

Gyrostat Risk Managed Hong Kong Equity (Class D)

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 12 year track record of returns increasing with market volatility \(including large market falls\).](#)

Five Classes: - Regular equity income (absolute return benchmarks) and Australian and international equities (index return benchmarks) 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.)

Gyrostat Risk Managed Hong Kong Equity Class D is designed to outperform the Morningstar® Hong Kong Index™ over rolling 12 months by mitigating against large losses on major market falls (downside protection always in place.) A Hong Kong equities allocation that ‘spins out’ the Tracker Fund of Hong Kong ETF with protection always with upside. The strategy builds on the class A track record over 12 years.

Performance (Growth of HKD \$100,000)



Net Investment Performance %

	1M	3M	6M	1YR	3YR (PA)	5YR (PA)	SI
Risk Managed Hong Kong Equity Class D	-7.04	4.06	7.34				7.20
Morningstar® Hong Kong Index™	-7.64	5.57	0.25				-5.97
Excess Returns	0.60	-1.51	7.09				13.17

* Returns are net of fees and include franking credits.

Class Facts

Eligibility	Investors who qualify as 'Wholesale Clients'
Responsible Entity	One Managed Investment Funds Limited
Investment Manager	Gyrostat Capital Management Advisers Pty Ltd
Registry Services Provider	One Registry Services Pty Limited
Fund Inception date	1 July 2022
Strategy Inception date	1 July 2022
APIR	CIS7391AU
Base currency	Hong Kong dollars
Management fee	1.1% of NAV
Performance fee	15% over Hurdle
Investment minimum	HKD 50,000
Buy/sell spread	0.15%
Liquidity	Weekly
Benchmark	Morningstar® Hong Kong Index™
Platforms	
Distribution frequency	Quarterly

Return Analytics

Monthly Volatility	11.93%
Sharpe Ratio	0.36
Drawdown	-18.50%
Sortino Ratio	2.07
Leverage *	61%

* Ratio defined as margin debt / net assets

Portfolio Analytics

Number of Stocks	1
Average Positive Months	9.52%
Average Negative Months	-6.63%
Beta (ASX200)	0.93
% of Positive Months	50%

Unit Value (HKD)

Net Asset Value	\$8.0510
Application Value	\$8.0631
Redemption Value	\$8.0389

The responsible entity for the Gyrostat Risk Managed Equity Fund (ARSN 651 853 799) (Fund) is One Managed Investment Funds Limited ACN 117 400 987 AFSL 297042 (OMIFL). 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) (AFSL 452917) (GCM).

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You should obtain and carefully consider the Product Disclosure Statement (PDS) and Target Market Determination (TMD) for the Fund before making any decision about whether to acquire, or continue to hold, an interest in the Fund. Applications for units in the Fund can only be made pursuant to the application form relevant to the Fund. A copy of the PDS (dated 20 October 2022), TMD and relevant application form may be obtained from <https://www.gyrostat.com.au/application-forms> or <https://www.oneinvestment.com.au/gyrostat>

Market Commentary

MONTHLY UPDATE

NAV per unit was \$8.0510. Total NAV of the Fund was A\$12.7m.

The Class commenced operations on 1 Jul 2022 having previously operated under mandate for over 2 years. The Morningstar® Hong Kong Markets Index™ traded in a range of 10.3% during Feb (22,072 high on 1 Feb, 19,785 low on 28 Feb). Our investment strategy is designed to outperform our benchmark the larger the market range (in either trending, falling, or rising markets).

Market volatility rose in Feb by 15.83% (as measured by the VIX) and traded in a relatively narrow band. Month open VIX 1 Feb 17.87, high 22.87 on 21 Feb, month end 20.70 on 28 Feb. The strategy is designed to outperform the wider the volatility range.

The investment strategy is designed to mitigate large losses on major market falls (downside protection always in place) and address sequencing risk, particularly for pre and post retiree investors, and is part of an overseas equities portfolio allocation to Hong Kong (including mainland Chinese firms included in the Hong Kong Markets Index).

Gyrostat Risk Managed Hong Kong Equity Class D buys and holds Tracker Fund of Hong Kong with lowest cost Hang Seng Index protection always in place and dynamically managed.

For the 8 months since class D inception to 28 Feb 2023, Class D outperformed the benchmark index by +13.17%

FUND OVERVIEW

Strategy: Designed outperform the Morningstar® Hong Kong Index™ over rolling 12 months whilst mitigating against major losses on large Hong Kong market falls (downside protection always in place).

Purpose: A risk managed global ETF as part of the 'global equity' component of a portfolio to de-risk portfolio structure.

Investment Objectives:

Returns: To exceed the benchmark index over rolling 12 months

Income: To match the benchmark index

Protection: Always in place to mitigate losses against large market falls to address sequencing risk

The strategy could be described as Risk Managed Hong Kong ETF, holding Tracker Fund of Hong Kong with a risk management overlay. Leverage can also be added up to 100% of class assets.

- It provides liquidity (Tracker Fund of Hong Kong and Hang Seng Index exchange traded options for risk management overlay)
- It provides a stable and reliable source of income (from dividends and risk management overlay)
- It provides an opportunity to address sequencing risk

Contributors to Return (%)

TOP GAINS	TOP LOSSES
	HSI -6.31

Team Members Experience

INVESTMENT TEAM	GYROSTAT	INDUSTRY
Craig Racine Chief Investment Officer	12	30
Leo Tang Senior Investment Officer	7	30
BUSINESS TEAM		
David Barwise Director	4	30
Peter Keating Investment Operations	1	30+
Andrew Smith Compliance and Risk	8	30+
Peter Clifton Chairman	8	30+

Top Holdings

HOLDING	%
HSI	100.0

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Enquiries

www.gyrostat.com.au

PDS and application form can be obtained from:

www.gyrostat.com.au/application-forms or
www.oneinvestment.com.au/gyrostat

GYROSTAT
RISK MANAGED EQUITY FUNDS

AS AT 28 FEB 2023

RG240 Disclosure

For the period covered by this report, there were no material changes to any of the following: The Fund's risk profile; the Fund's strategy; and key investment personnel related to the Gyrostat Risk Managed Equity Fund. For information since that date, please refer to www.gyrostat.com.au.