
*Suitable for wholesale/sophisticated investors*

## SouthPeak

### about us

specialist volatility manager providing alpha and protection

we aim to deliver persistent outperformance with low correlation to bonds and equities

## Australian Equity Fund

### goal

**consistent alpha on top of equities in 'normal' years**

**greater outperformance in large equity falls**

### how

harvest differentiated alpha from strategies that we believe are attractive and sustainable

risk manage the alpha strategies and include cost-effective tail protection, aiming to provide stronger alpha in large equity falls

## why invest in the SouthPeak Australian Equity Fund?

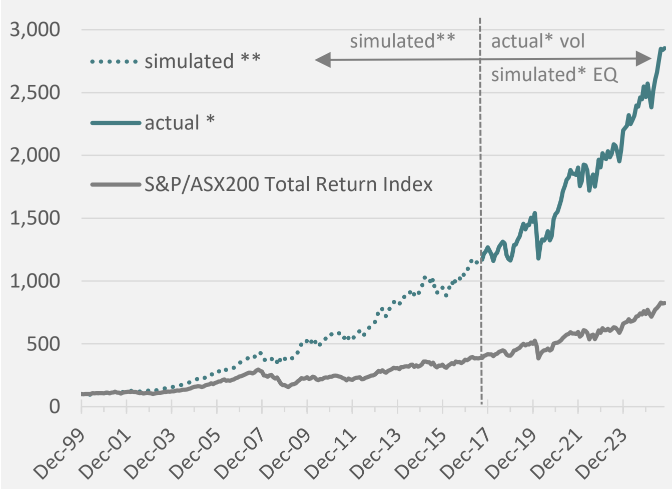
designed for investors seeking **consistent alpha** on top of Australian equities with **lower drawdowns**, **lower sequencing risk** and **greater compounding benefits**

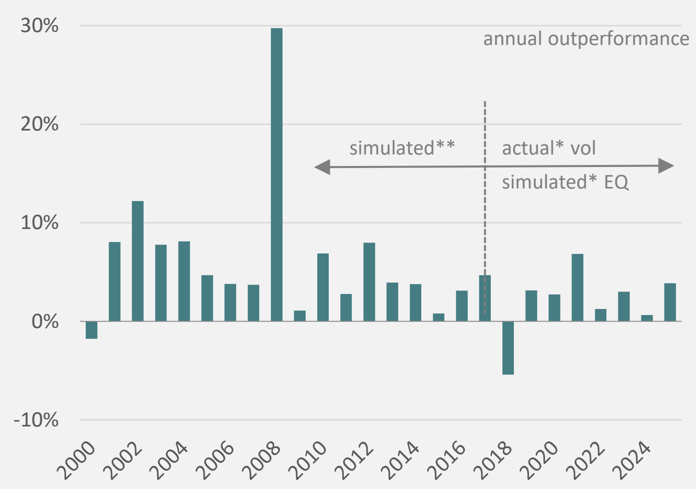
a different approach for investors who may be concerned about equity market risk but want to retain growth asset returns

## SouthPeak experience

## strategies used since late 2017

*actual* and simulated** performance of the strategies in the SouthPeak Australian Equity Fund ('SAEF')*




| | 3 months | 1 year | 3 years | 5 years | **since Oct 2017*** | since Jan 2000** |
|---|---|---|---|---|---|---|
| SAEF* | 3.7% | 16.6% | 15.4% p.a. | 16.1% p.a. | **11.7% p.a.** | 13.9% p.a. |
| Information Ratio* | 8.4 | 1.8 | 1.1 | 1.5 | **0.4** | 0.7 |
| S&P/ASX 200 | 2.7% | 12.5% | 13.1% p.a. | 12.6% p.a. | **9.8% p.a.** | 8.5% p.a. |

**See important information on the next page. Strategy returns from Oct 2017 are estimated from the actual returns of the SAEF's strategies in SouthPeak's real diversification fund (8-16%) together with equity index total returns. Fund returns are in AUD and net of fees and expenses. Returns are estimated, unaudited and subject to adjustment. **Returns prior to Oct 2017 are simulated, in AUD, **net of fees and expenses**. Equities returns are S&P/ASX200 Total Return, AS51T Index. Past performance is not an indicator of future performance. Source: Bloomberg, SouthPeak.*

## our investment approach

## differentiated, defensive, systematic

SouthPeak seeks to harvest attractive and differentiated returns from global volatility markets using a proprietary systematic approach that has been used and refined over more than a decade.

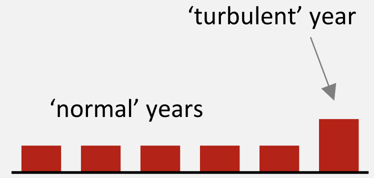
We use the tail-wind provided by the volatility risk premium (akin to selling insurance) to drive returns in 'normal' market conditions.

We then incorporate dynamic risk management and dedicated protection strategies, so the portfolio becomes more defensive when markets become 'turbulent'.

This combination aims to deliver consistent positive returns and strong performance in large equity shocks.

**target outperformance profile**

consistent positive returns with strong performance in large equity falls




### why use volatility for outperformance?

### we believe **predictability** and **sustainability** are paramount to generating consistent returns

## role in portfolios

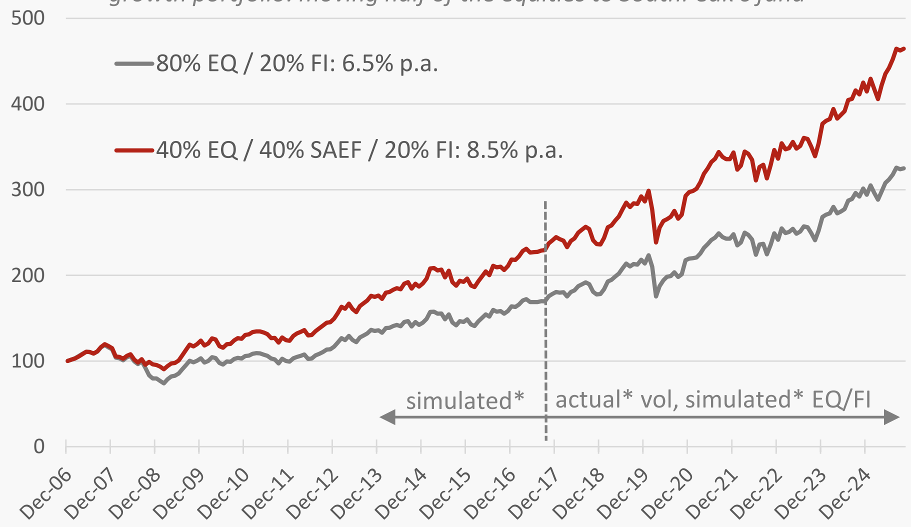
The aim of adding volatility strategies to growth assets is to create an investment with stronger expected returns while increasing defensiveness.

To illustrate, the graph compares a growth portfolio of Australian equities and bonds to a portfolio that moves half of its equities to the approach used in the SouthPeak Australian Equity Fund.

Over the period examined, incorporating the SouthPeak approach would have resulted in better performance in large equity falls (2008, 1Q2020, mid 2022, 2Q2025) while also earning higher returns over the whole period.

*For further information see* *https://www.southpeakim.com/insights*

*growth portfolio: moving half of the equities to SouthPeak's fund*




*Equity returns are the S&P/ASX 200 Total Return Index, AS51T Index. Bond returns are the Bloomberg AusBond Composite 0+ Yr Index, BACMO Index. SouthPeak returns are simulated until Sep 2017, and from Oct 2017 are estimated from the actual returns of the fund's strategies in SouthPeak's funds together with equity index returns. More information is on the previous page. Past performance is not an indicator of future performance. See important information below. Source: Bloomberg, SouthPeak.*



### Contact us

Level 21, 25 Bligh Street, Sydney NSW 2000, Australia

t: +61 2 8071 4321 | invest@southpeakim.com | www.southpeakim.com

SouthPeak
INVESTMENT MANAGEMENT