

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 a 15 year track record of returns increasing with market volatility (including large market falls).

5 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 increase in value on major market falls (downside tail always in place). Class A has a track record exceeding fifteen years with no quarterly drawdown greater than a pre-defined 3% limit.

Performance since inception (Growth of \$100,000 example)



Net Investment Performance %								
	1M	3M	6M	1YR	2YR (PA)	3YR (PA)	5YR (PA)	SI (PA)
GRMEF Class A	-0.11	1.06	3.39	8.29	8.92	8.03	7.14	5.30
Bank Bill Swap Rate 3M + 3%	0.54	1.65	3.33	7.11	7.36	7.25	5.82	5.60
Excess Returns	-0.65	-0.59	0.06	1.18	1.56	0.78	1.32	-0.30

* Returns are net of fees and include franking credits.

MONTHLY UPDATE	CLASS OVERVIEW
NAV per unit was \$0.5633 and cash distribution per unit was \$0.0092. Total NAV of the Fund was \$44.2m.	Strategy: Risk managed with capital always protected to 3% risk tolerance, regular income, and returns in rising and falling markets including market crash. Low correlation to the Australian market for diversification benefits.
The Australian market traded higher in December and remains near 52W and all-time highs. The price of risk, as measured by the A-VIX, has fallen significantly from the 7 April 2025 high of 26 to close at 9 on 31 December, significantly reducing the cost of protection. During December, the price of risk continued its downside with significant reductions and is near 10-year lows.	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 is designed to increase in value on large market falls (12 YR, max quarterly drawdown < 3%)
Modest gains from RIO were offset by small CSL and WDC losses with minor losses for the month.	Investment Objectives:
For the 12 months to 31 December 2025 Gyrostat Class A delivered total returns after fees of 8.29% with a beta of -0.08 and outperformed our benchmark index by 1.18%	Return: 6% - 8% p.a. in trending markets, > 8% p.a. in volatile markets,
Gyrostat class A has delivered consistently higher returns over the past 5 years of 8.29% (1Yr), 8.92 pa (2Yr), 8.03pa (3Yr) and 7.14% pa (5Yr). Over the past 3 years the maximum quarterly loss was -0.52% (within our hard 3% downside risk tolerance).	Income: > BBSW3M + 3% p.a. from dividends and risk management profits paid quarterly.
We anticipate strong investment performance with volatility favourable to our 'dynamic hedging' risk management approach. A more active asset allocation approach, particularly into higher yielding stocks, in the upcoming dividend cycle has been adopted. The next dividend cycle is in commodity stocks in February/March.	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 exchanged-traded options overlay to mitigate risk and may borrow up to 30% of the assets to achieve leverage through margin lending such that asset and debt liquidity are matched.

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
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	5.41%
Sharpe Ratio	0.54
Drawdown	-11.79%
Sortino Ratio	1.17
Leverage *	19%

* Ratio defined as margin debt / net assets

Portfolio Analytics	
Number of Stocks	7
Average Positive Months	1.30%
Average Negative Months	-0.72%
Beta (ASX 200)	-0.08
% of Positive Months	57

Contributors to Return (%)	
TOP GAINS	
RIO	0.05
BHP	0.04
FMG	0.02
WBC	0.01
NAB	0.00
TOP LOSSES	
CSL	-0.04
WDS	-0.03
CBA	-0.02
XJO	-0.01

Unit Value (AUD)		
INVESTMENT TEAM	GYROSTAT	INDUSTRY
Craig Racine Chief Investment Officer	15	30+
Leo Tang Senior Investment Officer	15	30+
BUSINESS TEAM		
David Barwise Director	7	30+
Peter Keating Investment Operations	5	30+
Andrew Smith Compliance and Risk	11	30+
Peter Clifton Chairman	11	30+

Top Holdings	
HOLDING	%
RIO	19.0
WDS	17.8
BHP	16.6
NAB	15.7
WBC	15.0
FMG	13.5
XJO	2.5
CSL	0.0

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

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 and to obtain a copy of the PDS, please refer to www.gyrostat.com.au. Unit Net Asset Values are calculated in accordance with the PDS.

AS AT 31 DEC 2025