



The TAMIM Australia All Cap strategy is an Australian fund investing in quality companies using both value and growth principles. Importantly, the portfolio is able to buy Australian stocks wherever they see value whether they are large, mid or small caps.

**Investment Objective:** To outperform the benchmark over rolling 5 year periods via an actively managed ASX-listed equity portfolio constructed of a concentrated mix of companies exhibiting value and growth characteristics with downside put option protection.

## INVESTMENT PROCESS

We use a bottom up investment approach that can be broken down into 5 steps:

**Idea generation** - ASX company news flow, broker research and company roadshows, news publications and social media forums.

**Company research** - We conduct a company analysis on its business model, industry structure and future catalysts.

**Financial analysis and modeling** - We are looking for businesses that meet our key investment criteria.

**Management meeting and analysis** - We look at management historical track record and alignment with shareholders (remuneration/incentives/shareholding)

**Valuation and portfolio allocation** - Each company is valued using a range of valuation approaches. Portfolio allocation based on margin of safety and financial strength of the business.

### PORTFOLIO COSTRUCTION & RISK CONTROL

To mitigate the key risks, risk control is built into the investment process:

- Flexible cash holding (0-100%)
- Allocate bigger positions into businesses we understand best, have a large margin of safety and exhibit strong financial characteristics
- Leverage, liquidity, quality of management, competitive threats and execution risk.
- Diversified portfolio - by company and industry. Targeting 20 to 50 stocks.
- Active management visitation and careful monitoring of holding news flow.
- Adjustment of holding exposure to reflect conviction and valuation.
- Put option protection - to protect the portfolio against unforeseen market events

### Downside Protection: Option Overlay

We utilise long put options over the ASX 200 to provide protection to our Australian equity portfolios. This is designed to remove most of the market risk while still allowing portfolios to take on the stock specific risk they seek.

We will typically hold out of the money options (strike 10% or more away from spot) with a 3 to 6-month duration.

This does two things for the Portfolio Manager:

- Provides cash to the portfolio in a large downside market move.
- Allows the portfolio to buy positions in companies it would like to own while removing the market noise from the decision.

Key Investment criteria include:

- Revenue visibility - recurring or contracted revenue
- Industry leadership
- Earnings growth 10%+ over next 2 years
- High cash conversion and free cash generation
- Low capex
- Conservative balance sheet (interest cover, debt/equity)
- ROE and ROIC 10%+
- Management with track record and aligned to shareholder interest
- Discount to Intrinsic valuation
- Identifiable catalysts for share price re rate

We use a **strict criteria on when to sell:**

- Fundamentals have changed
- Share price exceeds our valuation
- Better opportunities with larger upside elsewhere

**Ron Shamgar**  
**Head of Australian Equities**  
**Portfolio Manager**

Ron was the co-founder of TBF Investment Management (The Boat Fund) and was Portfolio Manager of the TBF Small Cap Value Growth Fund from 2013 to 2018 achieving a 15%+ annualised net return since inception. At TBF, Ron was responsible for research, company analysis, portfolio construction and marketing the Fund. Ron has a passion for value investing and believes in a systematic approach to researching and evaluating businesses with a strong bias on assessing management teams. He has been investing actively on the ASX for over 15 years. Ron holds a Bachelor of Manufacturing and Management Engineering from the University of New South Wales.

## INVESTMENT STRUCTURES

The Australia All Cap strategy is available in both a unit trust (TAMIM Fund) and individually managed account (IMA) structure. The differences in fees, expenses and portfolio construction are as follows:

### TAMIM Fund: Australia All Cap

<b>Investment structure:</b>	<b>Unlisted Unit Trust</b> (only available to wholesale or sophisticated investors)	<b>Management Style:</b>	Active
<b>Minimum investment:</b>	\$250,000	<b>Benchmark:</b>	ASX 300
<b>Management fee:</b>	1.25% p.a.	<b>Number of securities:</b>	20-50
<b>Administration &amp; expense recovery fee:</b>	Up to 0.35%	<b>Single security limit:</b>	10% (typically 5%)
<b>Exit fee:</b>	Nil	<b>Investable universe:</b>	ASX (focus on ASX 300 ex20)
<b>Performance fee:</b>	20% of performance in excess of hurdle	<b>Market capitalisation:</b>	Any
<b>Hurdle:</b>	Greater of: RBA Cash Rate + 2.5% or 4%	<b>Derivatives:</b>	Yes
<b>Lock up period:</b>	Nil	<b>Leverage:</b>	No
<b>Buy/Sell spread:</b>	+0.25%/-0.25%	<b>Portfolio turnover:</b>	< 25% p.a.
<b>Applications:</b>	Monthly	<b>Cash (typical):</b>	0-100% (10-40%)
<b>Redemptions:</b>	Monthly with 30 days notice	<b>Investment Horizon:</b>	3-5+ years
<b>Distributions:</b>	Semi-annual	<b>APIR Code:</b>	CTS9748AU

### Individually Managed Account (IMA)

<b>Investment structure:</b>	<b>Individually Managed Account</b> (only available to wholesale or sophisticated investors)	<b>Management Style:</b>	Active
<b>Minimum investment:</b>	\$500,000	<b>Benchmark:</b>	ASX 300
<b>Management fee:</b>	1.5% p.a.	<b>Number of securities:</b>	10-40
<b>Administration &amp; expense recovery fee:</b>	Nil	<b>Single security limit:</b>	10%
<b>Exit fee:</b>	1% if exit within 12 months	<b>Investable universe:</b>	ASX (focus on ASX 300 ex20)
<b>Performance fee:</b>	20% of performance in excess of hurdle	<b>Market capitalisation:</b>	Any
<b>Hurdle:</b>	Greater of: RBA Cash Rate + 2.5% or 4%	<b>Derivatives:</b>	No
<b>Pricing &amp; Reporting:</b>	Daily	<b>Leverage:</b>	No
		<b>Portfolio turnover:</b>	< 25% p.a.
		<b>Cash (typical):</b>	0-100% (10-40%)
		<b>Investment Horizon:</b>	3-5+ years

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