Australia All Cap Unit Class Fund

At 30 April 2023

Dear Investor,

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

During the month the ASX300 was up +1.85%, while the Small Ords was up +2.78%. The TAMIM All Cap Fund was up a strong +12.76%. CYTD the fund is up +10.72% net of fees.

In our March monthly report we noted the following:

“We are quite bullish on the outlook for our portfolio holdings. Each holding has a clear thesis and we have taken the opportunity in both our last monthly report and the current one to explain how we believe these will play out this year. If the majority of these thesis play out as we think, we are of the view that we can generate very strong double digit returns this calendar year and beyond.”

The April strong performance was exactly out of the above playbook. Several portfolio holdings that we have discussed in our reports and our latest webinar delivered good business updates (EML, SYM,SMP), significant upgrades (HLO, TSK), and in one case - a huge takeover premium (SLA). We discuss these in more detail in our portfolio commentary section of this report.

Overall, we are quite pleased with the current construct of portfolio holdings and are identifying further opprtunities to deploy funds. Even more pleasing from the April result, is that it was mostly driven by a small number of our portfolio companies, which means there’s still significant potential upside to play out for the remainder of the portfolio. In fact, in our April Webinar we highlighted a 55% potential upside in the near term, to what we believe our portfolio valuations are conservatively worth.

We expect these returns to start playing out over the coming months as investor sentiment begins to improve from extremely bearish positions, as both the current rate hike cycle comes to an end, and inflation continues to fall significantly.

In other words, we see the first half performance as more volatile and lumpy, whilst our further performance may be more skewed to the second half of the year. We remain confident of delivering strong double digit returns this year as our investors are accustomed to over the last 4+ years.

Key Facts

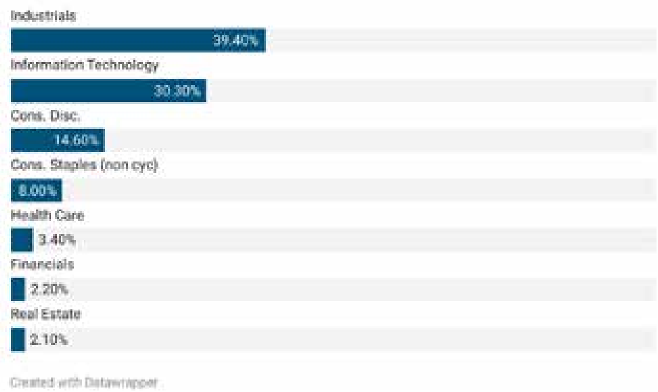
Investment Structure:	Unlisted unit trust
Minimum investment:	A$100,000
Applications:	Monthly
Redemptions:	Monthly, with 30 days notice
Unit pricing frequency:	Monthly
Distribution frequency:	Semi-annual
Management fee:	1.25% p.a.
Performance fee:	20% of performance in excess of hurdle
Hurdle:	Greater 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:	CTS9748AU

NAV

	Buy Price	Mid Price	Redemption Price
AU$	$1.0991	$1.0964	$1.0936

Portfolio Allocation

Equity	95.60%
Cash	4.40%



Note: Individually Managed Account (IMA) returns will, by their nature, vary from the underlying portfolio. Should you wish to see your individual return, please log in to your account online.

Portfolio Performance

Inception: 31/12/2016	1 month	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)	Since inception (total)
Australia All Cap	12.76%	-11.68%	15.53%	9.66%	10.24%	85.33%
ASX 300	1.85%	2.12%	13.98%	8.24%	8.35%	66.08%
Small Ords	2.78%	-9.44%	9.22%	3.89%	5.68%	45.10%
Cash	0.30%	2.40%	0.89%	0.99%	1.10%	7.18%

Portfolio Performance for Australia All Cap refers to the aggregated cumulative performance of all TAMIM Australian All Cap individually managed account portfolios since inception (31 Dec 2016) in AUD net of fees up to 31 October 2019. From 1 November 2019 the performance reflects the return on the TAMIM Fund: Australia All Cap unit class. Both are managed according to the same portfolio. ASX300 refers to the S&P/ASX 300 Accumulation Index. 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.

Finally, we are seeing a continued mismatch in valuations and are identifying several companies that we believe will be taken over in the near term. We expect M&A activity to accelerate this year, and further offers like the one we saw in Silk Laser (SLA) during April, to materialize.

Below we provide company specific commentary in the portfolio section of the report. We will provide further updates in our next monthly report during June.

Sincerely yours,

Ron Shamgar and the TAMIM Team.

Portfolio highlights:

Silk Laser Australia (SLA.AX) is one of Australia's largest skincare clinic networks, operating 142 clinics nationwide. Earlier in the year, the company's first-half results outperformed market expectations, reporting a 34% surge in revenue to $103 million and an EBITDA of $13.7 million. Additionally, the company announced an adjusted net profit of $6.6 million, a 15% rise from the same period the previous year.

Despite Silk Laser's consistent growth and profitability, its share price has followed a downward trend due to broader market sentiment, declining from a high of $5.20 per share to approximately $1.60 per share. This highlights the market's inefficiency in differentiating between industry categories, as some segments maintain strong performance irrespective of broader market conditions.

This presents opportunities to grab companies at discounts, and, at the time of investment, Silk Laser was undervalued, trading at a PE of 8.5x and EV/EBITDA of 4x with forecasted cash EBITDA of $28 million and cash NPAT of $12 million for FY23. Consequently, it didn't entirely surprise us when SLA.AX received a bid, given its significant undervaluation. With a bid of $3.15, Wesfarmers acquired the company for $169 million. Note: TAMIM bought SLK at an average price of $1.75.

Smartpay (SMP): In its latest announcement, SmartPay (SMP) revealed a non-binding letter of intent with its Australian processing partner. This move aims to leverage the strategic potential of their New Zealand-based fleet of over 30,000 terminals from a monthly rental revenue model generating $16 million pa to a transactional revenue model which is currently generating $67 million pa in Australia on a smaller fleet base of 15,700 terminals. We expect minimal incremental cost base to achieve this conversion as the company already operates and services its current NZ fleet. Hence if fully rolled out, the new transactional terminals could increase revenues in NZ by 8x fold, and group Ebitda by $30-$40 million.

The company's customer acquisition in Australia has been ongoing through Q2 of the fiscal year, resulting in a substantial increase in their transacting terminals, now totalling 15,700, representing a year-on-year (YoY) growth of 62%. Due to their robust customer acquisition, SMP's transactional revenue from Australia has surged by 76% YoY to $67 million. This growth has contributed to an overall consolidated revenue increase of 54% YoY. The company's Australian Total Transactional Value (TTV) has also experienced significant growth, increasing by 64% YoY to $5.5 billion.

SMP has reached an ideal inflection point for a business, where it has achieved a level of scale and profitability that should lead to margin expansion and provide ample free cash for reinvestment, thereby fueling further compounding growth. While the stock has reached all-time highs of $1.45 ($345M market capitalisation and no debt), we believe it is fully priced in the short term but offers significant upside in the medium term on successful execution of the NZ opportunity. We estimate at full rollout in NZ FY26 revenues of $260 million and an EBITDA of $70 million. By then the stock should be worth almost double.

EML Payments (EML) has announced the appointment of Kevin Murphy, a veteran of the payments industry, as its new CEO, effective May 1, 2023. The company is shifting from its previously announced long-term strategy, instead focusing on four key priorities: Remediation, Cost Optimisation, Targeted Growth in Core Businesses, and Talent Retention.

EML is already implementing steps to streamline its operating model and enhance efficiency, including rationalising head office costs. The Targeted Growth in Core Businesses strategy will see EML prioritise growth in its most profitable lines of business, such as the Gift and Incentive business. This move suggests that EML could potentially be an attractive takeover target.

A strategic review, led by Barrenjoey, the Australian strategic partner of Barclays, has been initiated to explore all options for EML. This includes a potential sale of all or parts of the business to maximise shareholder value as we have been signalling recently.

Currently, EML is undervalued, with its components estimated to be worth 2-3 times its present valuation. The company is comprised of four business units: PFS Europe, the Global Gift and Incentive (G&I) division (which we value at circa. $250-$300 million), Aussie Reloadable (circa. $100 million), and the Sentenial open banking business (circa. $100 million). The group has net cash of $30 million after corporate debt and has two additional remaining liabilities of $20 million each due to the PFS vendors in June 2024 and June 2025. We believe these payments will be contested as they become due.

The overall sum of the parts, assuming PFS fetches $0-$50 million, is circa $515 million. This corresponds to a share price of roughly $1.40, compared to the current price of 64 cents. We anticipate the company will distribute proceeds back to shareholders within the next 6-9 months once all business units are sold.

Symbio Group (SYM) a leading provider of voice communications software, has given a positive trading update for the period ending 31 March 2023. The company has confirmed its FY23 EBITDA guidance to be between $26 million and $28 million, spurred by organic growth across its three business divisions and cost optimisation initiatives. Its strategic expansion into Singapore, Malaysia, and Taiwan is progressing well, potentially expanding the company's total addressable market by 170% to 100 million people by 2024.

Regarding individual business units, organic growth and cost optimisation efforts are improving performance across all three business divisions: CPaaS, UCaaS, and TaaS. The CPaaS business returned to organic growth in Q3, with phone numbers on the network expected to reach 7.4 million by the end of June, marking a 12% YoY increase. The UCaaS business remains steady with organic seats projected to reach 73,000 by the end of June, reflecting a 24% YoY increase. Meanwhile, the TaaS business is performing as expected, with SIO growth on track to reach 185,000 SIO by the end of June, a 12% YoY increase.

Symbio CEO Rene Sugo is optimistic about the company's future. He believes the improving global technology sector and the company's robust balance sheet ($30 million net cash) will support their long-term growth. The company's expansion strategy into Asia is viewed as particularly promising. Given Symbio's strategic expansion and strong financial performance, it could attract potential takeover interest from larger telecom competitors or private equity players whilst it is trading on an EV/Ebitda of 4x our forecast FY24 earnings.

Helloworld Travel Limited (ASX: HLO), a prominent travel distribution company, recently issued an encouraging trading update for Q3 of 2023. Key financial indicators suggest robust growth, with the company's underlying EBITDA for Q3 reaching $14.2 million. Year-to-date (YTD), the unaudited underlying EBITDA stands at $29.8 million. HLO's total transaction value (TTV) for Q3 tallied at $596.2 million, marking a 150% increase from the previous year. The YTD TTV rose to a remarkable $1.804 billion, showing an impressive 187% increase from FY22. Furthermore, total revenue and other income for Q3 amounted to $46.9 million, escalating by 240% from the previous corresponding period.

Geographically, the underlying EBITDA in Australia and New Zealand amounted to $10.5 million and $3.1 million for the quarter, respectively, and $23.4 million and $5.3 million YTD. Meanwhile, HLO's Rest of World (ROW) operations achieved an underlying EBITDA of $1.1 million YTD. HLO also significantly upgraded its guidance for FY23 underlying EBITDA, raising it from $28 million-$32 million to $38 million-$42 million. We expect a further upgrade later this year.

Pre-COVID, HLO shares were trading as high as $6.00 a share but the stock continues to lag its larger peers (both FLT and WEB have recovered to pre-COVID highs). Our valuation is $3.50+. Given Helloworld Travel's strong financial performance and increasing demand in the travel sector, the company could potentially attract interest from larger companies in the travel and tourism industry.