SAGE CAPITAL

CC Sage Capital Absolute Return Fund (APIR: CHN5843AU)

Class A

August 2026

Fund Performance

Returns[1]	1 month	3 months	CYTD	1 year	3 years p.a.	5 years p.a.	7 years p.a.	Since inception p.a. (20-Aug-2019)
Fund Net Return	3.44%	5.79%	-0.85%	-0.27%	2.16%	3.99%	5.82%	5.83%
Benchmark Return[2]	0.37%	1.13%	2.77%	4.03%	4.20%	3.26%	2.40%	2.39%
Active Return (After fees)	**3.07%**	**4.66%**	**-3.62%**	**-4.30%**	**-2.04%**	**0.73%**	**3.42%**	**3.44%**

About Sage Capital

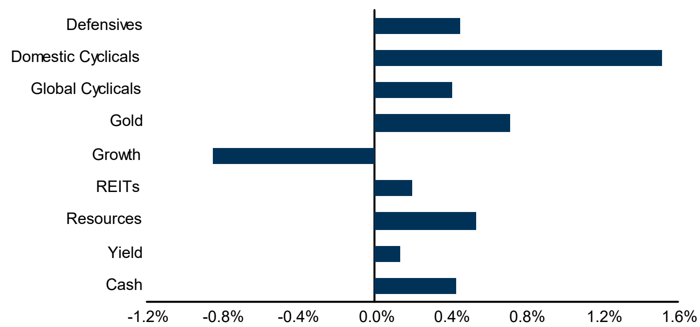
As an Australian equities long short manager, Sage Capital views the market through eight unique Sage Groups enabling the team to focus on individual stock drivers and hedge systematic market risks. This style and cycle neutral investment process is designed to deliver consistent returns regardless of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

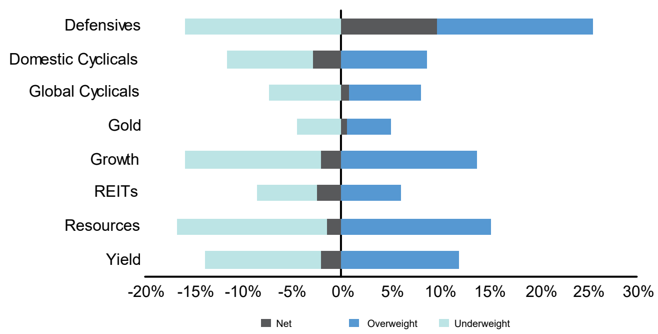
Contributors to Fund Performance*



Fund Facts

Investment Style	An Australian equity market neutral long short strategy
Net Asset Value	A$154m [3]
Inception Date	20-Aug-2019
Benchmark	RBA Cash Rate Total Return Index
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	95%
Short Exposure	-94%
Gross Exposure	189%
Net Exposure	0%
Number of Long Positions	57
Number of Short Positions	65
Since Inception	
Sharpe Ratio [6]	0.8
Volatility [6]	6.7%
Maximum monthly drawdown	-11.7%

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 Capital Absolute Return Fund returned 3.44% in August versus the RBA Cash Rate of 0.37%, an active return of 3.07%.

August was a strong month for the Sage Capital portfolios. Seven of the eight Sage Groups contributed positively for the month in a market where stock dispersion was high, but overall reactions were more rational.
This reporting season has been much more volatile than earlier in the year, so going into August Sage Capital compressed the size of some active positions, particularly in higher-risk stocks, to account for the step-up in volatility. This helped keep portfolio risk closer to target levels and positioned the team to rebuild exposure post reporting season, initiate some new positions and take advantage of excessive stock price reactions.

Domestic Cyclicals lead performance

The Domestic Cyclicals group was the largest positive contributor to performance driven by a range of short positions in discretionary retail names. Most companies delivered strong results, but across the board outlook statements were cautious with many retailers experiencing a decline in sales and higher input costs. This drove some earnings downgrades for next year as fears of further interest rate hikes and falling housing prices kept stocks under pressure. A long position in Ampol (ASX: ALD +8%) was also a positive contributor with the June half confirming the ongoing strength in refining margins and further synergies to come from the EG Australia retail site acquisition.

Gold outperforms across key long positions

The Gold group was another strong contributor to performance driven by a long position in Evolution Mining (ASX: EVN +32%) which delivered a strong result and offers a compelling mix of copper exposure, an attractive growth pipeline and a management team with a strong track record of delivery. Gold performance was also boosted by a long position in Genesis Minerals (ASX: GMD, +44%). The company is finalising its strategic merger with Vault Minerals (ASX: VAU, +40%), a transaction driven by clear operational synergies that will transform the combined group into a standout mid-cap Australian gold producer with significant scale and growth.

Strong contributors across Resources

The resources group was another positive contributor to performance as we saw some high stock price dispersion between the winners and losers. Notable positive contributors included a long position in Iluka Resources Limited (ASX: ILU +14%), which reported strong results and signalled a recovery in mineral sands pricing after a few tough halves. Iluka has been making progress with its rare earths facility at Eneabba and announced its first offtake in July. Sage Capital continues to see the upside and believes the market is overly discounting its rare earths story. Although it did not report during the month, the second biggest contributor to performance was a long position in Capstone Copper (ASX: CSC +19%). The company printed a clean quarterly result on the last day of July and is one of the few pure copper exposures left on the ASX, and the only one with significant growth options.

Growth exposure detracts this month

On the negative side, the Growth group was the only detractor during the month driven by a long position in Life360 (ASX: 360 -21%). Despite beating its first half results across most key lines, the stock fell when management reiterated rather than upgraded full year revenue guidance. The guidance implies the second half of 2026 will be skewed to growth in monthly active users and a seasonally stronger fourth quarter. While the market remains sceptical of the outlook, Sage Capital believes it is achievable and took the opportunity to top up its existing position after reducing active exposure heading into the result.

^ Sage Groups: Sage Capital uses a custom grouping system for long and 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 complement traditional GICS sectors when comparing and selecting stocks within a sector.

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Market Review

August saw a return of +1.5% for the S&P/ASX 200 Accumulation Index, although this concealed the widest dispersion Sage Capital has seen in some time. The 10 largest stocks in the index fell 2.2% while the rest of the index rose 5.2%. The performance differential between the best and worst Sage Groups, Gold and Domestic Cyclicals, was 37%. Reporting-day price action heavily favoured beaten-down stocks. Out of the 37 companies that surged over 5% on their result date, 20 had entered reporting season trading more than 20% below their 12-month highs. CSL (ASX: CSL) was the prime example of this trend, jumping +17% on its report date and gaining +39% over the month.

Domestically, the damage from the recent three interest rate rises and the budget tax changes became clearer. Commonwealth Bank of Australia (ASX: CBA -10% or -8% ex-div) fell despite an in-line result after revealing that home loan applications were down 15% since May, with the investor segment hit particularly hard, down 28%. The May budget changes limited negative gearing to new properties and replaced the capital gains discount with indexation from July 2027, which has seen investors drop out of the market. This triggered broader selling across the banks and helped drag the Yield Group down 6% for the month, which unwound July's positioning-driven bank rally. The readthrough to the consumer also became more obvious. The Domestic Cyclicals group fell 7%, driven more by concerns around the macroeconomic outlook than by earnings results themselves. Outlook statements and sales updates were consistently weaker than the printed results, pointing to a decline in housing turnover and a negative housing wealth effect as drivers of a slowdown. Similarly to the banks, the interest rate relief the market baked in after the soft June quarter inflation print quickly reversed.

Offshore, gold was the dominant theme, rebounding 6.5% in Australian dollar terms as softer US inflation and employment prints early in the month pushed out expectations for further US Federal Reserve (US Fed) tightening. More interesting than the precious metal itself was the equity response, with gold stocks up nearly 30%, close to five times the move in the gold price. The tone then shifted late in the month. US inflation data turned hotter and US Fed Chair Kevin Warsh's Jackson Hole address struck a more hawkish tone than the market had positioned for. Sage Capital believes the market is right to take it seriously.

Hyperscaler capital expenditure is now running ahead of the cash flow that funds it, with only Microsoft still generating free cash after capex, so the largest companies in the world have become net borrowers at the same time as the US government is running record deficits. This is keeping upward pressure on both interest rates and inflation which is a key driver for the US dollar, gold and commodities more broadly.

Fund Disclosures

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

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.