

### Monthly Commentary

It was a tough month for the Alpha Strategy with our short book failing to offset a very poor month for a number of our largest long positions. Given the Alpha Strategy's strong history of outperformance in down markets (average return +0.8%) we are disappointed but not overly surprised or concerned by this outcome. In the 13 years since inception, the ASX300 has had 53 down months and the Alpha Strategy has been positive in 30 (57%) and down in 23 (43%) of them.

The issue during March was our long book, with a number of long positions down far more than the market while some of our shorts in the Fads, Frauds and Failure bucket did not work (perhaps due to competitor positioning / de-grossing).

We own strong profitable companies now trading on attractive valuations that we believe will provide strong returns from these levels for patient investors.

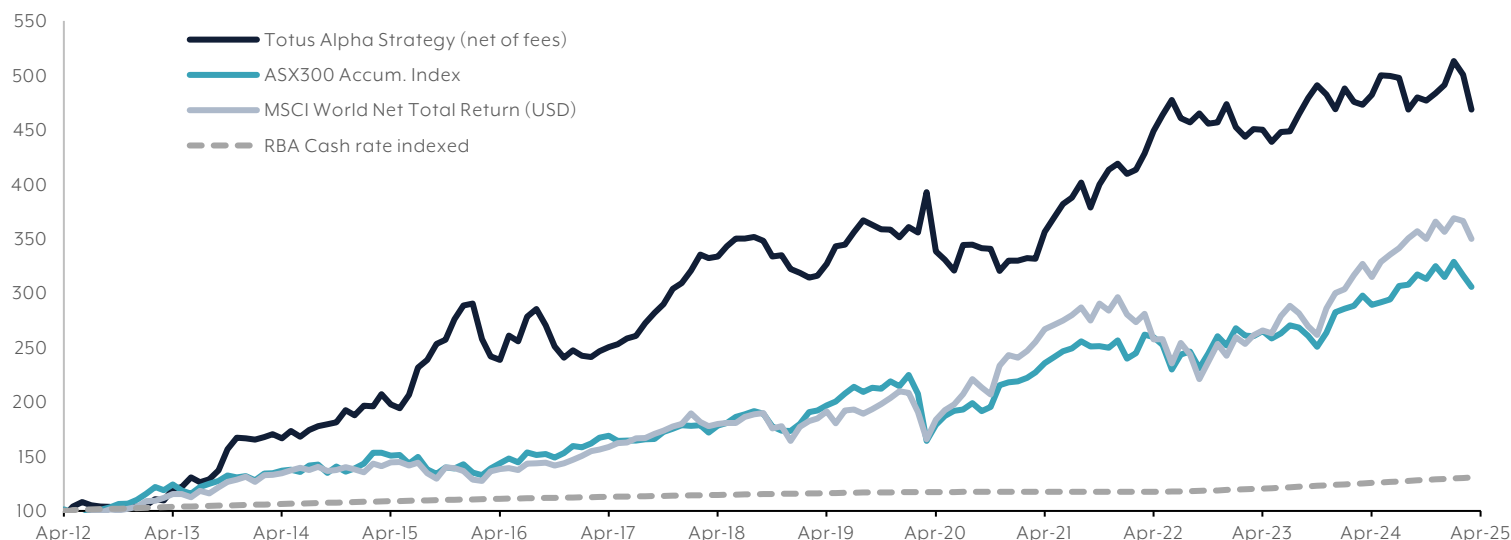
The AI trade (which was a big driver of equity returns in 2023 and 2024) has reached the "show me the money phase" as investors start to fret about ever-increasing AI capex and slow to materialise AI profits. Adding fuel to the fire, we have the tariff and government spending retrenchment we mentioned last month and generally weakening economic data. The set up looks similar to 2022 (a +13% year for Totus) when the US federal reserve acted decisively to rein in inflation at the expense of equity returns. The Trump 2.0 administration has been clear that they intend to reset the economy in favour of Main Street (by getting interest rates down) and they don't care if it comes at the expense of Wall Street in the short term. The Australian Federal election adds another layer of uncertainty for our market.

Drawdowns are inevitable in any strategy and an opportunity for the patient investor. Since inception, the strategy has been down more than -5% from its highs 49 out of the 156 months (31% of the time). The average drawdown during these periods was -11% and the following 12-month return averaged +18% (with positive returns 95% of the time). Currently, the strategy is down -8% from recent highs, and the investment team has added to their holdings.

### Monthly Stock Contribution

Contributors		
Orabanda	Long	+0.5%
NextDC	Short	+0.3%
Megaport	Short	+0.2%
Detractors		
Light & Wonder	Long	-1.9%
Ampol	Long	-0.8%
Amazon	Long	-0.7%

### Performance Since Inception (base = 100)



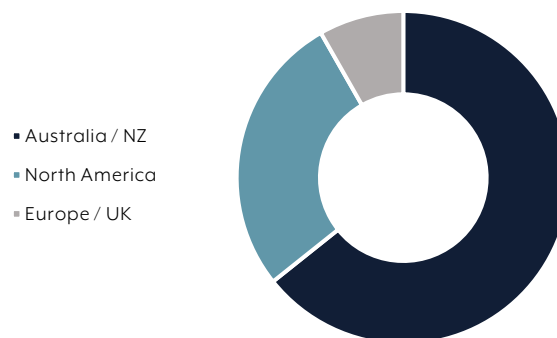
### Performance Summary (net of all fees)

	Totus Alpha Fund	ASX 300 Accum. Index
1 month	-6.4%	-3.3%
Calendar YTD	-4.6%	-2.9%
1 year	-0.9%	2.6%
3 years p.a.	3.0%	5.3%
4 years p.a.	9.0%	7.7%
5 years p.a.	3.6%	13.2%
10 years p.a.	8.5%	7.1%
Total since inception	368.6%	205.7%
Since inception p.a.	12.6%	9.0%

### Portfolio Exposure (regional breakdown)

Geography	Long	Short	Net	Gross
Australia / NZ	59%	58%	0%	117%
North America	40%	10%	30%	50%
Europe / UK	15%	0%	15%	15%
<b>TOTAL</b>	<b>114%</b>	<b>69%</b>	<b>45%</b>	<b>182%</b>

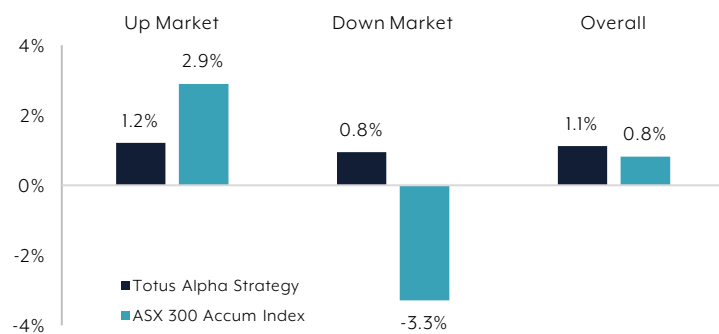
### Gross Exposure as % of Total Exposure



### Month-end Positions & Theme Exposures

Long	Short
36 positions	61 positions
Bricks to Clicks 18%	Market Hedge 11%
Market Share Gainers 18%	Market Share Losers 10%
Financial Plumbing 10%	Fads, Frauds & Failures 7%

### Average Monthly Performance



### Performance Metrics (since inception)

Outperformance (p.a.) <sup>1</sup>	3.6%
Alpha <sup>2</sup>	12.3%
Beta / Correlation <sup>1</sup>	-0.12 / -0.12
Sharpe Ratio	0.77
Sortino ratio	1.45
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%										-4.61%

#### 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 TOT006AU) 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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