

Tribeca Alpha Plus Class A Units

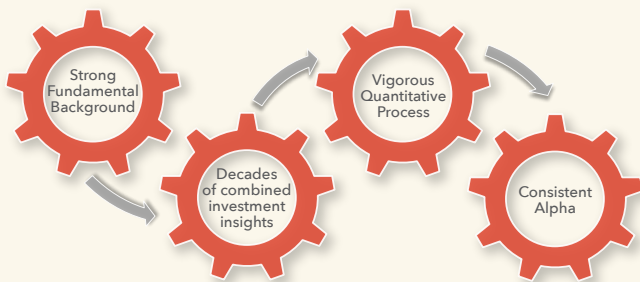
MAY 2022

Fund Overview

INVESTMENT PHILOSOPHY

Tribeca's investment approach uniquely blends fundamental and quantitative processes that aim to identify investment opportunities and generate returns above the benchmark. Fundamental investing gives depth of insight and conviction by identifying high quality businesses with strong fundamentals. Quantitative investing brings breadth and objectivity to the process by exploiting behavioural biases in the market.

INVESTMENT APPROACH



- A long/short equity strategy that enables investors to benefit in rising and falling markets by taking long or short positions to profit from positive or negative share price movements
- A diversified portfolio, generally consisting of 60-70 long positions and 30-40 short positions
- Style agnostic and broad-based industry exposure
- The active extension structure enables short selling a range of stocks with weak investment characteristics and reinvesting the proceeds in long positions in preferred stocks
- Target allocation of 150% long, 50% short (maximum 50% short exposure)
- Long history of outperforming the S&P/ASX 200 Accumulation Index

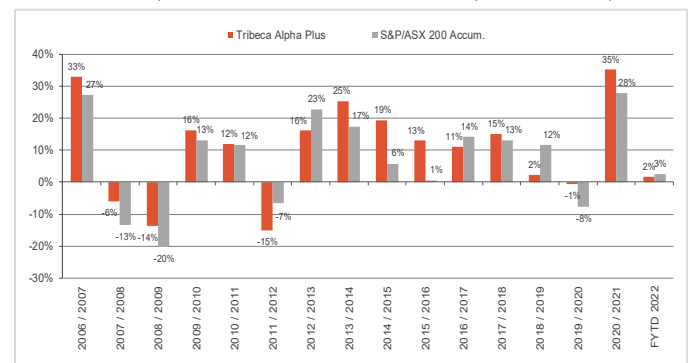
Fund Characteristics

TOP 10 ACTIVE WEIGHTS

	Active Position%
Treasury Wine Estates Limited	2.8
Computershare Limited	2.3
CSL Limited	2.3
Suncorp Group Limited	2.3
Transurban Group Ltd.	-2.2
Commonwealth Bank of Australia	-2.1
Scentre Group	2.1
Seek Limited	2.0
Woolworths Group Ltd	-2.0
Cleanaway Waste Management Ltd.	2.0

LONG TERM PERFORMANCE VS BENCHMARK

Tribeca Alpha Plus Fund vs S&P/ASX 200 Accumulation Index:
delivered outperformance in 11 out of 15 financial years since inception



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

Performance as at 31 May 2022

	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	(3.10)	0.86	2.93	12.61	9.90	9.70	12.91	9.41
Benchmark ³	(2.60)	3.21	4.84	7.85	8.84	7.48	10.37	6.69
Value Added	(0.50)	(2.35)	(1.91)	4.76	1.06	2.22	2.54	2.72

1. Inception date: 18 September 2006

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

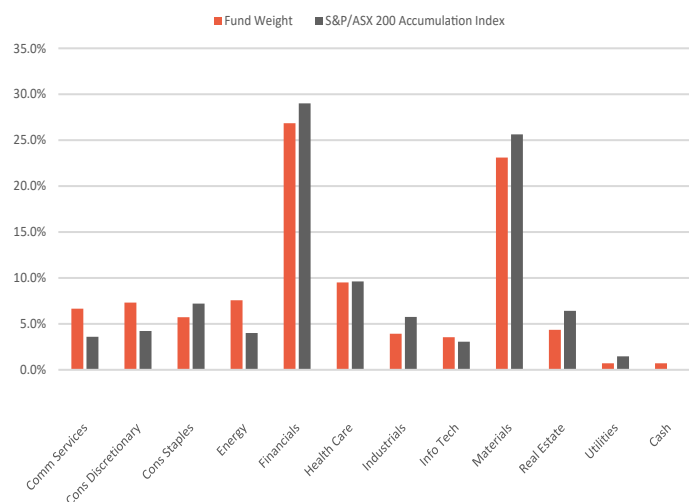
3. S&P/ASX 200 Accumulation Index

Past performance is not a guide to future performance

TOP 10 HOLDINGS

	Fund%	Index% ¹
BHP Group Ltd	10.6	10.6
CSL Limited	8.4	6.1
Commonwealth Bank of Australia	6.3	8.4
National Australia Bank Limited	6.1	4.8
Macquarie Group Limited	4.3	3.2
Westpac Banking Corporation	3.8	3.9
ANZ Banking Group Limited	3.3	3.3
Treasury Wine Estates Limited	3.2	0.4
Suncorp Group Limited	2.9	0.7
Computershare Limited	2.9	0.6

SECTOR ALLOCATION



¹ S&P/ASX 200 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
ETL0069AU

INCEPTION DATE
18 September 2006

DISTRIBUTIONS
Half-Yearly

INVESTMENT MANAGER
Tribeca Investment Partners
Pty Ltd.

RESPONSIBLE ENTITY
Equity Trustees Limited

PERFORMANCE FEE
20.5% of the Fund's return
above the Fund Benchmark

MANAGEMENT FEE
0.97% P.A.

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

Manager Commentary

May saw equity markets retreat globally as investors continued to deal with the fall-out from an inflation shock and higher interest rates. The S&P/ASX200 Accumulation Index fell by -2.6% in May, giving up some of its YTD outperformance against global peers, with the S&P 500 Index essentially flat during the month, while the Nasdaq (-1.7%) and MSCI World index (-0.2%) recorded modest losses. Monthly returns didn't tell the full picture with the S&P 500 Index posting a 10% intra-month drop to briefly enter bear market territory (defined as a 20% drop from the high) before staging a late-month rebound. The Tribeca Alpha Plus Fund returned -3.10% during the month, representing an underperformance of 0.50% relative to its benchmark.

Looking deeper at local market performance, small caps materially underperformed large caps, with the Small Ordinaries Index recording a -7.0% drawdown. Within the ASX200, all segments posted negative returns with the exception of materials (+0.1%). Real Estate (-8.9%), Technology (-8.7%) and Consumer Staples (-6.7%) were the hardest hit sectors.

May saw a pause in some of the inflationary market leads of the recent months. Commodity prices were generally softer during the month, with the LME Metals index down 6.1% and gold down 3.1%. The clear exception was the energy complex where there were strong gains in thermal coal (+31%) and Brent crude (+12%). 10 year break even inflation rates in the US retraced from 2.94% to 2.65% as investors began to weigh the possibility that the sharp tightening of monetary policy from the Fed and other major global central banks may be enough to generate the economic slow down required to tame inflation.

On the stock front, the portfolio's short book again provided positive attribution overall, however it was not enough to offset the negative attribution from the long book. Overweight positions that contributed positively included: Treasury Wine Estates which announced that it will begin manufacturing and selling Penfolds in China as a means of skirting the significant tariffs on Australian wine exports to China; Amcor Pls which provides investors defensive exposure and has done a good job managing supply constraints; and a2 Milk which benefited from reports of severe shortages of infant formula in the US which may help boost the company's sales in that market.

Underweight positions that contributed positively to performance included: Lendlease which fell as investors fretted about several high-profile collapses in the construction industry, highlighting the challenging conditions faced by the sector; Charter Hall Group which continues to de-rate as rate increases point to a more challenging macro environment for the sector, and Boral which revised its earning guidance for FY22 lower on account of rising energy prices and adverse weather events.

On the flipside, key detractors included overweight positions in Seek which continued to de-rate on macro concerns despite seeing upgrades to FY22 earnings expectations during the month; Johns Lyng Group which has derated as investors look to trim high PE exposure and the stock fell below the issue price of its recent placement causing additional selling pressure and; Seven West Media which has seen sentiment turn sharply on a deteriorating ad market which is coinciding with what was a very strong comparable in the prior period. Unusually there were no underweight positions that featured in the top 10 detractors from performance during the month.

OUTLOOK

Australian equities remain hostage to several big picture macro trends that will likely determine both the direction as well as broad sector performance trends in the months and quarters ahead. For the first time in over a decade, the equity market is working against both a slowing economic backdrop and rising interest rates. The implication is that slowing economic growth will ultimately seep into slower corporate earnings growth and higher interest rates will continue to drive a normalisation in valuation multiples. In other words, if stocks are not under valuation contraction pressure, then they are likely to come under earnings pressures as tightening financial conditions begin to curb activity and rising costs drive a peak in corporate profit margins.

On the positive side, Australia's economic outlook, while slowing, is not at risk of a recession and while interest rates are substantially higher than what we have seen in recent years, they have not reached levels that are likely to drive a rapid decline in growth and/or consumer and business sentiment / spending just yet. In addition, while there are rising concerns around the housing market outlook, we don't see this as translating into a systemic issue for the broader economy nor for the banking sector. This means equity market valuations are likely to be capped on the upside until we have transparency on interest rates but that a broad de-rating is not needed or likely, and while earnings growth may begin to slow as we move into 2H22 and beyond, corporates do not need to prepare for a domestic earnings recession, especially when large sections of the market are beneficiaries' of inflation and global disruptions such as resources and energy.

The equity market is likely to remain volatile as uncertainty around the macroeconomic outlook remains elevated. However, the decline in valuations as well as a high and stable dividend yield provide solid downside support and Australia should easily outperform global markets which are both more expensive and do not offer the same defensive earnings characteristics. The market is in a relatively unforgiving mood, and this means disappointment is not being tolerated. As such, identifying good quality stocks that are trading on supportive valuations is key to avoiding negative surprises.

We think the market can grind its way higher into 2H22 with strong earnings support coming from commodity sensitive stocks and as sentiment towards many beaten down areas bottoms out in line with a top in bond yields. While the RBA will continue its rate hike path, we do not expect it to have to tighten as far as the market is now pricing in and at some stage a softer narrative will also provide greater support for the equity market.

See gsfm.com.au for more information about the Tribeca Alpha Plus 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 dated 18 April 2019 ('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 Alpha Plus Fund Class A's Target Market Determination is 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 15 June 2022.