

Tribeca Australian Smaller Companies - Class A

DECEMBER 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



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

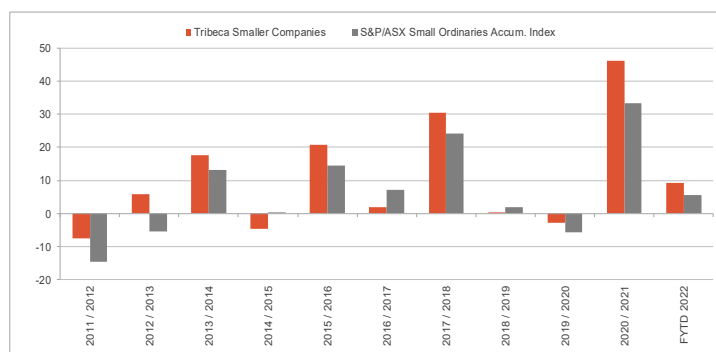
Fund Characteristics

TOP 10 ACTIVE WEIGHTS

	Active Position%
Life360, Inc.	3.8
Mineral Resources Limited	3.0
Nickel Mines Ltd.	2.9
Senex Energy Limited	2.6
Eclixp Group Ltd.	2.5
PWR Holdings Ltd.	2.4
Charter Hall Retail REIT	2.2
Imdex Ltd	2.2
IGO Limited	2.2
Ramelius Resources Limited	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 31 December 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	2.47	1.42	27.75	23.28	15.20	14.47	11.57	10.38
Benchmark ³	1.41	2.03	16.90	15.71	11.17	11.31	7.98	6.49
Value Added	1.06	(0.61)	10.85	7.57	4.03	3.16	3.59	3.89

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

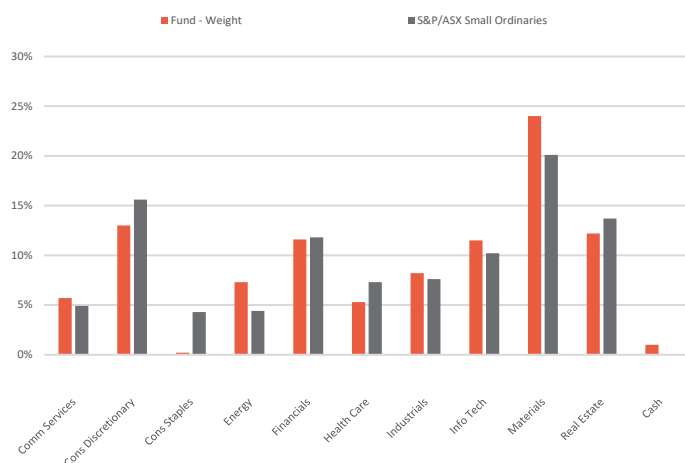
3. S&P/ASX Small Ordinaries Accumulation Index

Past performance is not a guide to future performance

TOP 10 HOLDINGS

	Fund%	Index% ¹
Life360, Inc.	4.4	0.5
Nickel Mines Ltd.	3.8	0.9
Mineral Resources Limited	3.0	--
Charter Hall Retail REIT	3.0	0.8
Senex Energy Limited	2.9	0.3
Corporate Travel Management Limited	2.7	0.9
Eclipx Group Ltd.	2.7	0.2
Imdex Ltd	2.6	0.4
Ramelius Resources Limited	2.6	0.5
Fletcher Building Limited	2.5	0.8

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

The December quarter was more volatile than recent quarters, something that often accompanies forecasts for liquidity withdrawal, as a number developed market Central Banks readied investors for a wind-down of QE and eventual rate rises after inflation was deemed less transitory than first anticipated. Within the market, AGM updates came not long after the recent reporting season. Against the backdrop of an already nervous market, any shortcomings from companies were harshly dealt with, particularly at the value end. Several portfolio names underperformed as a result (PGH, TYR, SIG, PDL, EML, IFL). M&A was a regular fixture throughout the quarter, and bids were received for two of our holdings. (SXY, PPS). Meanwhile, resources names remained firm at 40-year highs as an inflationary outlook saw investors gravitate to hard assets. Some of our resources value holdings rebounded (NIC, MIN, IGO) while gold names found some relief after a tough Q1 (CMM, RMS) and battery metals prices continued to firm on forecast supply/demand deficits and drove equities higher again (LYC).

Looking at the previous 12 months, performance has been quite idiosyncratic with gains across nearly all market sectors and attribution from tilted towards materials and communications. Building material exposures delivered nicely however we have since taken profits and now sit underweight. We remain underweight gold as per the past 12 months, with our major exposures in battery and related metals driving alpha, partially offset by some larger index weightings which we didn't own. Our high conviction holding in UWL and underweight in CNU delivered strong results across communications. Emerging names such as 360, DGL and HMC that we initiated positions in relatively early also contributed, while diversified financials were very weak with disappointing outcomes across cheap, market exposed names such as PDL, IFL which saw material de-ratings on some relatively small earnings adjustments.

Activity and Outlook

Given the strong performance of the battery metals space, we deemed it prudent to take down some exposure, given the volatility inherent in the space. A few names which issued downgrades were de-weighted where our thesis wasn't broken but we felt were likely to remain subdued in the short term. We transitioned out of more mature, cyclical names after strong performance or which just weren't working, with that cash redeployed in deals or liquidity events which enabled us to build exposure in names in which we saw greater upside.

Our positioning continues to be relatively balanced, with some new defensive names added where we saw better value. Growth names came under a bit of pressure late in the quarter; however, we feel like our exposures are catalyst rich and stack up on a valuation basis, even more so following recent weakness. We see this part of the portfolio potentially seeing upside with inflation peaking and long bond yields likely consolidating their recent strong run. We don't think this will be a zero-sum game between value/cyclicals, with supply shortages to endure for some time and a falling USD supportive. However, should tightening financial conditions adversely impact economic growth we will review our exposures in that space.

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

Important Information

Investment Manager: Tribeca Investment Partners Pty Ltd ABN 64 080 430 100 AFSL 239070, Responsible Entity: Equity Trustees Limited ('EQT') ABN 46 004 031 298 AFSL 240975, Distribution partner: GSFM Pty Limited ('GSFM') ABN 14 125 715 004 AFSL 317587. This report is provided for information purposes only and is not intended to take the place of professional advice. Neither Tribeca, EQT nor GSFM give any warranty as to the accuracy, reliability or completeness of the information in this report nor do they undertake to correct any information subsequently found to be inaccurate. Opinions expressed may change without notice.

This report has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision in relation to the Fund, you should consider the appropriateness of this information having regard to your own objectives, financial situation and needs and read and consider the Fund's product disclosure statement ('PDS') dated 26 October 2018 and the Tribeca Investment Partners Reference Guide which forms part of the PDS. Retail investors may invest in the Fund through a licensed financial adviser or an investment platform using the PDS for that platform which can be obtained from the operator of the platform. Tribeca Australian Smaller Companies Fund Class A's Target Market Determination available at www.gsfm.com.au. A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed. This document is issued on 24 January 2022.