CC Sage Capital Absolute Return Fund (APIR: CHN5843AU)

Class A

September 2025

Fund Performance

Returns[1]	1 month	3 months	CYTD	FYTD	1 year	3 years p.a.	5 years p.a.	Since inception p.a. (20-Aug-2019)
Fund Net Return	0.81%	-2.15%	-2.36%	-2.15%	-1.93%	1.93%	5.83%	6.92%
Benchmark Return[2]	0.32%	0.94%	3.01%	0.94%	4.15%	4.03%	2.52%	2.14%
Active Return (After fees)	**0.49%**	**-3.09%**	**-5.37%**	**-3.09%**	**-6.08%**	**-2.10%**	**3.31%**	**4.78%**

About Sage Capital

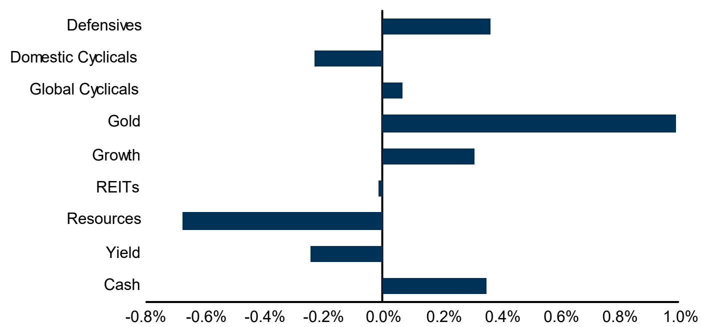
As an Australian equities long short manager, Sage Capital views the market through eight unique Sage Groups enabling the team to focus on individual stock drivers and hedge systematic market risks. This style and cycle neutral investment process is designed to deliver consistent returns regardless of the market environment.

The Sage Capital investment team owns 100% of the firm and invests alongside its clients.

About the Fund

The CC Sage Capital Absolute Return Fund aims to provide an uncorrelated source of returns whilst eliminating equity market exposure, where long and short positions offset each other.

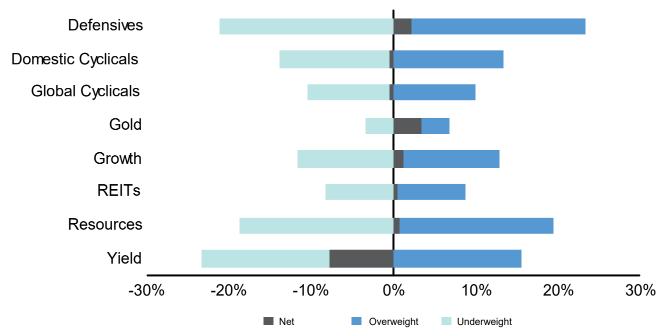
Contributors to Fund Performance*



Fund Facts

Investment Style	An Australian equity market neutral long short strategy
Net Asset Value	$506.8 million [3]
Inception Date	20 Aug 2019
Benchmark	RBA Cash Rate
Management Fee	1.29% p.a.[4]
Administration Fee	0.10% p.a.[4]
Performance Fee	20.5% p.a.[5]
High Water Mark	Yes
Distributions	Semi-annually at 31 December and 30 June
Exit Price	$1.4285

Allocation Weights*



Portfolio Metrics

As at end of month

Long exposure	111%
Short exposure	-111%
Gross exposure	222%
Net exposure	0%
Number of long positions	52
Number of short positions	65

Since Inception

Sharpe Ratio [6]	1
Volatility [6]	6.5%
Maximum monthly drawdown	-6.4%

Platform Availabilty

AMP MyNorth	ANZ Grow Wrap	Ausmaq
BT Panorama	Colonial First Wrap	HUB24
IOOF	Macquarie Wrap	Mason Stevens
MLC Wrap/Navigator	Netwealth	Powerwrap
Praemium	Xplore Wealth	

Contact Details

Phone: 1800 940 599

Email: clientservices@channelcapital.com.au

Web: www.sagecap.com.au

[1] Performance is for the CC Sage Capital Absolute Return Fund ('the Fund') - Class A, and is based on month end unit prices in Australian Dollars. Net return is calculated after management fees and operating costs. Individual investor level taxes are not taken into account when calculating net returns. This is historical performance data. The value of an investment can rise and fall and past performance is not indicative of future performance. [2] Benchmark refers to the RBA Cash Rate Total Return Index. The comparison to the RBA Cash Rate is displayed as a reference to the target return for the Fund and is not intended to compare an investment in the Fund to a cash holding. Securities held by the Fund may be exposed to a higher degree of risk than an investment in cash as the value of securities can rise and fall. [3] Net Asset Value is calculated as Fund assets less Fund liabilities. [4] All figures disclosed include the net effect of GST and RITC. [5] Performance Fee of 20.5% (including the net effect of GST and RITC) based on outperformance of the Fund Benchmark, net of the Management Fee.[6] Refer to Definition of Terms at the end of the report.

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Performance Review

The CC Sage Absolute Return Fund returned 0.81% (net of fees) in September versus the RBA Cash Rate return of 0.32%.

The Sage Groups that contributed most to performance were Gold, Defensives and Growth, while Resources, Yield and Domestic Cyclicals subtracted. With limited company specific news this month, stock performance was driven partly by macroeconomic and sectoral moves, and partly by ongoing normalisation following the recent reporting season, as investors weighed up the results and repositioned.

Within the Gold Group, Evolution Mining (ASX: EVN +27%), Northern Star Resources (ASX: NST +28%) and Genesis Minerals (ASX: GMD +31%) were the stand-out long positions, and with the sector up +23% the portfolio benefitted from both a moderate gold overweight and good stock selection. The stand-out positions in the Defensives Group included an overweight position in AGL Energy (ASX: AGL +8%) which bounced back after a weak reporting season result and positive news flow from its investment in software provider Kaluza. An underweight position in Cochlear (ASX: COH -7%) also added value as the market focused more on near term earnings downgrades than the expected impact from its new cochlear implant, while an overweight position in Life 360 (ASX: 360 +14%) continued its strong momentum on expected growth in advertising revenue.

In the Resources Group, the biggest detractors came from Lithium underweights in Mineral Resources (ASX: MIN +10%) and Pilbara Minerals (ASX: PLS +3%). Lithium equities continued their strength from the previous month, despite concerns around supply disruption easing. This appears to be connected to the US government taking equity positions in companies supplying critical minerals, largely rare earths to date, but also included a stake in Lithium Americas and its Thacker Pass project. It's unclear how supporting this increase in supply would benefit the lithium price or other producers, though the market may be anticipating potential offtake agreements with price floors, similar to what occurred in the rare earths sector. Sage Capital considers this unlikely as there is abundant ex-China supply with the major dominance being in refining. On the positive side, a long position in Capstone Copper (ASX: CSC +21%) added value as it moved higher in line with the copper price following a mudslide and force majeure at Grasberg in Indonesia, the world's second largest copper mine.

The Yield Group was a slight drag on the portfolio, with an overweight position in Insurance Group Limited (ASX: IAG -6%) which detracted as it drifted off on weak sentiment on the premium interest rate cycle. In Domestic Cyclicals, an overweight position in Qantas Airways (ASX: QAN -5%) dragged on performance as the share price followed broader weakness in US airline stocks. An underweight position in Eagers Automative (ASX: APE +7%) was also a headwind as it continued a strong post-reporting run.

Market Review

For the month of September 2025, the S&P/ASX 200 Total Return Index declined by 0.78%, while the S&P/ASX Small Ordinaries Index was up 3.4%.

For the ASX 200, this represented a small pull back from record highs after a strong run that began in April this year. In terms of Sage Groups, Gold was incredibly strong (+24%), while Resources remained largely flat and other sectors were down between -1% to -3.7%. In Australia, there was a modest rotation from Banks and Insurers into large cap miners, but this hardly seems exciting compared to the pronounced moves in Small Cap stocks and Gold.

Markets have been in a strong bull run, driven by enthusiasm on AI and surging credit demand on the back of an interest rate cutting cycle amidst strong inflation numbers. Retail involvement has seen the Russell 2000 index surge, with the ARK Innovation ETF up over 100% in six months, the most shorted stocks bouncing hard both in the US and Australia, while retail investor favourite sectors such as Lithium, Uranium, Drone stocks and Biotechs have all raced higher.

In the US, the US Federal Reserve cut interest rates, responding to a series of weaker jobs reports and negative jobs revisions, even as inflation continued to climb higher, well above the target band. In Australia, the RBA was more cautious, with the economy looking stronger and the market is signalling that the current interest rate cutting cycle will be shallower.

Portfolio Positioning and Market Outlook

In Australia, consumer behaviour remains strong with national house prices up 2.2% over the quarter and 8.9% over the year, driving wealth effects. Recent interest rate and tax cuts have also been helping to drive discretionary spending while wealth effects from housing have given a boost to big ticket items like furniture and cars. Recent inflation data has been stronger than expected though as the RBA has signalled that it may be near the end of its interest rate cutting cycle. There is enough momentum in the domestic economy to keep earnings moving higher, but given the strong expansion in valuation multiples across the year it is difficult to identify value.

In the US, economic growth is slowing, and inflation is proving sticky. More alarmingly, jobs growth and revisions have been negative, leading to further monetary policy easing. While consumer sentiment has picked up slightly, mortgage interest rate prisoners and cuts to immigration in the US mean that housing construction remains a weak sector. Against this is accelerating investment in AI and AI infrastructure – chips, data centres, power and water utilities and a whole host of tech startups. This investment is ahead of end-user demand, while a large part is funded from the existing profits of the major tech companies in the US within their respective domains, the circularity of some of the funding in this space makes the narrative here riskier than the headline numbers.

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In China, residential property continues to weigh on the economy. Sentiment remains subdued, the birth rate has continued a long-term trend decline, and austerity is celebrated in the public service with bans on drinking during meals. The central government has shown some concerns about overcapacity in the economy, albeit separating policy from rumour in China is challenging. The catch-cry for these concerns has been “involution”, with cut-throat pricing across industries from Solar Cell production, steelmaking, EVs, lithium mining and rare earth refining seeing dwindling profits for Chinese companies and dumping concerns globally that have led to US tariff policy. An increased focus on corporate profitability and government liquidity support is seeing the Chinese share market rally, though this may prove to be a headwind for Australia if it prompts a rotation in regional asset allocation.

The other commodity, Gold, deserves its own mention. Gold as a sector can be volatile, but very few safe-haven alternative assets exist, with the large and continuing fiscal deficits of the largest debt issuers globally, attempts to weaponise the global monetary system and politicisation of the US Federal Reserve. The recent US 30-year bond auction issuance has seen weak end-user demand suggesting central banks are keen to diversify their monetary holdings. After a strong run, Gold may be due for a pull-back, but the medium-term dynamics are set for extended strength.

Overall, the portfolio remains well balanced across the Sage Groups with a moderate overweight to Gold and an underweight in Yield, driven by increasing concerns over bank valuations, being the only real divergences. The market remains quite dislocated with institutional investors overpaying for low earnings volatility and retail investors beginning to overpay for small cap speculative stocks.

Sage Capital continues to see good investment opportunities across multiple sectors. In Defensives, stocks with strong organic growth such as healthcare and data centres, within Global Cyclicals, mining services are expected to benefit from ongoing demand, while in Domestic Cyclicals, airlines stand out. The Growth Group is looking more expensive, though select software names still offer earnings upside. Within REITs, both office and housing sectors are starting to recover. Banks will continue to be a positive source of funding within the Yield Group, while in Resources, a preference for copper and rare earths over lithium in preferred.

Fund Disclosures

Key service provider changes	Nil
Key individual changes	Nil
Risk profile or investment strategy material changes	Nil

*Sage Capital uses a custom grouping system for long short positions (Defensives, Domestic Cyclicals, Global Cyclicals, Gold, Growth, REITs, Resources and Yield). With a focus on the principal macro earnings drivers for each stock, Sage Groups allow for comparisons to GICS for selecting stocks within a sector. Contributors to Active Performance is Gross of Fees.

Definition of Terms:

Sharpe Ratio - Annualised average monthly excess Fund return (net of fees) divided by Fund volatility. Excess return is the Fund return minus the risk free rate, which is the RBA Cash Rate.

Volatility - Annualised standard deviation of monthly returns (net of fees) since inception.