

Gyrostat Absolute Return Income Equity (Class A)

Gyrostat Risk Managed Equity Fund ARSN 651 853 799

Gyrostat Risk Managed Equity Fund – Address uncertainty through portfolio construction - Lower beta with alpha for diversification benefits 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 diversification benefits through 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 flagship Gyrostat Absolute Return Income Equity Class A is designed for **capital growth and income whilst hedging equity market risk**. Returns are designed to increase with market volatility and reliably increase in value on major market falls (downside tail always in place). It has a track record exceeding twelve years with no quarterly drawdown greater than a pre-defined 3% limit.

Performance (Growth of AUD \$100,000)



Net Investment Performance %

	1M	3M	6M	1YR	3YR (PA)	5YR (PA)	SI (PA)
Gyrostat Risk Managed Equity Fund Class A	0.82	3.07	1.93	3.64	5.35	5.94	4.81
BBSW3M + 3%	0.60	1.82	3.64	6.96	4.69	4.44	5.31
Excess Returns	0.22	1.25	-1.71	-3.32	0.66	1.50	-0.50

* 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	10 December 2010
Strategy Inception date	10 December 2010
APIR	GYC6212AU
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	Daily
Benchmark	BBSW3M + 3% p.a.
Platforms	Mason Stevens, Netwealth, Powerwrap, Hub24
Distribution frequency	Quarterly

Return Analytics

Annual Volatility	5.47%
Sharpe Ratio	0.50
Drawdown	-11.82%
Sortino Ratio	1.05
Leverage *	26%

* Ratio defined as margin debt / net assets

Portfolio Analytics

Number of Stocks	12
Average Positive Months	1.25%
Average Negative Months	-0.78%
Beta (ASX 200)	-0.09
% of Positive Months	58

Unit Value (AUD)

Net Asset Value	\$0.6289
Application Value	\$0.6298
Redemption Value	\$0.6280

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 \$0.6289. Total NAV of the Fund was \$12.4m.

The Australian market rallied within a modest trading range in place since January 2021. The price of risk continued to fall, a continuation in the trend since October 2022 where the VIX has fallen from 32.02 to VIX 12.92 significantly reducing the cost of protection.

Our portfolio diversification benefits of lower risk, higher risk-adjusted returns, and reduced exposure to market shocks are more apparent in volatile markets (wider trading range, increasing cost of protection.) We have continued to perform strongly by taking advantage of differences in the price of risk across different time periods, and during the month took the opportunity to extend protection duration at or approaching historically low costs.

Gains from stock price appreciation offset the lower value of protection, resulting in gains for the month concentrated in the banking sector (ANZ, NAB, WBC) offsetting losses in WDS.

We anticipate strong investment performance to continue with volatility favorable to our 'dynamic hedging' risk management approach. We intend to increase our exposure to commodity stocks into the March 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 24 months to November 2023, Class A achieved an absolute return of 12.10% pa.

FUND OVERVIEW

Strategy: Risk managed with capital always protected, reliable income, and returns in rising and falling markets including in a market crash. Low correlation to the Australian market for diversification benefits.

Purpose: These returns are non correlated with the market providing portfolio diversification benefits such as lower risk, higher risk-adjusted returns, and reduced exposure to market shocks. A highly defensive non correlated income fund that reliably increases in value on large market falls (12 YR, max quarterly drawdown < 3%)

Investment Objectives:

Return: 6% - 8% p.a. in trending markets,
> 8% p.a. in volatile markets,

Income: > BBSW3M + 3% p.a. from dividends and risk management profits paid quarterly.

Protection: 3% quarterly downside risk tolerance with tail risk hedge for gains on large market falls.

Distributions may be higher dependent on the Class performance.

Class A buys ASX-20 stocks with an options overlay to mitigate risk. The stock exchange is the derivative counterparty and mark to market valuations each day.

The Class may borrow up to 30% of the Class assets

Leverage is achieved through margin lending such that asset and debt liquidity are matched.

Contributors to Return (%)

TOP GAINS		TOP LOSSES	
WBC	0.60	WDS	-0.37
ANZ	0.49	XJO	-0.15
NAB	0.33	BHP	-0.09
FMG	0.13	WOW	-0.01
RIO	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	36.8
BHP	12.8
FMG	10.1
WBC	9.6
ANZ	9.2
WDS	6.9
NAB	6.3
RIO	3.4
CBA	2.5
WOW	1.5

Enquiries

www.gyrostat.com.au

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Wayfarer Investment Partners on
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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 30 NOV 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.