

Gyrostat Risk Managed Australian Equity (Class C)

Gyrostat Risk Managed Equity Fund ARSN 651 853 799

Gyrostat Risk Managed Equity Fund – [Address uncertainty through portfolio construction - Lower beta with alpha from 'dynamic hedging'](#) 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).

The Gyrostat Risk Managed Australian Equity Class C is designed to outperform the Morningstar® Australia Index™ over rolling 12 months by mitigating against large losses on major market falls (downside protection always in place.) An Australian equities allocation that 'spins out' the ASX200 State Street ETF with protection always with upside. The strategy builds on the class A track record over 12 years.

Performance (Growth of AUD \$100,000)



Net Investment Performance %

| | 1M | 3M | 6M | 1YR | 3YR (PA) | 5YR (PA) | SI (PA) |
|--|-------|-------|-------|-------|----------|----------|---------|
| Risk Managed Australian Equity Class C | 2.45 | 0.20 | 0.78 | 11.78 | | | -10.26 |
| Morningstar® Australia Index™ | 2.93 | 2.03 | 0.80 | 11.20 | | | 6.48 |
| Excess Returns | -0.48 | -1.83 | -0.02 | 0.58 | | | -16.74 |

* 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 | 16 April 2021 |
| Strategy Inception date | 16 April 2021 |
| APIR | CIS2863AU |
| Base currency | Australian dollars |
| Management fee | 1.1% of NAV |
| Performance fee | 15% over Hurdle |
| Investment minimum | AUD 5,000 |
| Buy/sell spread | 0.15% |
| Liquidity | Weekly |
| Benchmark | Morningstar® Australia Index™ |
| Platforms | |
| Distribution frequency | Quarterly |

Return Analytics

| | |
|--------------------|---------|
| Monthly Volatility | 4.16% |
| Sharpe Ratio | -0.77 |
| Drawdown | -31.41% |
| Sortino Ratio | -0.74 |
| Leverage * | 72% |

* Ratio defined as margin debt/net assets

Portfolio Analytics

| | |
|-------------------------|--------|
| Number of Stocks | 2 |
| Average Positive Months | 2.42% |
| Average Negative Months | -3.58% |
| Beta (ASX200) | 0.22 |
| % of Positive Months | 46 |

Unit Value (AUD)

| | |
|-------------------|----------|
| Net Asset Value | \$0.5224 |
| Application Value | \$0.5232 |
| Redemption Value | \$0.5216 |

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 \$0.5224. Total NAV of the Fund was \$12.2m.

The Australian market traded in a range of 6.45% during the month of July (7004.00 low on 10 July, 7455.90 high on 27 July). Our investment strategy is designed for returns to increase the larger the market range (in either trending, falling, or rising markets).

Market volatility rose modestly in July by 0.29% (as measured by the VIX) and traded in a narrow band. Month open and high VIX 6 July 15.44, low 13.19 on 26 July, month end 13.63 on 31 July. Volatility has trended down significant since October 2022 (high 33.57 on 12 Oct). 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 Australian equities portfolio allocation.

For the 12 months to 31 July 2023, Class C outperformed the benchmark index by +0.58%.

FUND OVERVIEW

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

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

Investment Objectives:

Return: 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 can be described as Risk Managed Australian Equities ETF, holding ASX200 State Street ETF, and component stocks with risk management overlay. Leverage can be up to 100% of class assets.

- It provides liquidity (ASX200 State Street ETF and XJO Australian index exchange traded options for risk management overlay)
- It provides a stable and reliable source of income (from dividends, franking credits, and risk management overlay)
- It provides an opportunity to address sequencing risk

Contributors to Return (%)

| TOP GAINS | | TOP LOSSES | |
|-----------|------|------------|--|
| XJO | 2.88 | | |
| BHP | 0.05 | | |
| | | | |

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 | % |
|---------|------|
| XJO | 64.4 |
| BHP | 35.6 |
| | |
| | |
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| | |
| | |

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Enquiries

www.gyrostat.com.au

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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 31 JUL 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.