Fund Update

Tribeca Australian Smaller Companies - Class A

NOVEMBER 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

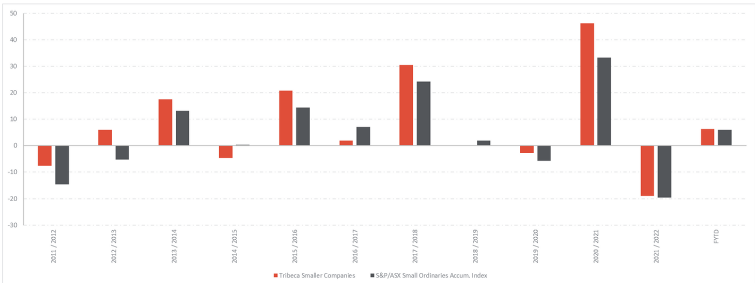
Fund Characteristics

TOP 10 ACTIVE WEIGHTS

	Active Position %
Champion Iron Ltd.	2.8
PWR Holdings Ltd.	2.8
AUB Group Limited	2.7
Capricorn Metals Ltd	2.7
Charter Hall Retail REIT	2.5
Karoon Energy Ltd	2.4
Mineral Resources Limited	2.3
Eclipx Group Ltd.	2.2
OZ Minerals Limited	2.1
Imdex 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 11 financial years since inception



Source: Tribeca Investment Partners.
Tribeca Alpha Plus fund performance figures are net performance. Benchmark performance figures are gross performance. Past performance is not a guide to future performance

Performance as at 30 November 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]	5.60	0.92	(14.58)	7.08	7.93	9.36	8.34	7.97
Benchmark [3]	4.92	(0.81)	(14.02)	2.57	4.36	7.81	5.87	4.59
Value Added	0.68	1.73	(0.56)	4.51	3.57	1.55	2.47	3.38

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

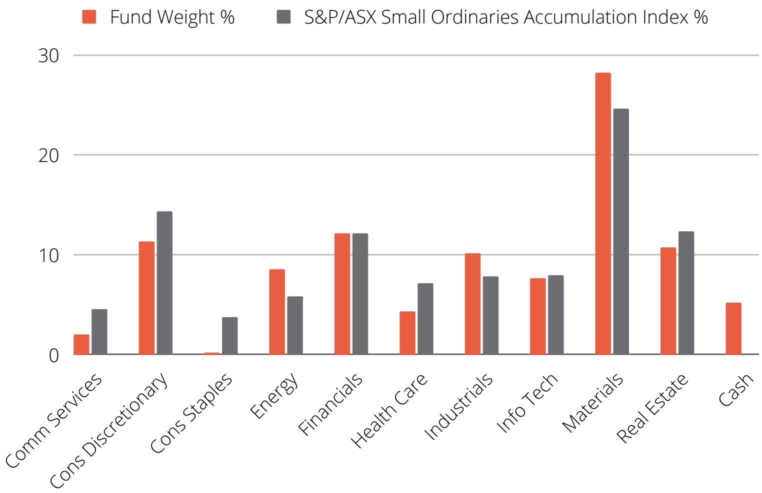
Past performance is not a guide to future performance

TOP 10 HOLDINGS

	Fund %	Index %[1]
Champion Iron Ltd.	3.8	1.0
AUB Group Limited	3.6	0.9
Charter Hall Retail REIT	3.3	0.9
Capricorn Metals Ltd	3.3	0.6
PWR Holdings Ltd.	3.2	0.4
Karoon Energy Ltd	3.0	0.5
Webjet Limited	3.0	1.0
Viva Energy Group Ltd.	2.6	0.8
Eclipx Group Ltd.	2.5	0.3
Insignia Financial Ltd	2.4	0.9

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

Manager Commentary

Equities had a strong month in November, as US Federal Reserve Chair Powell's comments on potentially slowing rate hikes "as soon as December" provided relief to markets and tipped over the previously firm USD (DXY Index -5%). Fixed interest markets were buoyed given the less hawkish language, with US 10 year yields falling 51bps from intra-month highs while the RBA hike of 25bps continued the slide in local yields, which saw the 10 year drop 23bps. Inflation surprised to the downside, further cementing the November bond rally (and falling yields). Meanwhile, China announced measures designed to stabilise its ailing property market -an area that had been a large drag on GDP growth over the past 18 months. Further, a series of reports indicating a move away from COVID zero policy in China buoyed expectations for a much-improved economic environment into CY23. This put a fire underneath iron ore (+26%) prices, while copper (+9%), nickel (+22%) and gold (+7%) were also helped by the lower USD.

Domestically, equity markets performed generally in-line with global peers, and the broad S&P/ASX 200 Accumulation Index rose 6.6% with small caps slightly lagging, up 4.9%. Sectors pacing the gains included materials on stronger commodity prices, along with health and REITs. Lagging was energy, staples and communication services. Small caps couldn't quite match the size and breath of gains of the broader index. Factor-wise, value outperformed quality with growth lagging, while price momentum underperformed. The Tribeca portfolio outperformed, with some resources sector names rebounding strongly, partially mitigated by unexpectedly poor updates from a couple of names which we were overweight.

Top contributors for the month included Champion Iron (CIA +35.9%), which continued to perform well following its strong quarter report in late October. This was undoubtedly helped by the strong rally in iron ore prices, something we hadn't baked into our central investment case (but obviously welcomed), as did the considerable short interest that had accumulated recently. We continue to view CIA favourably on its strong fundamentals of high-grade iron ore and planned pelletisation feeding into future green steel initiatives, future production growth profile and attractive valuation. Capricorn Metals (CMM +23.9%) also released their quarterly production in late October, which highlighted excellent cost containment and strong free cash flows, particularly versus local peers. Over the past 12 months, Australia's gold sector has been struggling with lower prices realised and higher consumables and labour costs, which have materially impacted margins. CMM has stood out with its free cash generation and earned its premium rating, in our view. Mineral Resources (MIN +19.5%) didn't really deliver much new at its November AGM, however managed to withstand a selloff in lithium names as sentiment shifted against the sector following its strong run. MIN has a high cost producing iron division, which is very leveraged to prices while also developing its West Pilbara mining JV and associated infrastructure which will materially increase sales tonnage over the medium term. Webjet (WEB +20.8%) remains our only travel exposed name and delivered a positive surprise at its first half result, which was above market expectations. The consolidation during the pandemic in the bedbank industry has delivered the remaining players higher share and margins, especially given WEB's consolidation and automation from their technology platforms. We think there could be continued upside should management deliver on their targets, something not yet banked by the market.

Turning to underperformers, City Chic (CCX -39.1%) delivered an unexpectedly bad AGM trading update. It was difficult to reconcile how just how badly margins could have deteriorated, particularly the large increase in fulfillment costs which more than doubled the impact from discounting across the EU and USA on gross margins. Sales growth for the group was anaemic, highlighting how poorly the northern hemisphere operations performed, and possibly calling into question the entire Fund. In our view, CCX was priced for a bad outcome, and much was imputed by the recent share price fall. However, the extent of the deterioration, along with the lack of a timelier trading update highlighting thus, indicating that at least that there was something more awry whether the company knew it or not. This led us to sell our holding. Life360 (360 -10.0%) had a busy month as it basked in the glow of price increase back in October. The November Q3 result highlighted a strong back-to-school performance and subscription revenue growth from the business, partially offset by continued underperformance from the Tile acquisition and associated downgrade to Tile CY23 guidance. The market seemed content with product bundling pushed out a quarter, while cashflow expectations were pulled forward a quarter.

However, 6 days later the company unexpectedly raised $50m to bolster its balance sheet -something management had assured us wasn't required. This potentially gave oxygen to another tilt at a Nasdaq listing down the track (with associated capital raise) resulting in us taking profits. Pact Group (PGH -26.1%) highlighted a softer upcoming 1H23 result than anticipated, with a major US retail customer aggressively destocking inventory into year end materially impacting volumes in its re-usable plastics business. While PGH anticipates delivering a stronger 2H to make up for the miss, and signs are there for improvement, the balance sheet is more of a concern on the lower earnings. PGH has accelerated a strategic review of itsnon-core business units and we would expect some sort of asset sale to avoid the need for a dilutive capital raise. Lastly, Allkem (AKE -5.5%) saw some profit taking on concerns over near term lithium demand (we have also taken profits), while Sandfire Resources (SFR +45.2% not held) was buoyed by higher copper prices as well as the bid for Oz Minerals (OZL) by BHP which, if consummated, would make SFR the largest and most liquid copper alternative on the ASX.

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

Fund Facts

APIR CODE ETL0052AU	**RESPONSIBLE ENTITY** Equity Trustees Limited
INCEPTION DATE 5 August 2010	**PERFORMANCE FEE** 0.97% P.A.
DISTRIBUTIONS Half-Yearly	**MANAGEMENT FEE** 0.92% P.A.
INVESTMENT MANAGER Tribeca Investment Partners Pty Ltd	**BUY / SELL SPREAD** Buy +0.30% / Sell -0.30%