

EQUITY ALPHA PLUS FUND

PARADICE
 INVESTMENT MANAGEMENT

PERFORMANCE NET (%)	1 MONTH	3 MONTHS	1 YEAR	3 YEARS	5 YEARS	SI* P.A.
Equity Alpha Plus Fund	-2.42	-1.75	9.13	12.99	16.46	14.33
S&P/ASX 200 Total Return Index	-2.66	-3.05	5.47	9.71	9.87	7.94
Excess Return	0.24	1.30	3.66	3.28	6.59	6.39

*since Inception date (SI) - 12 July 2019

Past performance of the Fund is not a reliable indicator of future performance. The value of an investment in the Fund may rise or fall. Returns are not guaranteed by any person. Fund returns are calculated before tax, after ongoing management costs and any accrued performance fees, and assumes the reinvestment of distributions. Returns greater than 1 year are annualised.

INVESTMENT OBJECTIVE

The Fund aims to outperform the S&P/ASX 200 Total Return Index (after fees and before taxes) over the long term.

LEAD PORTFOLIO MANAGER

Tom Richardson

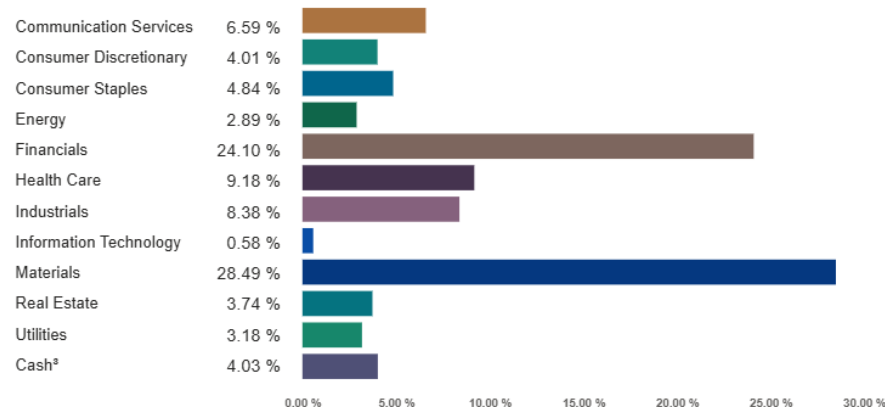
FUND OVERVIEW

This Fund uses a detailed fundamental research process to invest in stocks that are well placed for the future (longs) and takes advantage of stocks we believe have cyclical and structural headwinds (shorts). The Long/Short investment style is designed to enhance returns and manage downside risks.

MARKET EXPOSURES

Long	118.00
Short	-22.02
Net	95.97

SECTOR ALLOCATION



KEY DETAILS

Number of Holdings	91
Portfolio Dividend Yield	3.25%
Fund Size (AUD)	\$ 328M
Redemption Price	\$1.5929

TOP 10 POSITIONS

WEIGHT %

BHP Group Ltd.	13.15
Macquarie Group, Ltd.	5.56
Seek Ltd.	4.79
Brambles Ltd.	4.16
Ansell Ltd.	3.76
GPT Group	3.66
National Australia Bank Ltd.	3.57
Telstra Group Ltd.	3.52
Insurance Australia Group Ltd.	3.48
ResMed Inc.	3.42

FUND DETAILS

APIR Code	ETL8096AU
Distribution Frequency	Semi-Annually
Management Fee ¹	0.99% p.a.
Performance Fee ²	15% p.a.
Buy Sell Spread	+/- 0.30%
Minimum Investment	\$20,000
Stock Range	Long 20–60, Short 0–50
Cash Range	0–20%

Disclaimer: This information is prepared by Paradise Investment Management Pty Ltd (ABN 64 090 148 619, AFSL No. 224158) (Paradise, we or us). This material is not intended to constitute advertising or advice (including legal, tax or investment advice) of any kind. These materials are not to be distributed and must not be copied, reproduced, published, disclosed or passed to any other person at any time without the prior written consent of Paradise. Equity Trustees Limited (ABN 46 004 031 298, AFSL No. 240975) (Equity Trustees) is the responsible entity of, and issuer of units in, the Paradise Equity Alpha Plus Fund (ARSN 631 044 678) (Fund). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX:EQT). In deciding whether to acquire, or to continue to hold, units in the Fund please read the current [product disclosure statement](#) available from Paradise. We encourage you to think of investing as a long-term pursuit. In preparing this information, we have not considered your investment objectives, financial situation or needs and therefore the Fund may not be suitable for you. You should have regard to your own individual objectives, financial situation and needs and, if necessary, seek independent professional advice before you make any investment decision. Neither Paradise, Equity Trustees, nor any of their respective related parties, directors or employees, make any representation or warranty as to the accuracy, completeness, reasonableness or reliability of the information contained in this publication or accept liability or responsibility for any losses, whether direct, indirect or consequential, relating to, or arising from, the use or reliance on any part of this material. Any rates of return, forecasts or estimates contained in this publication are not guaranteed. The content of this publication is current as at the date of its publication and is subject to change at any time. It does not reflect any events or changes in circumstances occurring after the date of publication. Unless stated otherwise, there are no material changes to the Funds risk profile, strategy, key service providers or to the individuals playing a key role in investment decisions for the Fund. The method of calculating net asset value can be obtained by emailing distribution@paradice.com. The Target Market Determination (TMD) for the Fund is [available here](#). A TMD describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how it can be distributed to investors. ¹The management fee is effective 3 April 2020. Prior to this date the management fee was 1.15% p.a. ²Applies to the investment performance achieved by the Fund (after management fees and costs) in excess of the Benchmark. Refer to PDS for more information. ³The Cash percentage in the Sector Allocation chart is inclusive of derivatives held in the Fund, if any.

EQUITY ALPHA PLUS FUND

PARADICE
INVESTMENT MANAGEMENT

PERFORMANCE

The Fund fell 2.4% in November outperforming the S&P/ASX 200 Total Return Index which dropped 2.7%. Our long book narrowly outperformed in the month with Financials and Materials being the key positive contributors. A large underweight position in CBA assisted performance as the stock fell 11%. Interestingly, there was minimal stock specific news. Alcoa and Newmont were also key contributors. Aluminium markets are looking increasingly constructive as electrification demand continues, and China supply is capped. While Alcoa has some operational challenges, commodity markets are supportive of increasing free cash flow. IT and Consumer Discretionary were detractors to the Fund as positions in Xero and Seek fell 16% and 10% respectively. The short book narrowly outperformed in the month, detracting from Fund attribution. There was a large dispersion in the short book this month with several high price-to-earnings stocks falling considerably, offset by stocks rallying in the Consumer Discretionary, Staples and Financials.

MARKET WRAP

November proved a challenging month for Australian equities, with the S&P/ASX 200 Total Return Index falling 2.7%. Health Care and Materials led performance within the month, while Technology was a significant laggard, dragged down by the global de-rating of high-valuation Artificial Intelligence (AI) and Technology stocks. Financials closed 6.5% lower, with the Banks posting their worst monthly performance in over a year. Aggregate consensus earnings continue to trend higher, with CY26 levels +4.0% above the September trough, whilst growth estimates are sitting at +10%*. Across sectors, Materials remain the largest contributor in earnings uplift, thanks to favourable commodity price signals, positive supply-side dynamics and an improved outlook for China demand.

LOOKING FORWARD

We are cautiously optimistic in the markets short-term as extreme valuations have reduced across the market, and economic growth remains robust. Rate cut expectations have reduced in Australia, however, in the US there is increasing conviction of cuts. With this backdrop, we are watching for a rally in the Australian dollar and the implications for our Portfolio. As noted above, the Materials sector is witnessing earnings upgrades on the back of stronger commodity prices. We believe the commodity moves are largely sustainable and warrant an overweight position to the sector.

*Source: Bloomberg.

All MSCI data is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI and its affiliates assume no liability for or in connection with the data. Please see complete disclaimer at <https://paradice.com/au/terms-conditions/>.

Disclaimer: This information is prepared by Paradise Investment Management Pty Ltd (ABN 64 090 148 619, AFSL No. 224158) (Paradice, we or us). This material is not intended to constitute advertising or advice (including legal, tax or investment advice) of any kind. These materials are not to be distributed and must not be copied, reproduced, published, disclosed or passed to any other person at any time without the prior written consent of Paradise. Equity Trustees Limited (ABN 46 004 031 298, AFSL No. 240975) (Equity Trustees) is the responsible entity of, and issuer of units in, the Paradise Equity Alpha Plus Fund (ARSN 631 044 678) (Fund). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX:EQT). In deciding whether to acquire, or to continue to hold, units in the Fund please read the current [product disclosure statement](#) available from Paradise. We encourage you to think of investing as a long-term pursuit. In preparing this information, we have not considered your investment objectives, financial situation or needs and therefore the Fund may not be suitable for you. You should have regard to your own individual objectives, financial situation and needs and, if necessary, seek independent professional advice before you make any investment decision. Neither Paradise, Equity Trustees, nor any of their respective related parties, directors or employees, make any representation or warranty as to the accuracy, completeness, reasonableness or reliability of the information contained in this publication or accept liability or responsibility for any losses, whether direct, indirect or consequential, relating to, or arising from, the use or reliance on any part of this material. Any rates of return, forecasts or estimates contained in this publication are not guaranteed. The content of this publication is current as at the date of its publication and is subject to change at any time. It does not reflect any events or changes in circumstances occurring after the date of publication. Unless stated otherwise, there are no material changes to the Funds risk profile, strategy, key service providers or to the individuals playing a key role in investment decisions for the Fund. The method of calculating net asset value can be obtained by emailing distribution@paradice.com. The Target Market Determination (TMD) for the Fund is [available here](#). A TMD describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how it can be distributed to investors.