

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 - Lower beta with alpha from 'dynamic hedging' with an 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 Leveraged Absolute Return Income Equity Class B is designed for **capital growth and income whilst hedging equity market risk 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 over 12 years of returns increasing with market volatility.

Performance (Growth of AUD \$100,000)



Net Investment Performance %

	1M	3M	6M	1YR	3YR (PA)	5YR (PA)	SI
Gyrostat Risk Managed Equity Fund Class B	0.23	0.54	4.75	14.28			5.65
BBSW3M + 3%	0.55	1.67	3.24	6.09			4.44
Excess Returns	-0.32	-1.13	1.51	8.19			1.21

* 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	13 April 2021
Strategy Inception date	10 December 2010
APIR	CIS3754AU
Base currency	Australian dollars
Management fee	1.4% of NAV
Performance fee	15% over Hurdle
Investment minimum	AUD 5,000
Buy/sell spread	0.15%
Liquidity	Daily
Benchmark	BBSW3M + 3% p.a.
Platforms	Mason Stevens, Netwealth, Powerwrap
Distribution frequency	Quarterly

Return Analytics

Monthly Volatility	3.90%
Sharpe Ratio	0.36
Drawdown	-17.06%
Sortino Ratio	0.57
Leverage *	14%

* Ratio defined as margin debt / net assets

Portfolio Analytics

Number of Stocks	8
Average Positive Months	2.62%
Average Negative Months	-2.52%
Beta (ASX200)	-0.33
% of Positive Months	59

Unit Value (AUD)

Net Asset Value	\$0.7261
Application Value	\$0.7272
Redemption Value	\$0.7250

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

Cum NAV per unit was \$0.7261, \$0.0544 distribution was declared, ex NAV per unit was \$0.6717. Total NAV of the Fund was \$13.7m.

The Australian market traded in a very narrow range of 3.94% during the month of June (7357.80 high on 20 June, 7078.70 low on 26 June). Our investment strategy is designed for returns to increase the larger the market range (in either trending, falling, or rising markets).

Market volatility fell in June by 13.16% (as measured by the VIX) and traded in a narrow band. Month open and high VIX 1 June 15.65, low 12.91 on 22 June, month end 13.59 on 30 June. 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.

Our performance during the month was driven by gains in FMG, WBC and RIO with small losses XJO.

We anticipate strong investment performance to continue with volatility favourable to our 'dynamic hedging' risk management approach. We intend to increase our exposure to commodity stocks into the Sep quarter, the next dividend cycle. A more active asset allocation approach, particularly into higher yielding stocks, in the upcoming dividend cycle has been adopted.

For the 12 months to 30 June 2023, Class B achieved an absolute return of +14.28%.

FUND OVERVIEW

Strategy: Designed to produce higher income (compared to an investment in the Class A Units) through the complete investment cycle (downside protection always in place). In contrast to the Class A Units, Class B Units may not necessarily gain from major market falls. Low correlation to the Australian market.

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:

Return: To exceed income distributions over rolling 12 months.

Income: > BBSW3M + 6% p.a. from dividends and risk management profits paid quarterly.

Protection: 6% quarterly downside risk tolerance.

Distributions may be higher dependent on the Class performance.

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 the Class assets.

Class B is a levered version of Class A to deliver higher income and higher risk tolerance than Class A. Our expectation is that over the cycle we will achieve our income and return objectives while operating with our pre-defined risk parameters.

Contributors to Return (%)

TOP GAINS		TOP LOSSES	
FMG	0.36	XJO	-0.31
WBC	0.21	WDS	-0.06
RIO	0.16	WOW	-0.02
NAB	0.14	CBA	-0.01
ANZ	0.12		

Team Members Experience

INVESTMENT TEAM	GYROSTAT	INDUSTRY
Craig Racine Chief Investment Officer	11	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	%
FMG	20.2
XJO	20.2
BHP	17.0
WBC	16.1
ANZ	11.9
RIO	6.9
NAB	6.2
WDS	1.6

Enquiries

www.gyrostat.com.au

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Wayfarer Investment Partners on
0439 276 484

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 30 JUN 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.