

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	-4.45%	-3.12%	-3.14%	-2.94%	-1.03%	2.43%	5.64%	6.88%
Benchmark Return ²	0.29%	0.95%	2.69%	0.62%	4.20%	3.98%	2.46%	2.12%
Active Return (After fees)	-4.74%	-4.07%	-5.83%	-3.56%	-5.23%	-1.55%	3.18%	4.76%

About Sage Capital

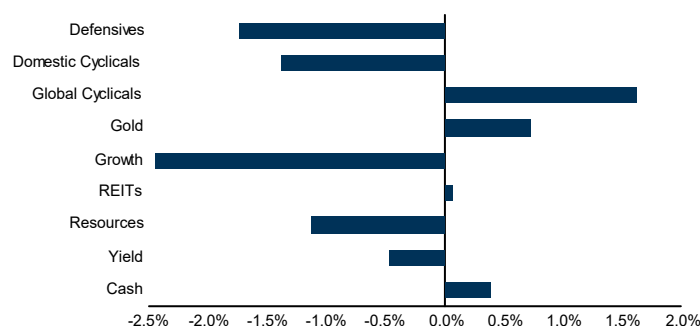
As an Australian equities long short manager, Sage Capital views the market through eight unique Sage Groups enabling the team to focus on individual stock drivers and hedge systematic market risks. This style and cycle neutral investment process is designed to deliver consistent returns regardless of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

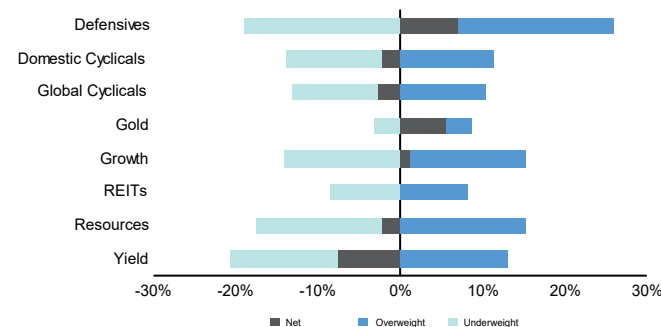
Contributors to Fund Performance*



Fund Facts

Investment Style	An Australian equity market neutral long short strategy
Net Asset Value	\$535.7 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

Allocation Weights*



Portfolio Metrics

As at end of month

Long exposure	109%
Short exposure	-110%
Gross exposure	219%
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 Availability

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	

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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.

Performance Review

The CC Sage Absolute Return Fund had a poor month in August returning -4.45% (net of fees) versus the RBA Cash Rate return of 0.29%.

Reporting season proved to be even more volatile than normal where the portfolio had a few big winners, but a longer tail of losers. Across the Sage Groups of Growth, Defensives, Domestic Cyclical and Resources, the portfolio suffered broadly while Global Cyclical and Gold were bright spots. In this reporting season, the moves on beats and misses were larger than normal with moves of $\pm 10\text{-}20\%$ common across stocks that were reported, compared with the more typical earnings beats and misses of a few percent each.

While there were a lot of stock specific moves, some broader thematics included a stronger domestic consumer, buoyed by recent interest rate and tax cuts with ongoing softness in the US outside of data centre spend with weakness seen across consumer goods and housing. There was also a material rally in lithium stocks as one of China's lepidolite mines didn't have its operating licence renewed.

Sage Group, Global Cyclical delivered strong results across the portfolio where there were short positions in companies exposed to US construction, including James Hardie Industries (ASX: JHX -25%) and Reece (ASX: REH -15%). Building and renovation activity in the US has been soft as mortgage rates have remained high and affordability low. Both companies have also been dealing with product mix and competition issues, but importantly valuations had also become very stretched. Gold was also a strong contributor with Evolution Mining (ASX: EVN +22%) and Newmont (ASX: NEM +16%) both being lifted by a strong gold price which was boosted by President Trump's attempts to fire a member of the US Federal Reserve.

In the Sage Group, Growth, there was a successful winner in Life 360 (ASX: 360 +16%), but a long-held position in Telix Pharmaceuticals (ASX: TLX -31%) offset those gains. Telix announced a set-back with the FDA for its kidney cancer diagnostic drug Zircaix. The FDA requires further analysis to confirm the comparability of the treatment produced under scaled up manufacturing to that which was used in the trial. It has now had a couple of disappointing regulatory setbacks with a more bureaucratic Food and Drug Administration (FDA), but these are more timing related and the stock is trading well below the intrinsic value implied by the continuing commercial success of its other products Illucix/Gozellix. An underweight position in domestic employment platform Seek (ASX: SEK + 15%) was a headwind as the market gained comfort that its new pricing strategy was beginning to drive yield growth, while a long position in WiseTech (ASX: WTC -15%) also dragged as the market digested the integration of the lower margin E2Open acquisition and lower near-term price rises ahead of a new pricing structure.

In the Defensives Group, pair trades in NextDC (ASX: NXT +13%) vs Goodman Group (ASX: GMG -2%) and Origin Energy (ASX: ORG +9%) vs AGL Energy (ASX: AGL -13%) negatively impacted the portfolio. Origin Energy has received a tail wind from the valuation of its stake in the Kraken technology platform, while its energy markets business performed slightly better than AGL with better generation availability in the second half of 2025. Goodman Group was largely in line with expectations, but NextDC rose sharply after announcing a new equity partnership model for data centre rollouts that was well received. The need for NextDC to continually raise capital was a core part of the relative thesis, and hence that position has been closed.

In the Resources Group, Mineral Resources (ASX: MIN +31%) was a negative as it continued to bounce along with all the lithium names, as licensing issues in some of China's lepidolite mines drove a big squeeze across the complex, while a long position in Pilbara Minerals (ASX: PLS +54%) offset part of the move. Another long position in Iluka Resources (ASX: ILU +23%) was also positive as the US government effectively set a floor price for rare earths, while a hedge in Lynas (ASX: LYC +32%) partly offset this.

Across the Domestic Cyclical Group, Eagers Automatic was underweight (ASX: APE +41%) and a long position in Domino's (ASX: DMP -17%) were the main negatives. Eagers was strong as the company hinted that gross margins had bottomed and that the order book for new car sales remained strong, although the stock has now seen a significant expansion in its valuation multiples. Domino's talked to right sizing the business with store closures and cutting costs, but with a lack of top line sales momentum early in the new year, the market was in no mood to listen. Positive contributors included a long position in Qantas (ASX: QAN +8%) which reported strong results, and Ampol (ASX: ALD +9%) which also benefitted from acquiring EG Group's fuel distribution network.

The Australian economy appears to be picking up, with interest rate and tax cuts flowing through to credit growth and spending. The US economy however is harder to read given the gyrations in trade, without the spend on AI and data centres it seems more likely to be heading towards stagflation. The market focus on earnings quality without regard for valuations has been dominating, but is unlikely to persist indefinitely. Sage Capital believes some unloved stocks with manageable issues and reasonable cash generation will prove worthwhile investments over the medium term. New investment opportunities are emerging with the improving domestic economic picture with plenty of funding opportunities in overcrowded trades. Many of the portfolio's core positions are performing well and continue to be held with high conviction.

Market Review

The S&P/ASX 200 Accumulation Index returned 3.10% in August. It was also a big month for smaller companies, with the ASX Small Ords up over 8% while the ASX/S&P 50 was up only 2%, one of the largest gaps on record. Thematically, growth stocks were under pressure as the market began to question whether AI was as much a threat as an opportunity for software companies.

Australian retail stocks moved higher, particularly the smaller ones left behind in the march of Wesfarmers and JB Hi-fi. Several blue chip ASX stocks saw heavy falls during the recent reporting season, among them CSL, Woolworths and James Hardie. In commodities, lithium stocks rallied while US policy changes continue to lead to large gyrations with rare earth miners up. The gold price found new highs at the end of month supported by growing concerns over political interference with the US Federal Reserve.

In terms of the Sage Groups, strongest benchmark performance came from Gold (+20%), REITs (+9%), Resources (+8%) and Domestic Cyclical (+7%), while Growth was largely flat and Global Cyclical (-2%) and Defensives (-4%) were both negative, weighed down by weak results from James Hardie, Reece, CSL and Woolworths.

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 Cyclical, Global Cyclical, 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.

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