

### Monthly Commentary

May was full of macro news again, with changes to tariffs continuing to dominate news headlines. Despite the noise, equity markets continued to rally through the month. Everyone has their opinion on the macro environment but, at the end of the day, no one really knows. All we know is that equity markets are by no means historically cheap and economic risks continue to be heightened.

Focusing on the portfolio, we are now through US quarterly earnings season wherein results of our portfolio companies proved very resilient. Alphabet continues to be hotly debated as an AI loser causing the valuation to de-rate to near 10-year lows - we used this opportunity to increase our holding.

In Australia, Light & Wonder held its investor day where management re-confirmed guidance for 2025 and issued new 3-year targets to more than double earnings by 2028. The stock trades on close to 15x PE, a significant discount to its peer, Aristocrat, but with a much better growth outlook. We see fundamental upside via strong earnings growth and the potential for a material re-rating as Australian investors become the main price setter (40% of shares have now migrated to the ASX).

We had a nice win on the short-side - an earnings miss by an agriculture exposed company highlighted its troubled balance sheet and management called for a strategic review. The stock was down by over 30% and we took profits. It was refreshing to see fundamentals actually matter on a short.

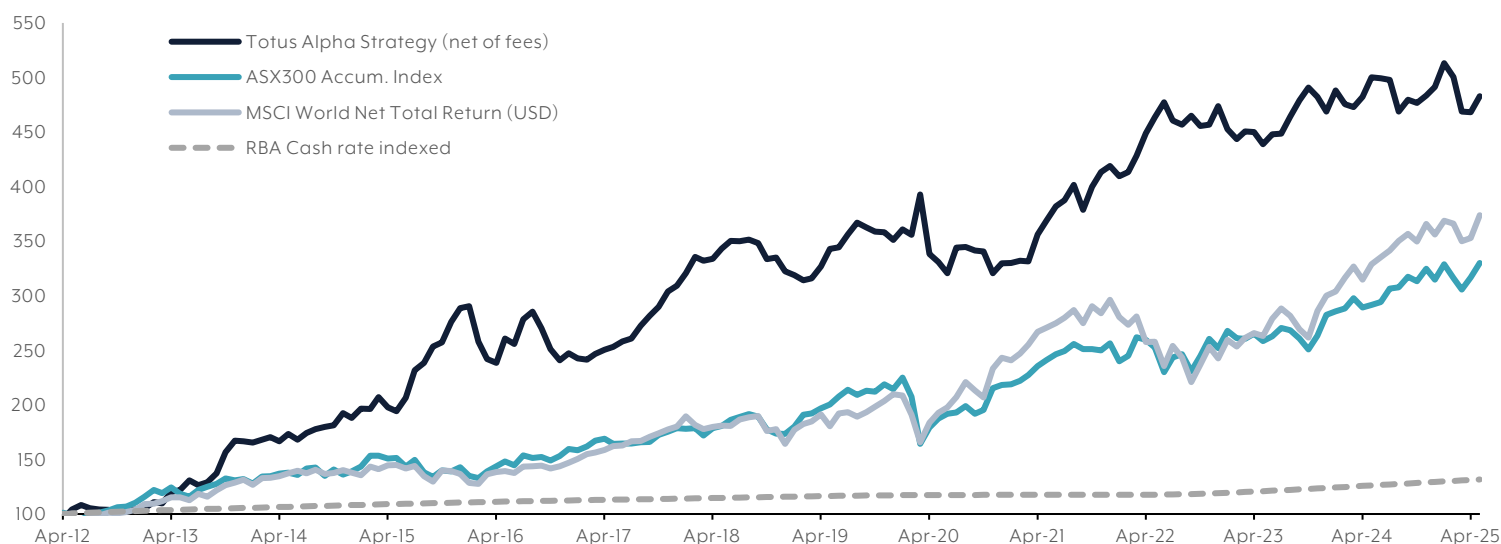
Major contributors to performance for the month were Watches of Switzerland that re-confirmed guidance, Meta (no news), and Jupiter Mines which had a strategic investor buy a stake at a meaningful implied premium.

Detractors included Block which we exited at a loss on a thesis break, Smartgroup (no news), and Hemnet which saw some negative press on price increases.

### Monthly Stock Contribution

Contributors		
Watches of Switzerland	Long	+0.9%
Meta	Long	+0.8%
Jupiter Mines	Long	+0.7%
Detractors		
Block	Long	-0.9%
Smartgroup	Long	-0.4%
Hemnet	Long	-0.3%

### Performance Since Inception (base = 100)



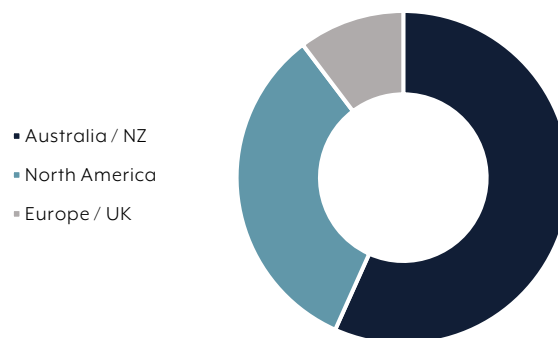
### Performance Summary (net of all fees)

	Totus Alpha Fund	ASX 300 Accum. Index
1 month	3.1%	4.2%
Calendar YTD	-1.7%	4.9%
1 year	-3.5%	13.2%
3 years p.a.	1.4%	9.3%
5 years p.a.	7.9%	12.0%
10 years p.a.	9.5%	8.1%
Total since inception	382.8%	230.0%
Since inception p.a.	12.7%	9.5%

### Portfolio Exposure (regional breakdown)

Geography	Long	Short	Net	Gross
Australia / NZ	62%	49%	13%	110%
North America	47%	17%	30%	64%
Europe / UK	20%	0%	20%	20%
<b>TOTAL</b>	<b>129%</b>	<b>65%</b>	<b>63%</b>	<b>194%</b>

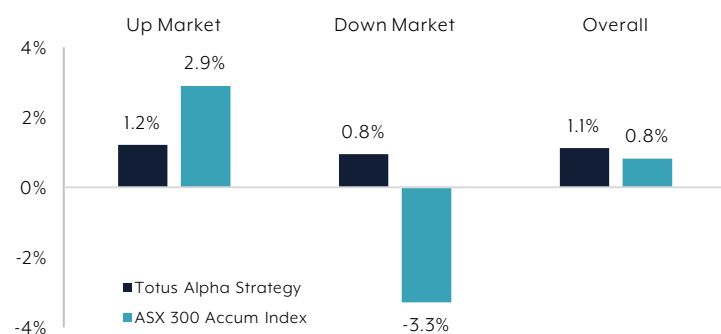
### Gross Exposure as % of Total Exposure



### Month-end Positions & Theme Exposures

Long	Short
46 positions	45 positions
Bricks to Clicks 27%	Market Hedge 17%
Market Share Gainers 119%	Market Share Losers 8%
Financial Plumbing 11%	Banks 8%

### Average Monthly Performance



### Performance Metrics (since inception)

Outperformance (p.a.) <sup>1</sup>	3.2%
Alpha <sup>2</sup>	12.4%
Beta / Correlation <sup>1</sup>	-0.12 / -0.11
Sharpe Ratio	0.78
Sortino ratio	1.44
Average Exposure - Net / Gross	37% / 207%

### Historical Monthly Performance <sup>3</sup>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	CYTD
2012				-0.08%	4.13%	4.07%	-2.77%	-1.04%	-0.34%	-1.92%	1.02%	1.26%	4.17%
2013	1.13%	5.31%	-1.06%	9.21%	1.84%	7.21%	-3.49%	2.10%	6.49%	14.16%	6.69%	-0.39%	59.91%
2014	-0.59%	1.44%	1.43%	-2.15%	3.99%	-3.02%	3.70%	2.02%	1.02%	0.87%	6.13%	-2.31%	12.83%
2015	4.60%	-0.20%	5.61%	-4.53%	-1.76%	6.33%	12.14%	3.00%	6.15%	1.52%	7.37%	4.50%	53.54%
2016	0.67%	-11.27%	-6.15%	-1.37%	9.36%	-1.98%	8.82%	2.58%	-5.31%	-7.08%	-4.12%	2.74%	-14.26%
2017	-2.00%	-0.46%	2.18%	1.59%	1.01%	2.05%	0.99%	4.45%	3.42%	2.83%	4.88%	1.78%	25.01%
2018	3.68%	4.61%	-0.99%	0.48%	2.81%	2.03%	-0.02%	0.40%	-0.94%	-4.21%	0.41%	-3.76%	4.20%
2019	-1.10%	-1.42%	0.54%	3.48%	4.94%	0.42%	3.36%	3.04%	-1.15%	-1.07%	-0.14%	-1.94%	9.00%
2020	2.71%	-1.41%	10.42%	-13.88%	-2.20%	-3.04%	7.31%	0.13%	-0.95%	-0.23%	-5.89%	2.89%	-6.12%
2021	0.04%	0.69%	-0.21%	7.47%	3.57%	3.54%	1.48%	3.61%	-5.73%	5.60%	3.35%	1.37%	27.03%
2022	-2.25%	0.96%	3.64%	4.78%	3.23%	3.01%	-3.52%	-0.82%	1.81%	-2.00%	0.22%	3.70%	13.06%
2023	-4.45%	-1.97%	1.60%	-0.14%	-2.46%	2.03%	0.15%	3.49%	3.19%	2.47%	-1.75%	-2.81%	-1.02%
2024	4.11%	-2.55%	-0.55%	1.95%	3.72%	-0.14%	-0.35%	-5.82%	2.35%	-0.63%	1.42%	1.61%	4.80%
2025	4.44%	-2.44%	-6.38%	-0.08%	3.11%								-1.73%

#### Notes:

<sup>1</sup> compared to the ASX 300 Accum. Index.

<sup>2</sup> Alpha - the difference between the Fund's expected returns based on its beta and actual returns.  $\text{Alpha} = R - [R_f + \beta(R_m - R_f)]$  where  $R$  = Realised Fund return;  $R_f$  = the risk-free rate;  $R_m$  = Market/index return;  $\beta$  = Fund's beta.

<sup>3</sup> Post the unit conversion and removal of series performance accounting that took place on 1 November 2019, all performance numbers from 30 November 2019 are for Platform Class (APIR TOT7316AU) units, net of all fees. All performance numbers quoted prior to this time are for Founder Series Main (APIR TOT0006AU) units, net of all fees. Past performance should not be taken as an indicator of future performance.

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### Fund Information

Investment Strategy	Absolute return global developed market equity long short
APIR Code	TOT7316AU
Inception date	17 April 2012
Domicile / Currency	Australia / AUD
Management Fee	1.5% p.a. (excl. GST and any RITC)
Performance Fee	20% outperformance of hurdle, HWM
Hurdle	RBA Cash Rate
Minimum Investment	\$250,000
Liquidity	Monthly
Prime Broker	Morgan Stanley
Fund Administrator	Citco
Fund Auditor	EY

Platform availability Netwealth, BT Panorama, HUB24, Mason Stevens, Powerwrap, Praemium, AMM

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