

Gyrostat Leveraged Absolute Return Income Equity (Class B)

Gyrostat Risk Managed Equity Fund ARSN 651 853 799

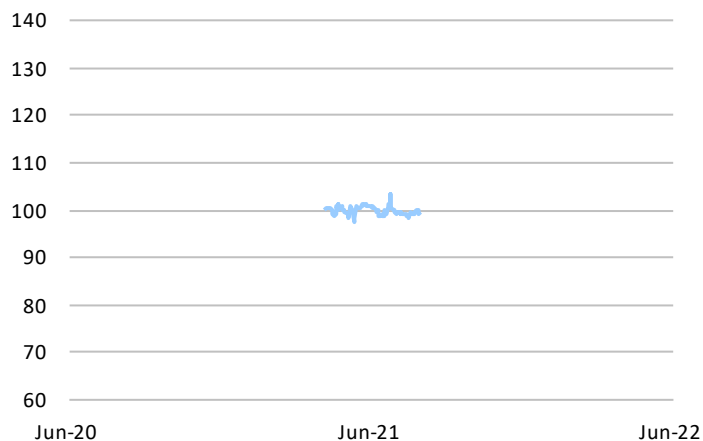
Gyrostat Risk Managed Equity Fund – Address uncertainty through portfolio construction - Volatility is our friend with a 10 year track record of returns increasing with market volatility (including large market falls).

Solutions for: - Equity income (absolute return benchmarks) and Australian and international equities (vs index) with protection always in place against major market falls (sequencing).

Headquartered in Melbourne, Australia, Gyrostat are specialists in delivering diversified low and non correlated investment solutions which address sequencing and portfolio drawdown risk while delivering equity income (derived from dividend pass through and risk management overlay profits.)

The Gyrostat Leveraged Absolute Return Income Equity Class B is designed to generate equity income of at least BBSW + 6% (paid quarterly) with no quarterly draw-downs to exceed a pre-defined 6% limit. The strategy builds on the class A track record exceeding ten years with no quarterly drawdown greater than a pre-defined 3% limit.

Performance (Growth of AUD \$100,000)



Compounded returns are net of fees and including franking credits, cash includes re-investment of interest

Net Investment Performance % *

| | 1M | 3M | 6M | 1YR | 3YR (PA) | 5YR (PA) | SI (PA) |
|---|-------|-------|----|-----|----------|----------|---------|
| Gyrostat Risk Managed Equity Fund Class B | -0.22 | -0.47 | | | | | -1.16 |
| BBSW 90 day + 3% | 0.25 | 0.73 | | | | | 0.96 |
| Excess Returns | -0.48 | -1.19 | | | | | -2.12 |

* Returns are net of fees and include franking credits. Redemption value is reported NAV less sell spread of -0.15%.

Class B Facts

| | |
|---------------------------|--|
| Eligibility | Investors who qualify as 'Wholesale Clients' |
| Responsible Entity | Columbus Investment Services Ltd |
| Investment Manager | Gyrostat Capital Management Advisers Pty Ltd |
| Sales & Marketing Manager | Mantis Funds Pty Ltd |
| Fund Inception date | 13 April 2021 |
| Strategy Inception date | 10 December 2010 |
| APIR | CIS3754AU |
| Base currency | Australian dollars |
| Management fee | 1.5% of NAV |
| Performance fee | 15% over Hurdle |
| Investment minimum | AUD50,000 |
| Buy/sell spread | 0.15% |
| Liquidity | Daily |
| Benchmark | BBSW 90 day |
| Platforms | Mason Stevens, Netwealth, Powerwrap |
| Distribution frequency | Quarterly |

Return Analytics

| | |
|--------------------|--------|
| Monthly Volatility | 1.36% |
| Sharpe Ratio | -0.75 |
| Drawdown | -1.96% |
| Sortino Ratio | -1.08 |
| Leverage * | 0% |

* Ratio defined as margin debt / net assets

Portfolio Analytics

| | |
|-------------------------|--------|
| Number of Stocks | 9 |
| Average Positive Months | 1.52% |
| Average Negative Months | -0.89% |
| Beta (ASX200) | -0.39 |
| % of Positive Months | 25 |

The responsible entity for the Gyrostat Risk Managed Equity Fund (ARSN 651 853 799) is Columbus Investment Services Limited (ACN 095 162 931) (AFSL221183) (CISL). The investment manager for the fund is Gyrostat Capital Management Advisers Pty Ltd (ACN 168 737 246), a duly authorised representative of Gyrostat Capital Management Pty Ltd (ACN 138 219 002) (GCM) and One Wholesale Fund Services Ltd (ACN 159 624 585).

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Market Commentary

MONTHLY UPDATE

The Class B NAV at 31 Jul 2021 was 0.9796.

The Class commenced operations on 13 April 2021.

The Australian market traded in a range of 2.4% during July (lows 7252 on 20 July, high 7431 on 27 Jul). Our investment strategy is designed for returns to increase the larger the market range (in either trending, falling, or rising markets)

Market volatility was low and stable in July (as measured by the VIX and Australia-VIX). The volatility fall and narrow market range was the major contribution to the fund small losses for the month.

Investment operations have been refined to give additional focus on enhancing income generation. A more active asset allocation approach, particularly into higher yielding stocks in the upcoming dividend cycle has been adopted.

Our expectation is that over the quarterly cycle we will achieve our income and return objectives whilst continuing to operate with our 'hard' pre-defined risk parameters.

FUND OVERVIEW

Purpose: A global non correlated income fund as part of the 'equity income' component of a portfolio to enhance income in a historically low interest rate environment

Investment Objectives:

Returns: To exceed income distributions over rolling 12 months

Income: Minimum cash rate + 6% from dividends and risk management profits paid quarterly

Protection: No quarterly NAV draw-down exceeding 6%.

Distributions may be higher dependent on the performance of the Class.

Class B buys and holds ASX-20 and International listed equities and options with the relevant exchange as the derivative counterparty. The Class may borrow up to 100% of Class assets

Class B is a levered version of Class A designed to deliver higher income than Class A with a higher risk tolerance. It seeks to generate equity income with downside protection always in place. In contrast to Class A it may not necessarily gain from major market falls.

Contributors to Return (Basis Points)

| TOP 5 | | BOTTOM 5 | |
|-------|-----|----------|-----|
| SPY | 122 | WBC | -87 |
| BHP | 60 | NAB | -44 |
| STW | 7 | ANZ | -35 |
| QQQ | -12 | CBA | -27 |
| | | WOW | -16 |

Team Members Experience

| INVESTMENT TEAM | GYROSTAT | INDUSTRY |
|--|----------|----------|
| Craig Racine Chief Investment Officer | 10 | 30 |
| Leo Tang Senior Investment Officer | 6 | 30 |
| BUSINESS TEAM | | |
| David Barwise Director | 3 | 30 |
| Damien Hatfield Head of Distribution | 1 | 40+ |
| Andrew Smith Compliance and Risk | 7 | 30+ |
| Peter Clifton Chairman | 7 | 30+ |

Top 10 Holdings *

| HOLDING | % |
|---------|-------|
| STW | 35.0% |
| WOW | 16.6% |
| ANZ | 12.7% |
| NAB | 11.3% |
| BHP | 9.4% |
| WBC | 7.0% |
| SPY | 4.5% |
| CBA | 2.7% |
| QQQ | 0.9% |

* Based on capital deployed in underlying asset and risk management overlay

Enquiries

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A copy of the PDS and relevant application form may be obtained from:
<https://www.gyrostat.com.au/application-forms> or
<https://www.oneinvestment.com.au/gyrostat>

GYROSTAT
RISK MANAGED EQUITY FUNDS

AS AT 31 JUL 2021