solutions. While there is price erosion in this segment, the company is focused on maintaining market share.

- The smart communities division secured a significant contract with major developer AV Jennings, highlighting the company's positioning as a third scaled player in the new developments market.

M&A and Capital Management:

- The company's net cash position continues to strengthen, providing flexibility for potential M&A opportunities. However, the company emphasises that M&A is not a strategy in itself, and it will only pursue acquisitions that are strategically and financially accretive.

- The Origin migration required some working capital support, but the company remains confident in its 80-90% underlying EBITDA to cash conversion ratio.

Overall, the company delivered a strong operational performance in the first four months of FY25. We believe in the absence of any M&A it is likely SLC will begin paying dividends. Any M&A should be very accretive and a catalyst for the stock to reach our valuation of $2.50+.