

Australia All Cap Unit Class Fund

At 31 December 2023



Dear Investor,

We provide this monthly report to you following conclusion of the month of December and of the 2023 calendar year.

December continued the strong run of equities from November to finish the year on a high note. During the month the ASX300 was up +7.22% and Small Ords was up +7.24%. For CY23 the Small Ords finished up +7.63% and the ASX300 up +12.00%.

To put that into context, up until the end of October the Small Ords index was down -6.24% CYTD and yet in the last 2 months rallied from the lows to finish well in the green. This highlights what we always say - that timing markets is impossible and staying invested over time is key to long term returns.

The TAMIM All Cap Fund was up +8.40% in December. CY23 the fund finished up +31.48% net of fees. A strong year of returns outperforming all indices by multiples. December was a strong month of M&A activity with 4 of our holdings receiving takeover offers. We provide details on these in our portfolio commentary section.

Before we discuss our outlook for 2024 it's important to briefly reflect back on 2023. Back in April last year we held a webinar and wrote in our monthly reports the following:

"We are positive on the outlook for our portfolio holdings. Each holding has a clear thesis and we have taken the opportunity in our last monthly report as well as 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."

"We expect these returns to start playing out from the middle of this year as both the current rate hike cycle comes to an end, and inflation continues to fall significantly."

At the time the fund was slightly negative CYTD yet we were confident of delivering a strong year due to the strong fundamentals in our portfolio holdings and the extreme undervaluation of these companies.

Portfolio Performance

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.

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	8.40%	31.48%	3.99%	15.62%	11.93%	120.09%
ASX 300	7.22%	12.00%	8.95%	10.25%	8.48%	76.75%
Small Ords	7.24%	7.63%	0.88%	6.35%	5.88%	49.15%
Cash	0.36%	3.89%	1.75%	1.34%	1.39%	10.11%

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.

Key Facts

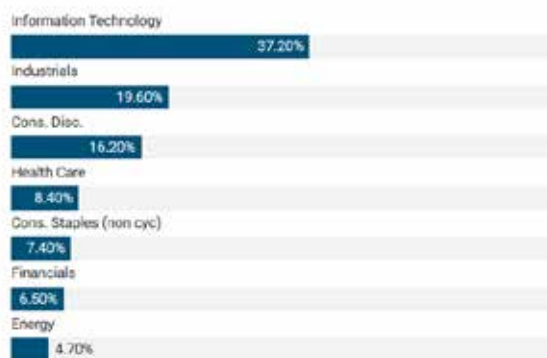
Investment Structure:	Unlisted unit trust
Minimum investment:	A\$100,000
Applications:	Monthly
Redemptions:	Monthly, with 30 days notice
Unit pricing frequency:	Monthly
Distribution frequency:	Semi-annual
Management fee:	1.25% p.a.
Performance fee:	20% of performance in excess of hurdle
Hurdle:	Greater 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\$	\$1.3052	\$1.3020	\$1.2987

Portfolio Allocation

Equity	94.30%
Cash	5.70%

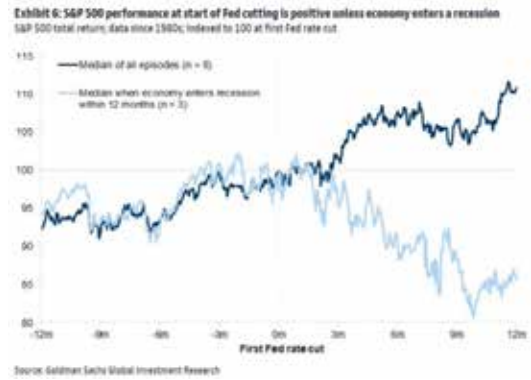


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The reason we are highlighting this is not to gloat, but to emphasise that sticking to fundamentals, ignoring market noises, and more importantly being patient and remaining invested through market drawdowns - will eventually lead to strong returns in the long run.

Finally, with inflation in the US sitting around 3% and interest rate cuts are now a certainty this year, we are quite bullish on small and mid caps outperforming, as stocks perform well when rates are cut with smaller companies doing even better:



Looking into 2024 we are quite optimistic for several reasons. Gazing to the US markets and the S&P500 had a strong year up +26%. But digging further and if we exclude the 10 largest companies, the remaining 490 stocks were only up +7%. Hence valuations of companies outside these mega caps are below long term averages:



In addition 2024 is an US election year and the S&P500 has finished green in 13 of the last 15 US Presidential Election years with an average gain of +10%. The only 2 times the index finished in the red were the GFC and the Dot Com Bubble. Exclude those events and the average yearly gain is +15%:

Election Year	President Elected	S&P 500 Index Total Returns
2016	Trump	12.0%
2012	Obama	16.0%
2008	Obama	-37.0%
2004	Bush W.	10.9%
2000	Bush W.	-9.1%
1996	Clinton	23.1%
1992	Clinton	7.7%
1988	Bush H.W.	16.8%
1984	Reagan	6.3%
1980	Reagan	32.4%
1976	Carter	23.8%
1972	Nixon	19.0%
1968	Nixon	11.1%
1964	Johnson	16.5%
1960	Kennedy	0.5%

Via Morgan Stanley

In summary, we expect 2024 to be another positive year but keep in mind after such a strong end to the year, we expect a pull back in the short term, before we continue to head higher.

On a personal note, it has now been exactly 5 years since joining TAMIM 01/01/2019. During that time the Fund has averaged a net return of +15.62% pa. In other words, a million dollars invested back then is worth double today and in excess of two million dollars after all fees.

Investing is a journey, and arguably the last 5 years have been the most volatile I have seen in my 21 year investing career. Regardless, despite all that has been thrown at us, we have managed to adapt and deliver.

We hope investors join us for the next 5 years journey of doubling your money and hopefully much more.

Sincerely yours,

Ron Shamgar and the TAMIM Team.

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Portfolio Highlights:

Pacific Smiles (ASX: PSQ) is the operator of 130 dental centres across Australia. In FY23 the company generated \$270M of patient fees and \$24M of Ebitda. The company is in net cash and pays a small divvy. FY24 guidance is \$27M. We have followed the stock for almost 10 years since ipo and could never justify investing in it due to the excessive valuation. Our patience has finally paid off in spades, as late last year the stock was aggressively sold off by long term holders who gave up, and sold the stock down to all time lows of below \$1.00.

We saw this an opportunity to finally buy a quality cashed up healthcare business at 5x Ebitda. Almost all dental care chains with scale have been acquired last few years at 9-15x Ebitda and we expected PSQ to get acquired as well. In late December Genesis Care made a \$1.40 offer to acquire the company. We believe a price closer to \$1.70 (9x Ebitda) is more fair and the board has engaged the bidder to improve its offer. Our average entry is \$1.05.



Volpara Health (ASX: VHT) provides software exclusively for the imaging of breast cancer by radiologists in the US and ANZ region. We have built a position in the stock earlier last year around 75 cents as the company was at an inflection point of profitability and free cashflow generation and has managed to attain over 10% share of the US market.

During December VHT agreed to a takeover of \$1.15 cash by Korean technology company, Lunit. The deal values VHT at 7.5x revenue which is reasonable in our mind. Overall our short period of holding the stock has yielded approximately +50% return. We expect M&A deals to continue this year in undervalued technology stocks like VHT.



Tabcorp (ASX: TAH) announced during the month the award of a new Victorian wagering license for the next 20 years on very favourable terms versus market expectations. The company will pay \$600M upfront in July next year and \$30M ongoing and will benefit from an incremental \$140M of Ebitda. The transaction is extremely EPS accretive and places the stock on 5.5x EV/Ebitda for FY25.



We see TAH as a beneficiary of new regulatory and tax changes in the industry as the point of consumption tax changes impacts online operators whilst finally leveling the playing field for TAH to compete. The stock is trading on pro forma 10x free cash flow and 12x PE for 2025 and we believe is worth 50% higher than current prices. We expect the stock to re rate next 6-9 months as consumer spending on wagering improves and the company demonstrates their strategy is on track.