

Fund Performance

Returns ¹	1 month	3 months	6 months	CYTD	FYTD	1 year	3 years p.a.	Since inception p.a. (20-Aug-2019)
Fund Net Return	-2.81%	0.76%	3.20%	8.08%	-0.84%	8.11%	11.54%	10.81%
Benchmark Return ²	0.23%	0.63%	0.94%	0.98%	0.88%	0.98%	0.44%	0.48%
Active Return (After fees)	-3.04%	0.13%	2.26%	7.10%	-1.72%	7.13%	11.10%	10.33%

About Sage Capital

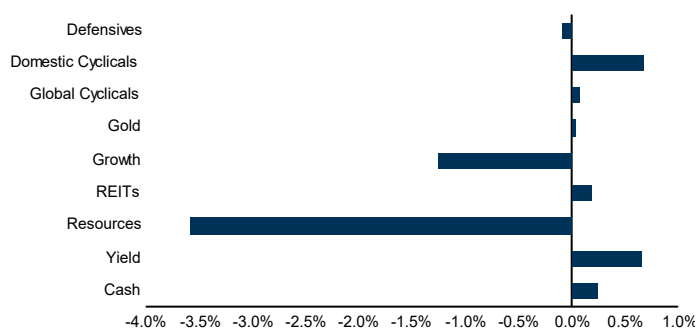
As an Australian equities long short manager, Sage Capital views the market through eight unique Sage Groups enabling the team to focus on individual stock drivers and hedge systematic market risks. This style and cycle neutral investment process is designed to deliver consistent returns regardless of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

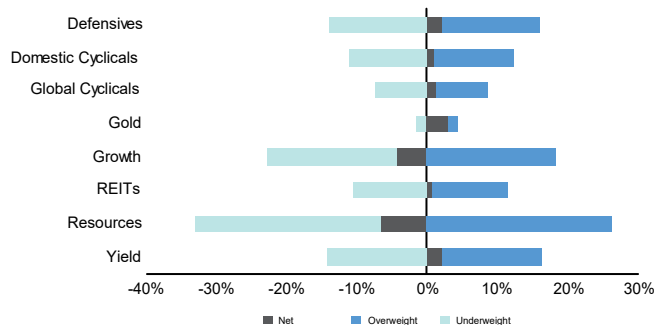
Contributors to Fund Performance*



Fund Facts

Investment Style	An Australian equity market neutral long short strategy
Net Asset Value	\$484.1 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	115%
Short exposure	-115%
Gross exposure	230%
Net exposure	-1%
Number of long positions	53
Number of short positions	80
Since Inception	

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. 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.

Performance Review

The CC Sage Capital Absolute Return Fund returned -2.81% in November versus the RBA Cash Rate of 0.23%.

The Domestic Cyclical and Yield Sage Groups* were the strongest contributors with the Resources and Growth Sage Groups being detractors. Domestic Cyclical was driven by a broad range of long and short positions including short positions in consumer discretionary stocks Premier Investments (ASX: PMV +1%) and Eagers Automotive (ASX: APE -1%). Yield was driven by short positions in National Australia Bank (ASX: NAB 0%), Westpac Banking Corporation (ASX: WBC +1%) and Commonwealth Bank of Australia (ASX: CBA +3%) as bank stocks lagged the market as bond yields fell and a long position in Computershare (ASX: CPU +10%) which upgraded profit guidance at its AGM due to higher than expected margin income from rapidly rising global interest rates.

The key negative contributor was the Resources Sage Group. Key drivers were short positions in iron ore related stocks, Fortescue Metals (ASX: FMG +32%), BHP Group (ASX: BHP +22%) and Rio Tinto (ASX: RIO +24%) which rose on the back of a rally in the iron ore price on news of government support for the Chinese property market and post-Covid reopening expectations. Long positions in lithium stocks Allkem (ASX: AKE -5%) and Pilbara Minerals (ASX: PLS -8%) also detracted as investors became increasingly concerned about the sustainability of high lithium prices. In the Growth Sage Group, detractors were long positions in Aristocrat Leisure (ASX: ALL -5%) which reported a solid result but gave softer than expected guidance on digital revenue growth and James Hardie Industries (ASX: JHX -14%) which fell on fears of a sharp US housing slowdown.

Market Review

The S&P/ASX 200 Accumulation Index rose 6.58% in November with all Sage Groups being positive as investor sentiment improved in anticipation of a slowdown in the pace of rate rises with inflation peaking and China issuing earlier than expected policy responses regarding reopening and property support measures. Gold and Resources were the strongest Sage Groups with Yield being the weakest. Gold stocks rallied on the back of a higher gold price driven by lower real yields and a fall in the US Dollar Index and resource stocks were driven primarily by strength in the iron ore price which rose 23% on the back of the Chinese policy announcements. The Yield Sage Group was the weakest as bond yields fell which impacts the short-term earnings of stocks in this group.

Portfolio Positioning and Market Outlook

Headline inflation appears to be close to a peak and central banks have flagged the pace of rate rises will slow from here which has driven positive sentiment in equity and bond markets. There are conflicting forces around inflation though with goods inflation falling rapidly while tight labour markets and strong wages growth is keeping services inflation elevated. This presents a challenge for central banks and markets because even though we are approaching the terminal cash rate, policy will likely need to remain restrictive for some time until slack emerges in labour markets. A recession will be hard to avoid and the downside risks to earnings are not currently being priced by equity markets.

Domestically we are yet to see a significant impact from rate rises in economic activity and consumer spending and unemployment is the lowest since the 1970s. Sage Capital expects retailers to enjoy another strong Christmas, however the roll off cheap fixed rate mortgages, increased variable rate mortgage payments and higher cost of living pressures will become increasingly evident as 2023 unfolds.

Recent market exuberance around a US Federal Reserve rate pause or pivot will likely be replaced by concerns around corporate profits as weakening demand and wage rises, which tend to lag inflation, flow through and hit company profit margins.

On the resources front, despite recent market excitement on news regarding China reopening and policy actions to support the Chinese property market we remain cautious on iron ore. Regardless of pent-up demand from lockdowns, Sage Capital believes the upside is capped and the large miners share prices have overshot fundamentals as China is still heavily exposed to the global manufacturing cycle which will be the main point of weakness to help normalise inflation. The market is understandably cautious on the oil price with the bond market signalling a US recession, but this is possibly the point of greatest leverage to a China reopening with increased mobility and travel. Sage Capital remains constructive on the broader energy complex as a combination of underinvestment and tight European supplies keep prices elevated.

Overall, Sage Capital continues to focus on individual company earnings to drive stock selection and maintain low net exposure to the Sage Groups to limit exposure to unpredictable macro risks. The portfolio is as always, well diversified, liquid and positioned to weather the myriad of unknowns.

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.



CC Sage Capital Absolute Return Fund (APIR: CHN5843AU)

November 2022

Class A

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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