Tribeca Investment Partners

Tribeca Partners Fund – Recapitalisation Strategy January 2022 Update

FY	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	YTD
2019-2020				9.90%	9.90%
2020-2021	8.41%	6.55%	8.57%	3.39%	29.67%
2021-2022	6.69%	6.15%			13.25%

Performance figures for the Tribeca Partners Fund – Founder Class Shares are based on the calendar quarter-end pricing of NAV as calculated by the Fund Administrator. From November 2020, the Fund shifted to a calendar quarter-end pricing of NAV as calculated by the Fund Administrator. Performance figures are net of all fees and expenses and reflect the reinvestment of dividends and other income. Past performance is provided for illustrative purposes only and is not indicative of future performance.

	3 Months	6 Months	CYTD	FYTD	ITD Total
Tribeca Partners Fund - Recapitalisation Strategy	6.15%	13.25%	27.12%	13.25%	61.39%

Portfolio Manager

David Aylward

Fund Information

Tribeca Partners Fund aims to capture opportunities at valuable discounts arising in terms of the volume of equity capital market transaction as companies seek to raise equity in response to the COVID-19 driven economic environment. The Fund is an actively managed, long short strategy.

Inception Date:	1 June 2020
Minimum Investment:	A$500,000
Fund Domicile	Australian Unit Trust
Subscriptions:	Quarterly
Redemptions:	Quarterly (1 months' notice) subject to one-year lockup
Management Fee:	Founder Class: 1%, Class A: 2%
Performance Fee:	Founder Class: 20%, Class A: 20%
High Water Mark:	Yes
Administrator:	Citco Fund Services (Australia) Pty Ltd
Auditor:	Ernst & Young
Trustee:	Equity Trustees Ltd

Performance Commentary

With this my first report on the Fund for 2022, let me start by wishing all a prosperous and healthy new year.

2021 was a successful one for our recapitalisation / ECM strategy with the Fund posting a net return of 27.1% for the calendar year. This performance was achieved while holding to a strategy of keeping gross and net exposure low. Average daily gross exposure was 44% while average daily net exposure was 38%.

Looking specifically at the last two months, December 2021, as expected, was very quiet with the Fund recording a gross return of 1.27%. The only significant transaction we participated in was the GUD Holdings (GUD) capital raise to fund a recent acquisition.

Frustratingly, January saw the Fund record a gross return of just over -5%. As most will be aware, January was a particularly tough month for global equity markets and the principal driver of our negative performance was finding ourselves with a circa 20% exposure to the Telix (TLX) capital raise while the market was falling sharply and singling out long duration stories for particularly aggressive selling. Therefore, as Murphy's Law would have it, we found ourselves heavily committed to a capital raise in a biotech company that is indeed long duration in nature given that while it has excellent prospects, it is presently pre-revenue. That particular transaction drove half of the ground lost in the month, with the balance coming from a general net exposure we were carrying elsewhere.

Telix conducted an institutional placement to comfortably support its growing research and development program across oncology and rare diseases. A large portion of the proceeds will be used to fund Telix's prostate therapy Phase III trial (TLX-591). Within its pipeline, TLX-591 represents Telix's largest opportunity with a total addressable market of $5.2 billion. The recent FDA approval of Telix's first imaging product, Illuccix marked a significant milestone and de-risking event for the company. The next major catalyst will be commercial launch of Illuccix and the receipt of US reimbursement in the first half of 2022. With an impressive manufacturing and distribution network in place including distribution partnerships with Cardinal Health, the largest radiopharmacy network in the US, Telix is well positioned for a rapid product launch providing a pathway to profitability. A clear trajectory to revenues and a detailed and now funded, pathway to additional high value product underwrite our belief that positive information flow should allow us to unwind this position at better price levels than reflected in the current volatile environment. Traditional valuation metrics around companies like this that are relatively early in their development but have earned the right to imagine vast future revenues is, to say the least, difficult. Nevertheless, we see Telix with a revenue multiple of well under eight times when a cohort of similar situations, domestically and abroad, tend to trade at twenty to thirty times anticipated revenues and beyond.

More broadly, the market is clearly working its way through several issues, mostly centred around how the world will deal with a period of quite high inflation. Within that is a rotation toward a preference for shorter duration, more cyclical earnings. Outside of getting caught slightly long very recently, that shouldn't be an impost to the Fund generating a good double digit return in 2022. Inflation can be good for M&A and after a period of capital rationing forced by falling share prices, there will be bargain opportunities for recapitalisations in the tech space over the coming twelve months.

Contact Information

Sydney
Level 23, 1 O'Connell Street
Sydney, NSW 2000
Tel: +61 2 9640 2600

Singapore
#16-01 Singapore Land Tower
50 Raffles Place, Singapore, 048623
Tel: +65 6320 7711

Investor Relations
Email: investors@tribecaip.com
Website: www.tribecaip.com

Signatory of: PRI Principles for Responsible Investment

Climate Active Carbon Neutral Organisation