Fund Update

Tribeca Australian Smaller Companies - Class A

APRIL 2021

Fund Overview

INVESTMENT PHILOSOPHY

The Fund provides exposure to listed Australian companies outside of the top 50 and predominantly outside of the top 100 ASX listed companies by market capitalisation. In doing this, the Fund seeks to benefit from the concept of information arbitrage. This refers to the fact that the largest companies tend to be very well covered by market participants, thereby reducing the opportunity to profit from information gained through research. On the other hand, smaller companies are often ignored and therefore research on these companies can uncover unrecognised value.

INVESTMENT APPROACH

1. Eliminate top 50 and screen on quality
2. Scan remainder for those worthy of detailed research and valuation
3. Best opportunities subject to Portfolio Characteristics Test and Macro view
4. 50 stock portfolio

Source: Tribeca Investment Partners

- The investment process seeks to identify the market leaders of the future and will have a bias toward companies with relatively high quality and sustainable earnings streams
- A relatively concentrated portfolio, the Fund generally holds 40-60 stocks.
- Style-neutral exposure to Australian smaller companies
- Proprietary risk management tools used to manage overall portfolio risk
- A proven investment process that has been effective through a number of market cycles spanning over 15 years
- Long history of outperforming the S&P/ASX Small Ordinaries Accumulation Index

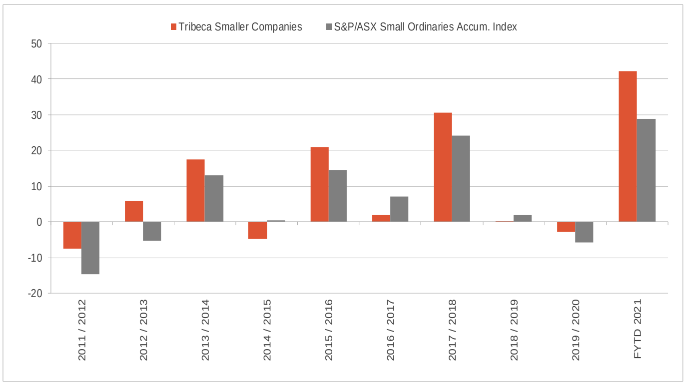
Fund Characteristics

TOP 10 ACTIVE WEIGHTS

	Active Position%
Fletcher Building Limited	2.8
Northern Star Resources Ltd	2.7
PWR Holdings Ltd.	2.5
Mineral Resources Limited	2.4
EML Payments Ltd.	2.4
IGO Limited	2.3
Senex Energy Limited	2.2
Life360, Inc.	2.1
Boral Limited	2.1
Graincorp Limited Class A	2.1

LONG TERM PERFORMANCE VS BENCHMARK

Tribeca Smaller Companies Fund vs S&P/ASX Small Ordinaries Index (%):
delivered outperformance in 7 out of 10 financial years



Source: Tribeca Investment Partners
Past performance is not a guide to future performance

Performance as at 30 April 2021

	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	7 years % pa	10 years % pa	Since inception[1] % pa
Class A Units[2]	6.26	13.24	58.91	13.64	13.47	11.15	8.40	9.83
Benchmark[3]	4.98	7.44	39.78	9.10	11.10	9.39	4.89	6.05
Value Added	1.28	5.80	19.13	4.54	2.37	1.76	3.51	3.78

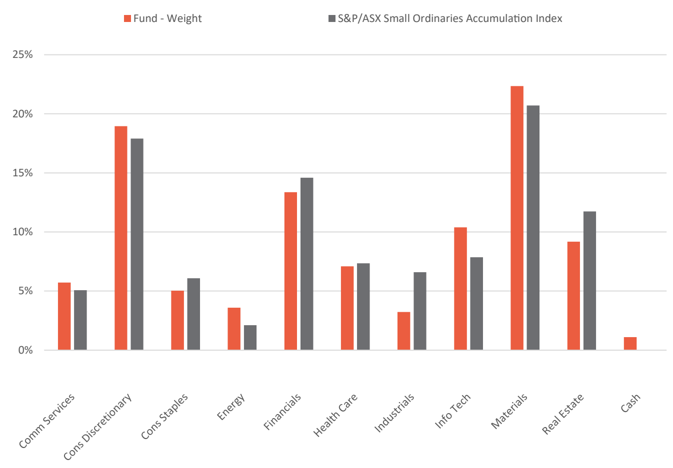
1. Inception date: 5 August 2010
2. Returns are based on end of month redemption prices and calculated after the deduction of ongoing fees and expenses but before tax and assume distributions are reinvested
3. S&P/ASX Small Ordinaries Accumulation Index

Past performance is not a guide to future performance

TOP 10 HOLDINGS

	Fund%	Index% [1]
EML Payments Ltd.	3.1	0.8
Steadfast Group Limited	2.9	1.4
Virgin Money UK PLC	2.8	1.3
Healius Limited	2.8	0.8
Fletcher Building Limited	2.8	--
Uniti Group Ltd.	2.7	0.7
Northern Star Resources Ltd	2.7	--
Pendal Group Limited	2.6	0.8
Nickel Mines Ltd.	2.6	0.6
Graincorp Limited Class A	2.6	0.5

SECTOR ALLOCATION



[1] S&P/ASX Small Ordinaries Accumulation Index

The data presented in these tables and graphs is unaudited and may change at any time. The data is shown for informational purposes only and is not indicative of any future portfolio characteristics.

Fund Facts

APIR CODE
ETL0052AU

INCEPTION DATE
5 August 2010

DISTRIBUTIONS
Half-Yearly

INVESTMENT MANAGER
Tribeca Investment Partners Pty Ltd.

RESPONSIBLE ENTITY
Equity Trustees Limited

MANAGEMENT FEE
0.92% P.A.

PERFORMANCE FEE
15.38% of the Fund's return above the Fund Benchmark

BUY/SELL SPREAD
Buy +0.30% / Sell -0.30%

Manager Commentary

Equity markets continued to record strong performance in April with year-to-date returns well ahead of average. At a global level, equity market performance has been underpinned by ongoing fiscal stimulus and persistently accommodative monetary policy. On the domestic front, earnings revisions remain firmly in upgrade territory, with breadth measures running at a high rate of c.70%. The gap to pre-COVID expectations continues to close with EPS levels now 7% below that high watermark, and the return of company outlooks has seen revision strength broaden. Looking ahead, a large broker hosted conference will see 97 companies present over 3 days in early May with many expected to release trading updates, while the Federal Budget on 11 May will again influence confidence and conviction around Australia's recovery path, corporate activity and the earnings outlook.

Small caps had a strong month, with the index (S&P/ASX Small Ordinaries Accumulation Index) gaining 5.0%, while also outperforming the broader S&P/ASX 200 Accumulation Index by 1.5%. Looking at the drivers of market performance, IT and Materials had strong gains, followed by Financials. Energy and Consumer Staples lagged and were the only sectors to post declines. The Tribeca portfolio had a good month and finished ahead of the index, with positive catalysts in some reasonably overweight names driving performance.

Mineral Resources (MIN +25.6%) hosted a three-day site tour across their WA operations, reinforcing the strong growth outlook across its iron ore, lithium, and mining services operations. A key plank of their strategy is material expansion in iron ore volumes (off a low base), in the region of 300%, at a very low cost of production. Optionality also exists in the lithium operations, with multi-year volume growth and potential agreements for downstream processing with their partner Abermarle. Due to the strength of the cashflow outlook, MIN would appear to be able to self-fund the projects, which is a material positive. Cleanaway Waste Management (CWY +29.6%) struck a deal with French-based competitor Suez to purchase some of their NSW-based assets after Suez and fellow French company Veolia agreed to merge. The assets were a likely divestment to appease the Australian regulator while filling a strategic hole in CWY's portfolio. The deal is to be debt funded and accretive to CWY's earnings. Betmakers (BET +26.4%) released a strong quarterly report showing further organic growth in its Australian wagering services business. However, the real prize is much larger contract wins and potential involvement in any wagering divestment by Tabcorp – with the share price beginning to price in some of this upside potential. Medium term, BET has the potential for material growth as it takes its wagering expertise global though their recent Sportech acquisition, with the US and Europe still having relatively unsophisticated horse-racing markets compared to Australia. IGO Ltd (IGO +19.3%) played some catch up to its listed resources peers, particularly lithium names, after it successfully divested its minority share in the Tropicana gold mine to Regis Resources. This was part of the strategy post acquiring a 49% interest in lithium producer Tianji's assets in Australia and now leaves the balance sheet largely unincumbered and well placed for further acquisitions. Lastly, Uniti Wireless (UWL +20.4%) continued to perform well as strong housing market data bode well for future greenfield housing estate development and additional broadband development agreements for UWL.

Detracting from performance was Sigma Healthcare (SIG -11.8%) after well-regarded CEO Mark Hooper announced he was stepping down after 11 years. It is disappointing timing given the turnaround having only recently been executed, however SIG has emerged with good trading momentum in its key markets and a more favourable 7th CPA agreement with the government has removed a deflationary headwind for the first time in years. We think SIG should be able to continue to grow earnings at a double-digit clip from here – arguably something the stock is not priced for. Further, the balance sheet should de-lever reasonably quickly given major capex plans are complete, raising the prospect of acquisitions or capital management complementing growth. Galaxy Resources (GXY +55.3% NOT HELD) and Orocobre (ORE 41.8% NOT HELD) announced they'd agreed to a $4bn merger of equals. The strategic rationale appears sound combining both operating and developing assets in the lithium space across both lithium brine and hard rock spodumene deposits. However, our preference in the lithium space remains MIN and IGO. Meanwhile, Nickel Mines (NIC -6.9%) delivered a disappointing quarterly, breaking their recent run of strong results and New Hope Corp (NHC -18.0%) pulled back on no obvious company specific news.

See gsfm.com.au for more information about the Tribeca Australian Smaller Companies Fund.