

Tribeca Australian Smaller Companies - Class A

November 2023

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

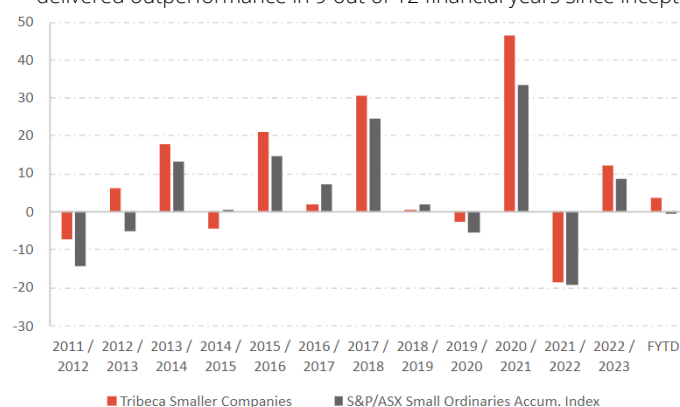
Fund Characteristics

TOP 10 ACTIVE WEIGHTS

	Active Position %
Champion Iron Ltd.	2.86
PWR Holdings Ltd.	2.86
Capricorn Metals Ltd	2.77
Webjet Limited	2.70
Ramelius Resources Limited	2.58
Smartgroup Corporation Ltd	2.47
Life360, Inc.	2.25
Sandfire Resources Ltd	2.20
Genesis Minerals Ltd	2.17
HMC Capital Ltd	2.15

LONG TERM PERFORMANCE VS BENCHMARK

Tribeca Smaller Companies Fund vs S&P/ASX Small Ordinaries Index (%)
delivered outperformance in 9 out of 12 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 30 November 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	5.50	(1.66)	3.14	4.39	8.49	8.99	7.85	7.60
Benchmark³	7.04	(2.88)	(3.19)	(0.48)	4.03	5.39	5.54	3.98
Value Added	(1.54)	1.22	6.33	4.87	4.46	3.60	2.31	3.62

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

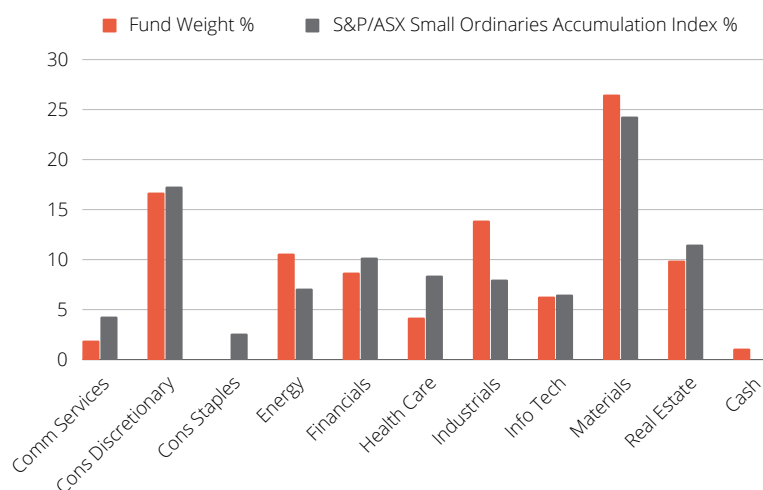
Past performance is not a guide to future performance

TOP 10 HOLDINGS

	Fund %	Index % ¹
Champion Iron Ltd	4.1	1.3
Webjet Limited	3.8	1.1
Capricorn Metals Ltd	3.5	0.7
Ramelius Resources Limited	3.4	0.8
Sandfire Resources Ltd	3.4	1.2
Viva Energy Group Ltd	3.2	1.4
PWR Holdings Ltd	3.2	0.3
Smartgroup Corporation Ltd	3.0	0.5
Genesis Minerals Ltd	2.9	0.8
Life 360, Inc	2.9	0.7

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

Markets closed November in a positive mood thanks to tentative signs of economic moderation in the US and falling inflation across most developed markets. Data releases broadly supported the view that central banks have reached the peak of their tightening cycles, with the softening momentum aiding both equities and fixed income. This led to a big fall in bond yields as market priced future rate cuts, with US 10 years dropping 58bps to 4.26%, from 16-year highs the previous month. We saw similar moves in domestic bonds (10 year -52bps to 4.41%), despite the RBA hiking in-month and the spectre of stickier inflation, however, a weaker monthly inflation reading late in the month helped sooth nerves. With a more dovish shift in the US, the US dollar fell (DXY -3%) which supported risk appetite across the board. Commodities were mixed, however, with China PMI data missing expectations met with expectations for further stimulus.

This resulted in gains in Iron Ore (+8.6%), Copper (+3.7%) along with lower yields helping Gold (+3.2%). Conversely, Oil prices fell (-6.3%) on inventory builds in the US and perceived recessionary impacts on demand and Lithium (-27.5%) continued its collapse on oversupply concerns.

Turning to equities, The S&P/ASX Accumulation Index rose 5.0%, slightly underperforming most developed market peers. Mean reversion was evident with beaten down sectors such as Healthcare and REITs posting large gains along with IT, while Energy had a horror month and as did Utilities, with Resources also underperforming. Small Caps pulled back some relative performance, rising 7.0% off the back of a broad rally led by Healthcare, Financials and IT. Energy was negative and Industrials and Communications finished up, but underperformed. On a factor basis, value took a material back seat to growth and quality, as risk free rates materially declined. The Tribeca portfolio underperformed the market for the month, with our underweight in Biotech's weighing on performance as did a poor update from a Health name we did own. Unfortunately, REIT names we were overweight underperformed the rally there on the back of no new news as did a key overweight in the Technology space.

Detracting from performance during November included Karoon Energy (KAR -19.5%), which mimicked the decline in the oil price. Rising inventories and concerns around demand we attributed to the commodity falls. Mid-month, KAR announced a relatively well-flagged acquisition in the Gulf of Mexico basin, accompanied by an equity raise somewhat larger than anticipated. In a softer oil price environment and some indigestion accompanied with the raising, KAR performance may remain subdued near term. We expect better times ahead, however, with the benefit of asset diversification and future production growth. Integral Diagnostics (IDX -33.5%) issued a trading update for 1Q24, which was well below market expectations. The perceived deterioration between the full year result commentary and the trading update unsettled investors, including ourselves. Cost escalation which has been problematic in the sector, saw material operating deleverage over the most recent half. We feel the second half rebound in profitability forecast by the company may be challenging to achieve and exited our position. Allkem's (AKE -9.9%) weak run continued as lithium commodity continued their decent, with prices now -80% from their peak. Estimates for developed world EV demand have recently been adjusted lower, along with stationary battery demand, resulting in concerns over a medium-term supply surplus.

Our view is that price declines are somewhat overblown at current levels, with large increases in production still requiring incentivisation and look to be more marginal at current price levels. AKE is well positioned with future growth at low incremental costs to meet future demand requirements. Neuren Pharmaceuticals (NEU +44.6% not held) received a big boost after its drug distribution partner in the US materially beat market estimates for its sales of NEU's trofinetide-based drug DAYBUE. The company targets the treatment of neurological disorders, with their 1st FDA-approved drug addressing patients with Rett syndrome. Historically, with very little options to date, patient adoption has been strong. More challenging to forecast is compliance beyond the initial adoption period given the drug's short history, as well as early trials of potential gene therapy drugs potentially offering more permanent benefits. Lastly, Smart Group (SIQ +0.2%) saw little news of note to influence the stock and given investor positioning feels a little full in the stock, as such, we have taken some profits.

Positively contributing to the portfolio included Temple & Webster (TPW +45.3%), a more recent re-addition to the portfolio. The online furniture retailer delivered a strong trading update (+27%) at its AGM in late November, as they continued to take share from offline during a soft period for sales. While we took some profits given the recent move, we see a long runway for TPW to continue to grow, with plenty of headroom to our

valuation. Genesis Minerals (GMD) outperformed gold peers on no particular news, however it did see its relatively elevated short position come down fairly materially while stronger gold prices benefitted the whole sector. MMA Offshore (MRM +25.3%) released a trading update implying a material increase to the market's earnings estimates. While vessel utilisation has been incrementally increasing, average day-rate pricing has been strong due to the strong demand from both hydrocarbon and renewable clients. Those remaining operators in the offshore vessel markets have had little capability to invest in replacement capacity due to still overwhelmed balance sheets. Pleasingly, MRM is one of the better positioned and has even hinted at the potential for capital management in the near future. New Hope Coal (NHC -9.9% NOT HELD) fell on softer thermal coal prices while APM Human Services International (APM -27.8% NOT HELD) delivered a downgrade at their AGM as low unemployment resulted in more a challenging job placement market.

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

Fund Facts

INVESTMENT MANAGER
Tribeca Investment Partners
Pty Ltd

RESPONSIBLE ENTITY
Equity Trustees Limited

INCEPTION DATE
5 August 2010

PERFORMANCE FEE
15.38% of the Fund's return
above the Fund Benchmark

DISTRIBUTIONS
Half-Yearly

MANAGEMENT FEE
0.92% P.A.

APIR CODE
ETL0052AU

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 (PDS) dated 30 September 2022 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 18 December 2023.