

Cor Capital Fund



MONTHLY REPORT & FACT SHEET – 31 AUGUST 2023

RETURN# (net of fees) **Since Inception:** 5.1% per ann **5yr:** 4.3% per ann **3yr:** 2.6% per ann **1yr:** 12.2% per ann

All Weather

The Cor Capital Fund is an 'all weather' investment that seeks to generate stable returns, regardless of prevailing economic or financial market conditions. Common uses include:

- ENHANCE CASH RETURNS**
- STABILISE HIGHER RISK INVESTMENT PORTFOLIOS**
- STANDALONE STRATEGY**

The Fund portfolio is highly liquid and diversified; holdings include traditional asset classes such as equities, real estate, precious metals, fixed interest and cash. The investment strategy is quantitative and systematic. Sources of return and risk are unconventional:

- » Absolute diversification across macro factors
- » Disciplined risk rebalancing
- » Volatility harvesting
- » Protective overlay

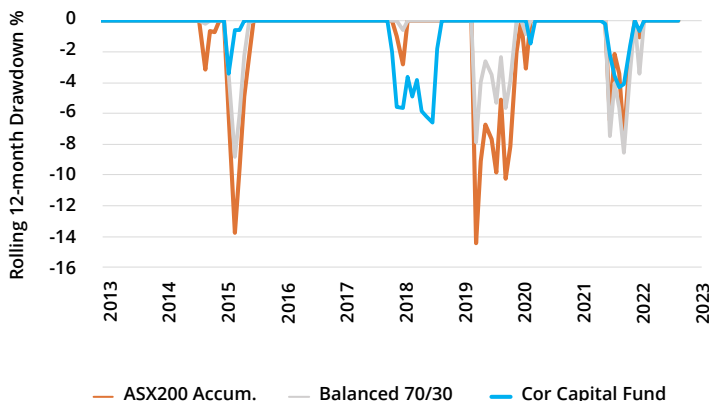
See page 3 for Investment Philosophy and Process.

Fund Total Return as of 31 August 2023 (net of fees)

| | | Return | CPI | Volatility |
|-----------------|------|--------|------|------------|
| 1-Mth | | 0.3% | | |
| 3-Mth | | 0.6% | | |
| 6-Mth | | 5.5% | | |
| CYTD | | 8.4% | | |
| FYTD | | 2.5% | | |
| 1-Yr | | 12.2% | | |
| 3-Yr | Ann. | 2.6% | 5.3% | 8.6% |
| 5-Yr | Ann. | 4.3% | 3.4% | 8.2% |
| Since Inception | Ann. | 5.1% | 2.5% | 7.1% |

Source of performance: Cor Capital.
Past Performance is not a reliable indicator of future performance.*

Drawdowns (12-month return when negative)

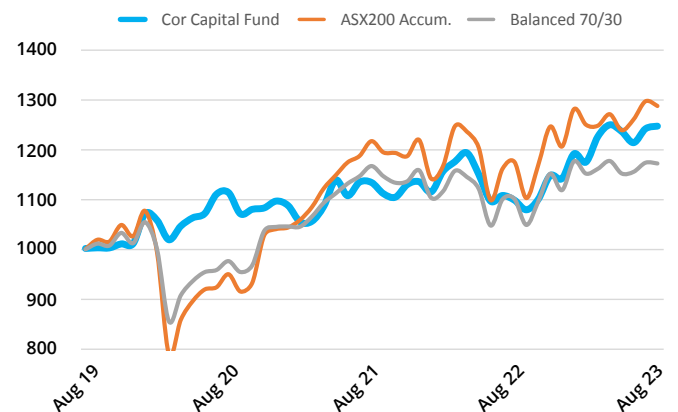


Drawdowns chart compares 12-month rolling negative total returns, where applicable, for each Fund or index. Source: Bloomberg, Cor Capital

Fund Details

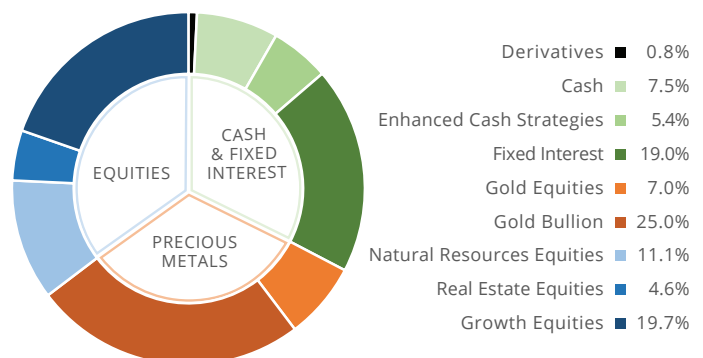
| | |
|------------------------------------|---|
| Type | Absolute Return / Alternative |
| Strategy | Multi-strategy / Multi-asset |
| Objective | Maximise return above change in CPI over 3 year periods without generating a negative return over any 12 month period |
| Inception date | 8 August 2012 |
| Net Asset Value / Redemption Price | 1.1084/1.1067 |
| Currency | AUD |
| Liquidity | Daily Applications and Redemptions |
| Minimum investment | A\$25,000 |
| Structure | Aust. Registered Managed Investment Scheme |
| APIR code | COR0001AU |
| ARSN | 609 666 042 |

Track Record



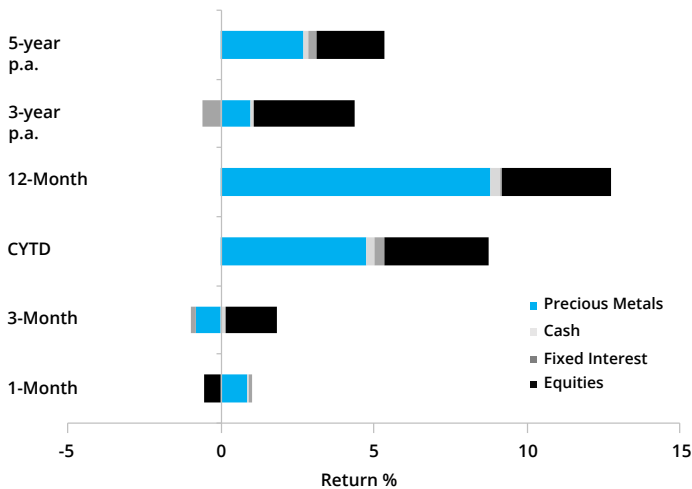
Track record chart displays the change in value of \$1000 invested over the period shown. Past returns should not be taken as a prediction of likely future returns. Returns include the notional reinvestment of income and are before fees.

Capital Allocation



Cor Capital Fund

Attribution (gross of fees)



Attribution chart displays the contribution made by each asset class to the Total Return of the Fund over the relevant time period, as represented by the net of positive and negative contributions.

Tail Risk Analysis: Worst of ASX200 v. Fund

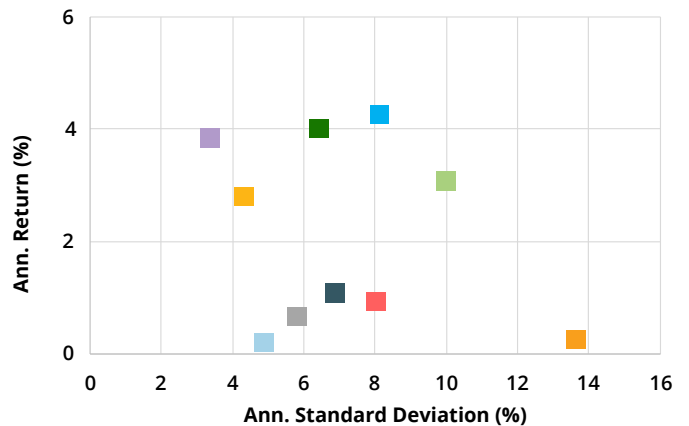
| Rank | Lowest ASX200 Return (%) | Month | Fund Return (%) | Diff. |
|--------------|--------------------------|--------|-----------------|--------------|
| 1 | -20.65 | Mar-20 | -3.82 | 16.83 |
| 2 | -8.77 | Jun-22 | -4.81 | 3.96 |
| 3 | -7.79 | Aug-15 | -0.34 | 7.45 |
| 4 | -7.69 | Feb-20 | -1.33 | 6.36 |
| 5 | -6.35 | Jan-22 | -1.92 | 4.43 |
| 6 | -6.17 | Sep-22 | -1.87 | 4.31 |
| 7 | -6.05 | Oct-18 | -3.68 | 2.37 |
| 8 | -5.48 | Jan-16 | 0.43 | 5.91 |
| 9 | -5.38 | Sep-14 | -1.03 | 4.35 |
| 10 | -5.30 | Jun-15 | -2.29 | 3.02 |
| 11 | -4.50 | May-13 | -0.28 | 4.23 |
| 12 | -3.77 | Mar-18 | -0.92 | 2.85 |
| 13 | -3.66 | Sep-20 | -3.95 | -0.29 |
| 14 | -3.25 | Nov-14 | 0.48 | 3.74 |
| 15 | -3.21 | Dec-22 | -0.60 | 2.60 |
| Total | -98.03 | | -25.91 | 72.12 |
| Av. | -6.54 | | -1.73 | 4.81 |

Source of performance: Bloomberg, Cor Capital.
Past Performance is not a reliable indicator of future performance.*

Additional Information

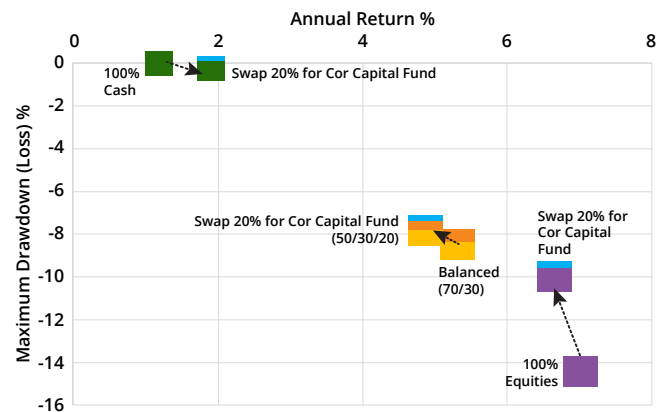
| | | | |
|--------------------------|------------|--|-----------------|
| Management Fee | 1.0% p.a. | Responsible Entity | Equity Trustees |
| Performance Fee | N/A | Custodian | BNP Paribas |
| Fund expenses | 0.35% p.a. | Distribution Frequency | 6-monthly |
| Unit price spread | 0.15% | Hist. 3-year Distribution Yield | 4.31% p.a. |

Fund Comparison: Risk vs Return over 5 years (net of fees)



Risk vs Return chart compares annualised 5-year returns to risk as measured by the annualised standard deviation of returns. Source: Bloomberg, Cor Capital, SQM.

Using the Cor Capital Fund to Improve Your Portfolio



Drawdown vs Return chart compares annualised 5-year returns to maximum 12-month drawdown (loss). Source: Bloomberg, Cor Capital, SQM.

Cor Capital Fund

The Cor Capital Fund seeks to protect and grow real wealth with less risk of capital draw down, filling the void between returns on cash deposits and longer-term or less-liquid investments such as stocks or real-estate.

To consistently compound returns with improved odds of success over the medium-term, a specially designed approach is required. Rather than betting on the accuracy of specific forecasts or complex predictions, we maintain investments across a carefully selected but straightforward range of assets, capitalising on time-tested behavioural, mathematical and market principles to achieve real returns and stable capital, particularly during periods of heightened market risk.

Philosophy

Asset class returns, in our opinion, are largely driven by changes in expectations of economic growth and inflation. That said, economic and market outcomes are uncertain; changes to expectations are unpredictable for practical investment purposes. Surprises are common and have an underappreciated influence on long-term results.

INVESTMENT PHILOSOPHY & PROCESS

However economic and market outcomes are not arbitrary; while very different in nature and critically consequential to investor wealth, the range of possible scenarios is limited. Because the behavioural responses of general market participants to each outcome are somewhat predictable, real positive medium-term returns can be achieved by doing the following:

- » **Diversifying broadly across key growth and inflation risks - assumption:** every asset class has its day
- » **Rebalancing risk regularly - assumption:** making contrarian adjustments adds to returns

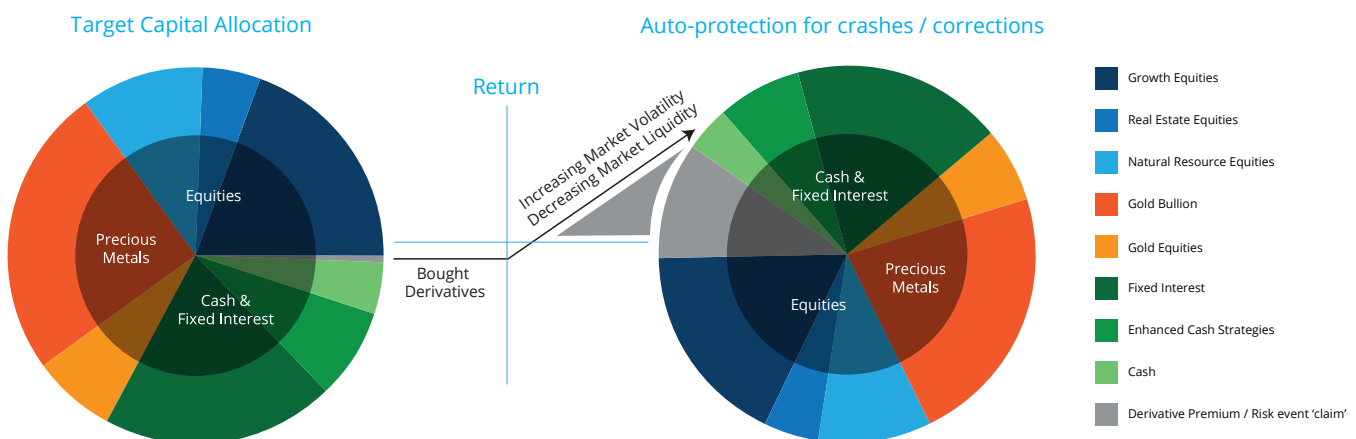
Portfolio Construction

The Cor Capital Fund portfolio is constructed in line with these principles. Highly intuitive and robust, it involves matching asset classes to highly consequential but opposing economic and market forces. For example: aggressive monetary policy, unintended policy consequences, carry bubble, carry crash, real economic growth.

We believe this macro-level design and ongoing management process increases the likelihood of portfolio growth across a broad range of environments, whether evolving slowly or explosive in nature.

Asset class returns are driven by changes to expected future outcomes

| Asset Class | Favourable Environment | | Unfavourable Environment | |
|------------------------|---|--|---|-----------------------------|
| Equities | Strong economic growth Increasing confidence | Falling discount rate | Strongly increasing inflation Outright deflation | Low confidence/High anxiety |
| Fixed Interest | Moderate growth Deflation | Falling discount rate | Strongly increasing inflation Increasing credit risk | Rising discount rates |
| Cash | Tight credit environment Deflation | Rising discount rates | Strong Inflation Economic boom | |
| Precious Metals | Rising inflation rates Outright Deflation | Falling investor confidence Low real interest rates | Rising confidence Positive or rising real interest rates | |



- » Defensive first – Cash, Bonds and Precious Metals (AUD) combine to underscore capital preservation and purchasing power
- » Growth via diversified equity exposure improves risk adjusted returns and outperformance
- » Small investment for meaningful benefit; market risk 'insurance' via purchase of derivatives adds to defensive / long volatility characteristics (e.g. gold call options, USD call options)
- » Diversification (non-correlation) benefits are more reliable between broad asset classes (e.g. gold bullion / equities) than sub-asset classes (e.g. Aus stocks / international stocks), enabling more efficient returns from active re-balancing and volatility capture
- » 100% systematic / rule-based implementation ensures disciplined management

Cor Capital Fund

Monthly Performance History (net of fees) - Calendar Year

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | CYTD |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|
| 2023 | 4.26% | -1.50% | 4.28% | 1.82% | -1.18% | -1.92% | 2.21% | 0.32% | | | | | 8.36% |
| 2022 | -1.92% | 3.61% | 1.60% | 1.43% | -3.73% | -4.81% | 0.94% | -0.95% | -1.87% | 1.86% | 4.23% | -0.60% | -0.63% |
| 2021 | -0.92% | -3.09% | -0.02% | 2.77% | 4.77% | -2.88% | 2.36% | -0.15% | -2.08% | -0.75% | 2.20% | 0.42% | 2.32% |
| 2020 | 5.87% | -1.33% | -3.82% | 2.61% | 1.49% | 0.70% | 3.56% | 0.20% | -3.95% | 0.75% | 0.16% | 1.17% | 7.19% |
| 2019 | 0.46% | 1.92% | 0.17% | 1.12% | -0.01% | 2.42% | 1.57% | 1.73% | 0.04% | -0.12% | 0.71% | -0.05% | 10.38% |
| 2018 | -1.64% | 3.31% | -0.92% | 3.30% | 0.29% | 2.91% | -3.41% | -3.70% | -1.76% | -3.68% | -2.31% | 2.25% | -5.62% |
| 2017 | 0.20% | 0.63% | 0.70% | 0.60% | 4.38% | -0.93% | 3.03% | -1.52% | 3.33% | 0.83% | 1.34% | 2.33% | 15.80% |
| 2016 | 0.43% | 3.57% | -0.44% | 2.59% | 0.59% | 1.45% | 1.73% | -0.50% | -0.21% | -1.71% | -0.71% | 1.29% | 8.26% |
| 2015 | 4.00% | 0.56% | -0.40% | -0.65% | 1.23% | -2.29% | 0.20% | -0.34% | -0.66% | 1.67% | -3.04% | -0.12% | 0.00% |
| 2014 | 0.92% | 2.34% | -1.34% | 0.50% | -0.26% | 0.76% | 1.01% | 0.10% | -1.03% | -0.13% | 0.48% | 1.93% | 5.35% |
| 2013 | 1.57% | 0.63% | -0.83% | -0.36% | -0.28% | -3.61% | 4.71% | 2.14% | -1.49% | 0.55% | -0.90% | -0.22% | 1.70% |
| 2012 | - | - | - | - | - | - | - | 2.03% | 2.25% | 0.02% | 0.16% | 0.13% | 4.64% |

Monthly Performance History (net of fees) - Financial Year

| Year | Jul | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FYTD |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|
| 2024 | 2.21% | 0.32% | | | | | | | | | | | 2.53% |
| 2023 | 0.94% | -0.95% | -1.87% | 1.86% | 4.23% | -0.60% | 4.26% | -1.50% | 4.28% | 1.82% | -1.18% | -1.92% | 9.43% |
| 2022 | 2.36% | -0.15% | -2.08% | -0.75% | 2.20% | 0.42% | -1.92% | 3.61% | 1.60% | 1.43% | -3.73% | -4.81% | -2.18% |
| 2021 | 3.56% | 0.20% | -3.95% | 0.75% | 0.16% | 1.17% | -0.92% | -3.09% | -0.02% | 2.77% | 4.77% | -2.88% | 2.14% |
| 2020 | 1.57% | 1.73% | 0.04% | -0.12% | 0.71% | -0.05% | 5.87% | -1.33% | -3.82% | 2.61% | 1.49% | 0.70% | 9.48% |
| 2019 | -3.41% | -3.70% | -1.76% | -3.68% | -2.31% | 2.25% | 0.46% | 1.92% | 0.17% | 1.12% | -0.01% | 2.42% | -6.61% |
| 2018 | 3.03% | -1.52% | 3.33% | 0.83% | 1.34% | 2.33% | -1.64% | 3.31% | -0.92% | 3.30% | 0.29% | 2.91% | 17.67% |
| 2017 | 1.73% | -0.50% | -0.21% | -1.71% | -0.71% | 1.29% | 0.20% | 0.63% | 0.70% | 0.60% | 4.38% | -0.93% | 5.49% |
| 2016 | 0.20% | -0.34% | -0.66% | 1.67% | -3.04% | -0.12% | 0.43% | 3.57% | -0.44% | 2.59% | 0.59% | 1.45% | 5.90% |
| 2015 | 1.01% | 0.10% | -1.03% | -0.13% | 0.48% | 1.93% | 4.00% | 0.56% | -0.40% | -0.65% | 1.23% | -2.29% | 4.80% |
| 2014 | 4.71% | 2.14% | -1.49% | 0.55% | -0.90% | -0.22% | 0.92% | 2.34% | -1.34% | 0.50% | -0.26% | 0.76% | 7.81% |
| 2013 | | 2.03% | 2.25% | 0.02% | 0.16% | 0.13% | 1.57% | 0.63% | -0.83% | -0.36% | -0.28% | -3.61% | 1.60% |

Source of performance: Cor Capital
Past Performance is not a reliable indicator of future performance.*

Contact Us

T +61 3 9221 6255

E contact@corcapital.com.au

*Past Performance is not a reliable indicator of future performance. Net-of-fees performance is based on end-of-month redemption prices after the deduction of fees and expenses and the reinvestment of all distributions. Gross-of-fees performance is the net return with fees and expenses added back. Figures include changes in principal value. Investment return and principal value will vary, and an account may be worth more or less at termination than at inception. For further details, please refer to the fund's product disclosure statement and reference guide which are available from EQT or Cor Capital.

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Cor Capital Fund's Target Market Determination is available at <https://swift.zeidlerlegalservices.com/tmds/COR0001AU>. A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.