

Vinva's long-short investing strategy:

Diversified portfolios designed to outperform irrespective of the market environment

Vinva Investment Management (Vinva) is a leading global equity investment manager founded in Australia. With over 25 years of investment experience, Vinva is a pioneer in systematic equity strategies and specialises in long-only and long-short strategies across domestic and global equity markets.

A long-short investment strategy involves taking long positions in stocks that are expected to increase in value and short positions in stocks that are expected to decrease in value. These strategies aim to generate outperformance regardless of market conditions by capitalising on the potential upside of undervalued stocks and the downside of overvalued stocks.

Long positions

Vinva uses an active systematic investment approach which seeks to harvest returns from opportunities identified by Vinva's experienced investment team using their data-driven research process. Vinva aims to understand and analyse the relationships between data and predictions, which serve as buy or sell signals to inform investment decisions. Predictive signals evaluate each security based on a wide range of criteria, such as earnings quality, balance sheet fundamentals, valuation, sentiment, and supply chain linkages. Securities with predominantly positive signals are strong candidates for inclusion in a Vinva portfolio.



Short positions

Securities assessed by Vinva as having predominantly negative signals are strong candidates for being held in a Vinva portfolio as short positions. Vinva will use short selling as part of its investment strategy. A short position is established when a portfolio borrows a security from a securities lender and sells it on the share market. When a portfolio has to return the borrowed security to its securities lender, it will buy the security on the share market. If the security has dropped in price, a portfolio may benefit as it buys the security at a lower price than it sold it for.



VINVA'S SYSTEMATIC INVESTMENT APPROACH

Vinva is a pioneer in systematic investing, integrating sound economic insights and market understanding with a disciplined, repeatable, and efficient process aiming to deliver consistent outperformance over time.

Vinva's systematic investment approach leverages investment insights, markets trends, and relative mispricings that other investors may overlook. Their investment team identifies alpha opportunities by analysing large amounts of data from various sources. They develop insight-driven models, including security ranking, risk, and transaction cost forecasting models, using over 50 proprietary signals. These models consider changing market conditions, investor behaviour, and liquidity opportunities.



Vinva's systematic investment approach seeks to harvest returns from opportunities identified by their experienced investment team and data-driven research process. With the use of leading-edge technology and robust risk controls, Vinva implements these opportunities into its portfolios in a highly disciplined, repeatable and efficient way. Vinva's focus on risk management means active sector or style positions are not large, resulting in a portfolio that does not have significant sector or style biases on average through time. These strategies are designed with the aim to deliver consistent outperformance through different market environments over time.

Vinva's proprietary tools and models process data on an intra-day basis from hundreds of sources. They ensure that both overweight, underweight and short positions are deliberate and based on sound economic principles. By leveraging data and investment insights on thousands of global stocks, it creates a portfolio with many small active positions, rather than a more concentrated portfolio with larger and riskier positions.

VINVA GLOBAL ALPHA EXTENSION FUND

The Fund invests substantially all of its assets in the Vinva International Equity Alpha Extension Fund ("Underlying Fund") of which Vinva is the investment manager. The Underlying Fund is typically expected to have exposure to between 400 - 600 securities (more than 400 securities long and over 80 securities short). The Underlying Fund will also have some exposure to cash and cash equivalents.

VINVA AUSTRALIAN ALPHA EXTENSION FUND

The Fund invests substantially all of its assets in the Vinva Australian Equity Alpha Extension Fund ("Underlying Fund") of which Vinva is the investment manager. The Underlying Fund is typically expected to have exposure to over 120 securities (more than 75 securities long and over 25 securities short). The Underlying Fund will also have some exposure to cash and cash equivalents.



Skilled insights and intensive research process



Leading-edge investment technology



Dynamic portfolio construction and robust risk controls

» An experienced investment team and data-driven research process

HOW TO INVEST

Magellan Asset Management Limited is the distribution partner for Vinva's insight-driven systematic long/short equity strategies to clients around the world (excluding Australian institutional clients).

	Vinva Global Alpha Extension Fund ARSN 635 318 991	Vinva Australian Alpha Extension Fund ARSN 681 299 230
Fund objective	The investment objective of the Fund is to outperform the return of the Benchmark net, after the Responsible Entity's fees, over periods of three years or longer.	The investment objective of the Fund is to outperform the return of the Benchmark after fees, over periods of three years or longer.
Investment Strategy	<p>The Fund invests substantially all of its assets in the Vinva International Equity Alpha Extension Fund ARSN 168 131 119 ("Underlying Fund") of which Vinva is the responsible entity and investment manager.</p> <p>The Underlying Fund's portfolio will typically comprise over 400 long positions and over 80 short positions with a gross exposure of up to 140% of the Underlying Fund's NAV.</p>	<p>The Fund invests substantially all of its assets in the Vinva Australian Equity Alpha Extension Fund ARSN 147 934 352 ("Underlying Fund") of which Vinva is the responsible entity and investment manager.</p> <p>The Underlying Fund's portfolio will typically comprise more than 75 long investments and more than 25 short investments with a gross exposure of up to 160% of NAV.</p>
Benchmark	MSCI World ex Australia ex Tobacco ex Controversial Weapons Index (AUD) with net dividends reinvested	S&P/ASX300 Accumulation Index
Fees*	<p>Management fee - 0.77%</p> <p>Performance fees are not charged to the Fund. However, performance fees may be payable to Vinva from the Underlying Fund. These performance fees are estimated to be 0.72% per annum of the Fund's NAV.</p>	<p>Management fee - 0.77%</p> <p>Performance fees are not charged to the Fund. However, performance fees may be payable to Vinva from the Underlying Fund. These performance fees are estimated to be 0.19% per annum of the Fund's NAV.</p>
Buy/Sell Spread	0.25%/0.25%*	0.25%/0.25%*
Maximum cash or equivalents	0% – 5%	0% – 5%
Distribution frequency	Annually	Annually

* Information regarding the fees and costs applying to each Fund (including management fees, buy/sell spread and transaction costs) is set out in the respective Product Disclosure Statement for each Fund.



Systematic investing can help diversify portfolio strategies

WHY INVEST IN THE FUNDS:

Investing in the Funds offers investors direct and indirect exposure to a range of features and benefits, including access to:

- » Vinva's systematic investment expertise
- » Research and investment insight-driven innovation
- » Global or Australian equity markets (as applicable) through dynamic portfolio construction
- » Leading-edge technology and proprietary signals
- » Risk-controlled active positions

Vinva is entirely focused on delivering investment performance to its clients, and has a proven team and investment approach that has delivered consistent outperformance across global markets for three decades.



To find out more about our Vinva systematic equity funds, please contact Magellan on:

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