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Investment Focus and Alignment

Last year, we made several adjustments to better align ourselves with our shareholders. More recently, we expanded our research efforts in sourcing value investment candidates due to a deeper appreciation of the economic value of highly scalable business models. Two such candidates became two of our top holdings as of June 30, 2021 and are discussed below, CollPlant Biotechnologies Ltd., CLGN, and Allot Ltd., ALLT.

We decided to meaningfully increase the weightings to our highest conviction ideas. We went from typical weightings of 3% - 4% to 6% - 9%, i.e., 2x - 3x versus historical weightings. We selectively concentrated positions because of our conviction in each security's underlying value versus the price we were paying.

We put a laser focus on micro-cap securities. This is important because it leverages what we do best – sourcing and researching small out of favor, overlooked and misunderstood securities wherein we can exercise a shoe-leather-like research process uncovering underlying industry dynamics in, what we believe to be, a superior manner to other investment competitors in the space. We mitigate risk by emphasizing well-financed securities, operated by people we trust, in industries where we have good contacts. Micro-caps are volatile, which is music to our ears, as it allows us to exploit investment fear. The largest company we've looked at in the past year – with any serious intent to invest – had a market cap of about $1.5 billion, which is still considered small cap in today's environment. Note that as of June 30, 2021 our median cap is $215 million. The largest contributor to recent performance was a tiny company we invested in last year when its market-cap was $60 million.

As we indicated in our 2020 year-end letter, while no decision has been made yet, we believe, absent bear market pricing, we must limit our AUM in order to maximize our ability to exploit micro-cap mis-pricing in amounts that are consequential to our Fund's overall performance. In turn, this will allow us to provide investment capacity to our existing shareholders.

Additionally, we restricted ourselves from making personal individual public equity investments outside of the Fund. RAMSX is our primary public equity exposure, strengthening and maximizing alignment and personal incentives.

We've learned, and grown, by studying successful emerging business models. Many of these new models are taking advantage of disruptive technology resulting in what we believe are highly scalable businesses with super-attractive economics. The genesis of this shift came three years ago when I listened to a compelling presentation regarding why value investors, and deep-value ones in particular, missed the great investments of the past ten years: Google, Facebook, Amazon, and plenty of software businesses with highly recurring revenue and low amounts of customization costs. The truth is clear: Staunch value investors (or most of us) missed the math of these highly scalable monsters. Our camp's near exclusive focus on discount to current ascertainable net asset values, or Benjamin Graham-type "net nets," prohibited us from seeing the math underlying highly scalable businesses where the cost of growth was low. Many of us wouldn't even consider investment candidates that didn't fit our bias of traditional deep-value investment attributes, likely because our identity was too wrapped up in viewing the world in a certain way.

In "Think Again," Adam Grant discusses the necessity of changing your mind, in fact the joy found in discovering you're wrong, which can happen only if your identity is not attached to your beliefs. Grant says, "Most of us are accustomed to defining ourselves in terms of beliefs, ideas and ideologies. This can become a problem when it prevents us from changing our minds as the world changes and knowledge evolves…who you are should be a question of what you value, not what you believe." George Bernard Shaw once said, "Progress is impossible without change; and those who cannot change their minds cannot change anything." The timing of having "expanded" our thinking is perhaps not coincidental and could very well be connected to the strength of our investment network. What we always found particularly problematic about growth investing, in general, was the difficulty of estimating the future. However, given excellent industry relationships that have been built-up over many years, we believe we can add value by appropriately analyzing and *pricing* the risk in these businesses. To be clear, value is still our animating ethos, and our north star question remains, "Would we take it private in a heartbeat?" We simply have a deeper appreciation for additional ways to understand the underlying dynamics of value creation.

Top Holdings

Our three largest investments as of June 30, 2021 are CollPlant Biotechnologies Ltd., GSI Technology and Allot Ltd. We've previously discussed GSIT in detail. Thus, we will highlight our other two largest investments and why they are, in fact, value investments that are premised on valuing significant growth – scale – opportunities. Interestingly, both CLGN and ALLT are Israeli companies.

CollPlant Biotechnologies Ltd., CLGN, has a highly-scalable business model. It is a quintessential platform technology, i.e., its underlying intellectual property can be sold over and over again for annual royalty payments. The company's plant-based collagen, derived and grown in tobacco plants, will ultimately be licensed to many end markets, in our opinion. Collagen, according to Medical News Today, is the most abundant protein in the human body, found in the bones, muscles, skin, and tendons. It is the substance that holds the body together. Collagen forms a scaffold to provide strength and structure. Exogenous collagen is used for medical and cosmetic purposes, including the repair of body tissues. This idea came through our network from a highly experienced 3D printing buyside investor with a 20-year history researching and investing in 3D printing opportunities (historically, for industrial end-markets, but now also includes emerging biomedical markets). We were fortunate to have an Israeli contact who was able to introduce us to

CLGN's co-founder and Chief Science Officer, Professor Oded Shoseyov. We had a video conference call with Professor Shoseyov for just under two hours earlier this year joined by Roumell consultant, and former FDA Director of the Office of Testing & Research, Vince Vilker. While CLGN is a late-stage development company, it has an approved wound healing product on the market in Europe. Vince and I watched a stunning video of a diabetic open wound that was unresponsive to previous wound healing agents. CLGN's collagen healed the wound with one application. Effectively, rhCollagen (its plant-based recombinant human collagen) activates cell growth.

Professor Shoseyov is a true expression of Israel's "start-up" nation vitality. His background is worth highlighting: Having earned his Ph.D. degree from The Hebrew University of Jerusalem, Israel, Oded is currently a faculty member of the Robert H. Smith Institute for Plant Sciences and Genetics, The Otto Warburg Minerva Centre for Agricultural Biotechnology and The Harvey M. Krueger Family Center for Nanoscience and Nanotechnology. Oded has published over 150 scientific publications and has registered over a dozen patents. In 2002 Oded won the Outstanding Scientist Polak Award, in 1999 and 2009 he was awarded the Kaye Award for Innovative and Applied Research from the Hebrew University of Jerusalem, and in 2012 won the Israeli Prime Minister Prize for Entrepreneurship and Innovation.

In February 2021, CLGN announced a global commercialization agreement with Allergan Aesthetics, an AbbVie company (ABBV has a $200 billion market cap), for rhCollagen in dermal and soft tissue filler products. Allergan, the world's leading company in dermal filler products, was granted worldwide exclusivity to use CLGN's plant-derived recombinant human collagen. Additionally, Allergan was granted the right of first negotiation for CLGN's technology in two future products. CLGN received $14 million in an upfront payment, is entitled to receive an additional $89 million in milestone payments and is then eligible to receive royalty payments and a fee for the manufacture and supply of rhCollagen to Allergan.

At the time we made our initial purchases of CLGN, the company's market cap was roughly $135 million and its enterprise value was less than $100 million. CLGN has $50 million in cash and is debt-free. We believe the company still has the ability to duplicate the Allergan deal by serving different end-markets.

In June 2021, CLGN entered a co-development agreement with 3D Systems (DDD) to deliver bioprinted solutions for improved breast reconstruction treatments. According to the World Health Organization, over 2 million women were diagnosed with breast cancer globally in 2020, of which, a large majority required partial or full removal of breast tissue. With CLGN's plant-based recombinant human collagen and 3D's bioprinting machines, the partnership can further partner with big pharma serving the breast reconstruction market.

To be clear, CLGN must receive FDA approval for rhCollagen. We believe there is a high probability of this occurring within the next 12 to 18 months. In the meantime, given growing confidence in its technology, we think that partnerships will steadily grow. RAMSX now owns roughly 6% of CLGN and is its third largest shareholder. CLGN has no sell-side coverage, something we expect to change as its visibility rises.

CLGN was 8.0% of the portfolio as of June 30, 2021.

Allot, Ltd, ALLT, is a security software company selling directly into the enterprise market and to Commercial Service Providers (CSPs). The company has long been a leader in the Deep Packet Inspection (DPI) market, allowing the identity of internet information “packets” to be sourced. ALLT “repurposed” its technology through significant R&D investments and created a tool to enable telcom carriers to sell a security solution to its mobile phone customers. Several years ago, ALLT sold this software to Vodaphone (VOD) on a perpetual license basis. Today, we estimate that VOD is now generating over $200 million in *annual* revenue as a result of this partnership.

Due to VOD’s success, ALLT decided to introduce a revenue share go-to-market strategy, with no significant sales and marketing expenses. We believe the strength of ALLT’s mobile phone security software is best in class and that its revenue share model is a game changer for the company’s growth prospects. This model provides shareholders optionality on ALLT rolling out a proven technology in the fast-growing security software space, putting in place long-tail, highly recuring and “sticky” revenue. In fact, ALLT has experienced an 18% CAGR over the past three years without the rev-share contribution from its new mobile security offering.

After a one-year RFP process, DISH Networks recently chose ALLT to provide the basic security solution architecture to its new 5G network. We expect DISH will soon sign on for ALLT’s mobile security product.

Coleman Park Research survey indicates that 68% of consumers are willing to pay up to $3/month for protection from their carriers. Assuming $1/month per telcom subscriber, this mobile security software is a low-cost telcom add-on, addressing a real and growing problem, resulting in $12/year for the telco carrier, of which roughly one-third, $4/year, goes to ALLT; the company estimates 30% to 50% in its projected rev-share modeling. The total addressable market is very large. We’re unaware of a competing product with similar attributes. For instance, ALLT already has over 100 million potential subs signed up through telecom contracts (the marketing is primarily done by the carrier). A 20% penetration rate, or 20 million, at $4/year, equates to $80 million (as compared to 2020 total company revenue of $136 million).

In our minds, this is an “internalization story”, i.e., it’s just about the carriers converting existing clients. According to a recent Gallup survey, 72% of U.S. consumers worry about their personal or financial data being hacked and 90% think the carrier should provide security solutions. ALLT believes security apps: 1) don’t protect consumers and 2) few consumers download them. We invested when ALLT’s telecom option hadn’t generated any revenue. We got the telcom option completely for free, in our opinion. However, the scalability and efficacy of this option is coming into clearer view, resulting in an increase in our intrinsic value calculation.

> Hod Hasharon, Israel, June 29, 2021 (GLOBE NEWSWIRE) -- Allot Ltd. (NASDAQ: ALLT) (TASE: ALLT), a leading global provider of innovative network intelligence and security-as-a-service (SECaaS) solutions for communication service providers (CSPs) and enterprises, today announced that their NetworkSecure cybersecurity solution has successfully blocked more than 140 million attempts to connect with the command and

control servers used by the Flubot banking Trojan in Europe in the three month period of March to May.

ALLT's market capitalization today is roughly $600 million. The company is debt-free, has about $100 million in cash and legacy revenue from its DPI business of about $130 million. ALLT is estimating $25 million-plus in subscription revenue in '22 (up from $6 million in '21). We estimate $60 million in '23, with an 80% gross margin, and steady growth for several years of highly sticky, recurring revenue that is solidly in place. ALLT is a quintessentially "scalable" business with great economics and strong tailwinds.

Through our robust Israeli tech-industry network, we confirmed that ALLT's technology is first-class, best in breed, and that its CEO, Erez Antebi, is a respected, highly-admired tech-industry leader.

ALLT was 6.7% of the portfolio as of June 30, 2021.

I am planning a trip to Israel in October to visit both ALLT and CLGN.

Investment Funnel

We expect to make our first private equity investments this quarter. By leveraging our existing relationships, we have found what we believe to be exceptional partners with compelling investment stories, buttressed by fabulous pricing. Still, our total allocation to private equity investments will be roughly 5% of the portfolio. Separately, we've participated in two private placements of public stock, allowing us to invest in promising micro-cap companies in need of small amounts of capital to get to the next level. Lastly, we now own (or owned this year at some point), nine securities that we previously owned.

Our investment funnel is growing. A very interesting dynamic is taking place at RAM, stemming from recent performance and reaping the dividends of having helped out other peer investors who traffic in our space. High-quality investors in our small/micro-cap investment space are regularly bringing us ideas to consider. It's all about building enduring, trusting relationships with exceptional people and that's exactly what we've done over the years. Sam Gerstenzang, formerly of venture firm Andressen Horowitz, said "The best way to become quickly knowledgeable is to find the right people and talk to them. There isn't a substitute to finding the three people in the world who know best and triangulating their answers." At day's end, our network is a foundational asset of our business.

One final housekeeping item…As noted in our 2020 year-end letter, we have had significant portfolio harvesting recently. As a result, we expect that we will deliver taxable short-term capital gains at the end of this calendar year (note that our fiscal year end is August 31st). Based on what we know today, the short-term capital gain distribution will be approximately $4.50/share (with no long-term capital gain distributions). The distribution will be made mid-December. As a reminder, there were no capital gain distributions last year. Also, of note, as of today, we do not believe we have significant embedded unrealized losses in the portfolio that could shelter the gains. Recent performance has been unprecedented and we believe we prudently took gains on holdings that rapidly reached our estimated valuations. For those looking to make an investment in our Fund going forward this year, you should consult with your tax adviser to consider the potential advantages of purchasing our Fund in a tax-deferred account.

Thank you for your continued trust and confidence.

Kind Regards,

Jim Roumell

An investor should consider the investment objectives, risks, and charges and expenses of the Fund before investing. The prospectus contains this and other information about the Fund. A copy of the prospectus is available at www.roumellfund.com or by calling Shareholder Services at 800-773-3863. The prospectus should be read carefully before investing.

An investment in the Fund is subject to investment risks, including the possible loss of some or all of the principal amount invested. There can be no assurance that the Fund will be successful in meeting its investment objective. Investment in the Fund is also subject to the following risks: Opportunistic Investment Strategy Risk, Non-diversified Fund Risk, Sector Risk, COVID-19 Risk, Cybersecurity Risk, Common Stocks Risk, Small-Cap and Mid-Cap Securities Risk, Micro-Cap Securities Risk, Risks Related to Investing in Other Investment Companies, Large-Cap Securities Risk, Preferred Stock Risk, Convertible Securities Risk, Lower-rated Securities or "Junk Bonds" Risk, Risks of Investing in Corporate Debt Securities, Interest Rate and Credit Risk, Maturity Risk, Government Debt Markets May Be Illiquid or Disrupted, Inflation Risk, Risks of Investing in REITs, Currency Risk, and Foreign Securities Risk. More information about these risks can be found in the Fund's prospectus.

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