Fund Update

Tribeca Australian Smaller Companies - Class A

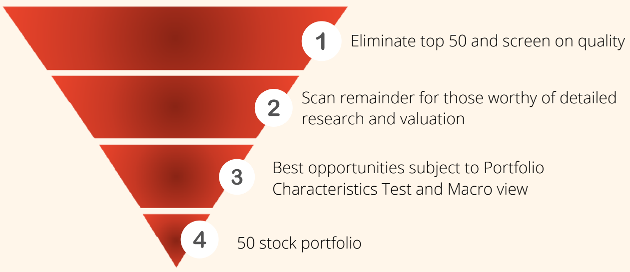
JULY 2022

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

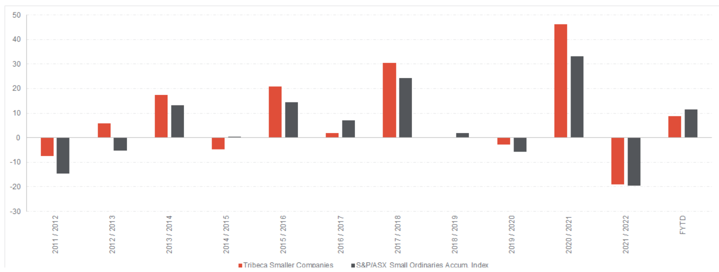
Fund Characteristics

TOP 10 ACTIVE WEIGHTS

	Active Position %
Eclipx Group Ltd.	2.7
Capricorn Metals Ltd	2.7
Charter Hall	2.6
PWR Holdings Ltd.	2.3
Mineral Resources Limited	2.3
Life 360	2.1
OZ Minerals Limited	2.1
IDP Education Ltd.	2.1
Karoon Energy Ltd	2.0
Megaport Ltd.	2.0

LONG TERM PERFORMANCE VS BENCHMARK

Tribeca Smaller Companies Fund vs S&P/ASX Small Ordinaries Index (%):
delivered outperformance in 8 out of 12 financial years since inception



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

Performance as at 31 July 2022

	1 month %	3 months %	1 year %	3 years %	5 years % pa	7 years % pa	10 years % pa	Since Inception[1] % pa
Class A Units[2]	8.71	(13.52)	(13.76)	6.13	10.47	10.08	8.91	7.91
Benchmark[3]	11.43	(9.94)	(10.93)	2.55	7.30	8.06	6.53	4.74
Value Added	(2.72)	(3.58)	(2.83)	3.58	3.17	2.02	2.38	3.17

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

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Tribeca Investment Partners

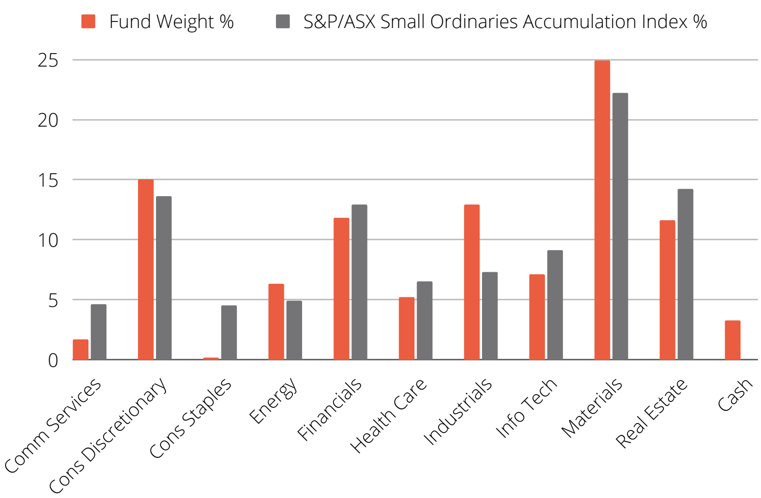
Fund Update

TOP 10 HOLDINGS

	Fund %	Index %[1]
Charter Hall Retail REIT	3.5	0.9
Capricorn Metals Ltd	3.2	0.5
Eclipx Group Ltd.	3.1	0.3
Nickel Industries Limited	2.8	0.9
AUB Group Limited	2.7	0.7
Megaport Ltd.	2.6	0.6
PWR Holdings Ltd.	2.6	0.3
Nufarm Limited	2.6	0.8
Insignia Financial Ltd	2.6	0.9
Life 360	2.5	0.4

1. S&P/ASX Small Ordinaries Accumulation Index

SECTOR ALLOCATION



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.
Source: Tribeca Investment Partners

Fund Facts

APIR CODE
ETL0052AU

RESPONSIBLE ENTITY
Equity Trustees Limited

INCEPTION DATE
5 August 2010

PERFORMANCE FEE
0.92% P.A.

DISTRIBUTIONS
Half-Yearly

MANAGEMENT FEE
0.97% P.A.

INVESTMENT MANAGER
Tribeca Investment Partners Pty Ltd

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

Manager Commentary

Global equities rebounded in July, driven by a positive U.S. reporting season and U.S. GDP contraction which softened investor expectations of the steepness of future rate hikes. The improvement in investor sentiment was also seen in bond markets, as the Australian 10-year yield declined by 60bps to 3.06%. U.S. yields also fell 33bps to 2.64%, as the Q2 GDP decline moderated inflationary fears. The broad Australian market largely underperformed the bounce in developed markets, however still gained a healthy 5.8%. Meanwhile, Small caps headlined the gains adding 11.4% with Consumer Staples the only sector finishing the month in negative territory, while Health, IT and Financials paced a broad list of strong advancers. Commodity prices broadly fell in July. Brent oil fell US$5 to US$110/bbl as bans on Russian shipments were delayed. Iron ore prices also dropped US$5 to US$118/Mt as Brazilian shipments hit record highs and demand remained soft. Gold saw large falls as the price fell by US$60 to US$1,753, as moderating inflation expectations improve investor risk sentiment and away from gold's traditional 'safe haven' status. From a factor perspective, growth materially outperformed value which resulted in growth now outperforming on a 12-month basis. Market multiples saw a decent re-rate, with 12-month forward EPS falling for the 1st time this year. The Tribeca portfolio underperformed the bounce in the market, with some of the growth areas of the market such as Healthcare rallying extremely hard while our overweights in Industrials and IT unable were unable to match. Additionally, Energy lagged the market while the Materials names we held struggled to make headway in the rebound.

Outperforming during July was Life360 (360, +58.8%), which saw a strong a bid after a tough CY22 thus far. The company has largely executed against expectations, with only sales of their Tile hardware seeing some impact as a result of chip shortages, although not overly material. The base business continues to grow revenue at ~50% p.a., with the share price fall mostly de-rating, trading between a 35-71% discount to its Nasdaq-listed peer group. Megaport (MP1, +77.8%), reported its June quarterly and surprised the market with better-than-anticipated growth and quarterly cashflow. The market had lost some faith after the recent run of mixed reporting versus expectations, though they continued to show 30% top line growth which we believe can be continued for some time. PWR Holdings (PWH, +32.1%) also followed the rebound in growth names, with little to indicate business opportunities had slowed. A large Australian Army contract that was scheduled to be awarded appeared postponed, which may have been anticipated by some investors. We feel there will be other such opportunities for PWH in time and used the opportunity to add to our position. Johns Lyng Group (JLG, +31.4%), followed a similar pattern and we also added to our holding there given the outlook is arguably more robust for their insurance and catastrophe business post recent weather events on the East Coast. Lastly, Capricorn Minerals (CMM, +24.6%), produced a sound quarterly amid some concerns among analysts relating to mining costs and labour availability. This led to a welcome rebound after recent share price declines.

Underperforming for the portfolio was Costa Group (CGC, -10.1%), which gave back recent outperformance on concerns over persistent wet weather and impacts to the quality of their citrus exports. It would appear too early to dimension how material impacts may be, given the Murray-Darling harvest is only just underway, however we intend to monitor industry contacts closely in coming months. DGL Group (DGL, -9.8%) and Viva Energy (VEA, -7.8%) also gave back some of their recent outperformance, with no news of note for either stock. Both names have some underlying oil connection (chemicals and refining/distribution) and with energy equities under pressure there was possibly some read through by the market. Eureka Group (EGH, -3.3%), released profit guidance for FY22 which came up short of expectations, largely due to delays in the settlement of acquisitions that were expected to contribute. While frustrating, we still believe the business has strong growth potential via in/organic expansion together with inflation-linked revenue streams from government pensions/rent assistance through the provision of accommodation to senior citizens.

Lastly, Telix Pharmaceuticals (TLX, +63.3% - not held) strongly rebounded as the company released first sales of their Illucix diagnostic product. Until recently we had a small holding in TLX and worked to identify the opportunity that may lie ahead for the company. We encountered several issues around disclosure and remuneration that gave us caution, while more in-depth analysis of the future drug pipeline resulted in us taking a more conservative approach in risking success. As a result, we felt the shares were trading around fair value, leading us to exit our holding and missing much of the subsequent rally.

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