

Fund Overview

The Tribeca Alpha Plus Fund targets outperformance over the S&P/ASX 200 Accumulation Index over the long term by investing in listed Australian equities (long and short). The fund leverages off the strengths of both quantitative and fundamental styles of investing. Quantitative investing brings breadth and objectivity to the process by exploiting behavioural biases in the market. Fundamental investing gives depth of insight and conviction by identifying high quality businesses with strong fundamentals.

Long-standing Track Record



Core Exposure

Offers investors core exposure to the ASX

A diversified portfolio, generally consisting of 60-70 long positions and 30-40 short positions

Style Neutral

Style agnostic and broad-based industry exposure

Long-standing Track Record

One of the longest running equity long short funds in Australia (inception 2006).

Unique Long Short Approach

Utilises a long short approach that is rarely seen in Australian equities. Active management allows enhanced return potential and better risk control.

Target allocation of 150% long, 50% short

Consistent Outperformance

The fund has consistently outperformed its benchmark since its inception in 2006.

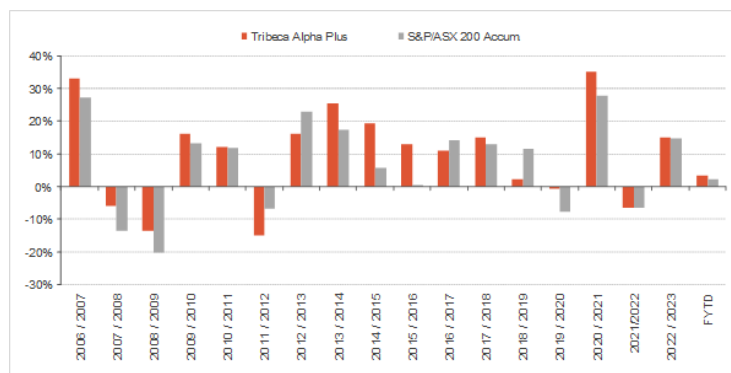
Fund Characteristics

TOP 10 ACTIVE WEIGHTS

	Active Position %
James Hardie Industries Plc	2.6
Brambles Limited	2.4
Woodside Energy Group Ltd	2.4
Pro Medicus Limited	2.4
Aristocrat Leisure Limited	2.3
Goodman Group	2.3
Xero Limited	2.0
Suncorp Group Limited	2.0
QBE Insurance Group Limited	1.9
Carsales.Com Limited	1.8

LONG TERM PERFORMANCE VS BENCHMARK

Tribeca Alpha Plus Fund vs S&P/ASX Small Ordinaries Index (%):
delivered outperformance in 13 out of 17 financial years since inception



Source: Tribeca Investment Partners.

Tribeca Smaller Companies fund performance figures are net performance. Benchmark performance figures are gross performance. Past performance is not a guide to future performance

Performance as at 31 August 2023

	1 month %	3 months %	1 year %	3 years %	5 years % pa	7 years % pa	10 years % pa	Since Inception ¹ % pa
Class A Units²	1.65	4.76	10.30	11.66	9.40	9.29	11.61	9.28
Benchmark³	(0.73)	3.92	9.56	10.68	7.01	8.57	7.97	6.61
Value Added	2.38	0.84	0.74	0.98	2.39	0.72	3.64	2.67

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

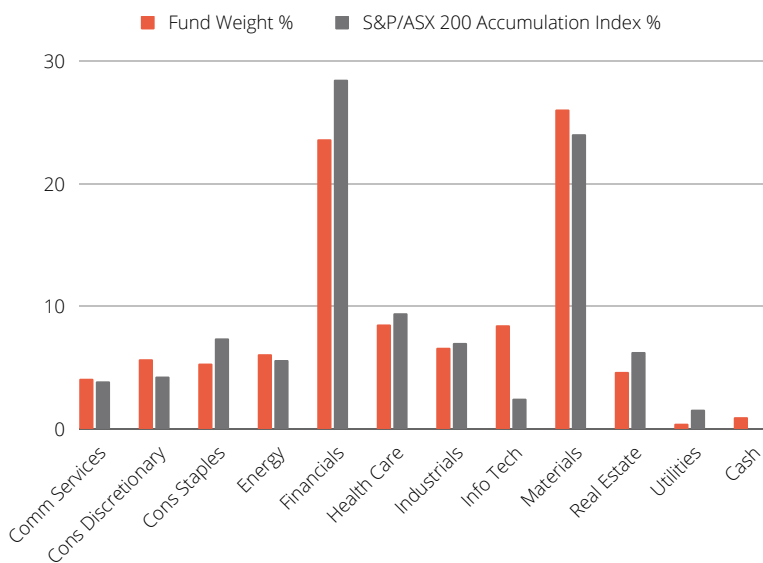
TOP 10 HOLDINGS

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	Fund %	Index %
BHP Group Ltd	11.6	10.5
Commonwealth Bank of Australia	7.4	8.0
CSL Limited	6.0	6.1
Woodside Energy Group Ltd	5.7	3.3
ANZ Group Holdings Limited	4.8	3.5
Goodman Group	4.2	1.9
Aristocrat Leisure Limited	3.6	1.2
James Hardie Industries PLC	3.6	1.0
Brambles Limited	3.4	1.0
QBE Insurance Group Limited	2.9	1.0

1. S&P/ASX 200 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.

Manager Commentary

The S&P/ASX 200 Accumulation Index closed 0.7% lower in August, outperforming key offshore benchmarks such as the S&P 500 (-1.8%) and MSCI World (-2.6%). Chinese equities were particularly weak, with the MSCI China Index falling -8.5% during the month as Beijing's efforts to tackle the economic slowdown have so far disappointed investors. Reporting season was the key focus for August domestically, shifting attention off the macro questions that have driven much of the volatility this year. At a high level FY23 results were in line, with beats and misses squaring up.

However, guidance was soft as cost pressures (mostly labour and interest rates) drove earnings downgrades for FY24. During the month, ASX200 EPS estimates for FY24 came down by 2.4%. On this measure (revision to next 12-month earnings estimate), it has been one of the worst reporting periods in the past two decades. Interestingly all the damage to forecasts was done at the cost line, with revenue expectations holding up.

For the second month in a row, sector performance highlights an appetite for early cycle cyclicals at the expense of defensives. Consumer Discretionary (+4.6%) was the stand-out performer, supported by better-than-expected earnings. Wesfarmers (+10.6%) was the key driver of the index gain, but there were multiple other discretionary retail stocks that posted double-digit returns for the month on earnings and outlooks that were "less-bad" than the market was expecting. Property (+1.7%) was the only other sector with a positive return for the month, driven by Goodman's (+16.2%) push into data centre development and a strong performance from the residential developers Stockland and Mirvac.

The worst performing sectors were Utilities (-4.3%) and Consumer Staples (-4.1%), where several sector heavy weights had double-digit drops on weaker earnings and no doubt an element of heavy positioning. August was a tough month for defensives, which in several cases were not true to label, posting negative EPS surprises, in part due to higher interest costs. Notable names here included Resmed (-23%), Ramsay (-13%), A2 Milk (-11%) and Coles (-11%). Interestingly, Coles called out the negative impact of theft on its earnings, which has been a problem in the US for some time, but until now was not as prominent in Australia.

The Fund returned +1.65% in August, outperforming the benchmark by 2.38%. Positive attribution was skewed slightly to the short side of the portfolio, however the long positioning also contributed meaningfully. Overweight positions that contributed positively included: Johns Lyng Group (JLG), which bounced sharply after delivering a slight beat for FY23 which saw consensus upgrades across the forecast period; Goodman Group (GMG), where investor attention was focused on a rapidly building development pipeline in the Data Centre space; and Pro Medicus (PME) which rallied after delivering a clean 5% beat to consensus expectations for FY23.

Underweight stocks that contributed positively included: Alumina (AWC), which fell sharply after reporting widening losses and negative cashflow which focused attention on a levered balance sheet; and Iress (IRE) which collapsed on a downgraded outlook for CY23 and balance sheet pressure which saw the dividend scrapped.

Key detractors included overweight positions in: Resmed (RMD), which has re-rated materially on concerns around the application of GLP-1 drugs (eg. Ozempic) to treat Sleep Apnea related to obesity; and a2 Milk (A2M) which delivered a weak FY24 outlook based on weak industry sales (low Chinese birth rate) and flat margins. The key underweight position which negatively impacted performance was Wesfarmers (WES), which delivered unexpectedly strong sales growth across its retail portfolio in FY23 and a positive trading update for the first seven weeks of FY24.

Outlook

The equity market has defied bearish predictions throughout 2023 as a resilient economy has weakened expectations of recession. In other words, as the economy has held firm, so too has the equity market despite areas of weakness (consumer, housing). We think there is a great deal of uncertainty around the near-term outlook but there are many positives to focus on despite ongoing policy headwinds. While it remains too early to determine whether the RBA has finished its rate hike cycle, we think they are close, and it is unlikely that financial conditions get much tighter from hereon in.

While policy impacts with long and variable lags and economic weakness due to prior rate hikes is still to flow through, the resiliency of the household sector alongside the labour market suggest any downturn is not likely to be deep or prolonged. We think investors should focus on the potential for the Australian economy to be picking up by mid-2024 and for the rate cut cycle to begin a little earlier. While the near-term corporate profit picture is expected to highlight areas of stress (i.e., consumer, housing, resources, construction to name a few), and the market is in an unforgiving mood for disappointment, we doubt the picture is vastly different from expectations which have been softening in recent months.

Equity markets are forward looking and see bull markets with long-sightedness which means an improving economy and lower rates into mid-2024 will be the focus by year end. In addition, valuations are now getting close to long term average levels and there is a degree of cautiousness by corporates around capex and in managing costs. We think this conservativeness is appropriate for the level of macroeconomic uncertainty, but it also provides leverage as the cost of capital falls and as demand picks up. We think the next few months might be volatile for the equity market as it flip-flops between a soft versus hard economic landing and remains tied into the direction of global markets. But we think out past the next quarter or so, the outlook remains intact, and the equity market has the capacity to surprise investors on the upside.

Fund Facts

INVESTMENT MANAGER Tribeca Investment Partners Pty Ltd	RESPONSIBLE ENTITY Equity Trustees Limited
INCEPTION DATE 18 September 2006	PERFORMANCE FEE 20.5% of the Fund's return above the Fund Benchmark
DISTRIBUTIONS Half-Yearly	MANAGEMENT FEE 0.97% P.A.
APIR CODE ETL0069AU	BUY / SELL SPREAD Buy +0.30% / Sell -0.30%

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 30 September 2022 (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 20 September 2023.