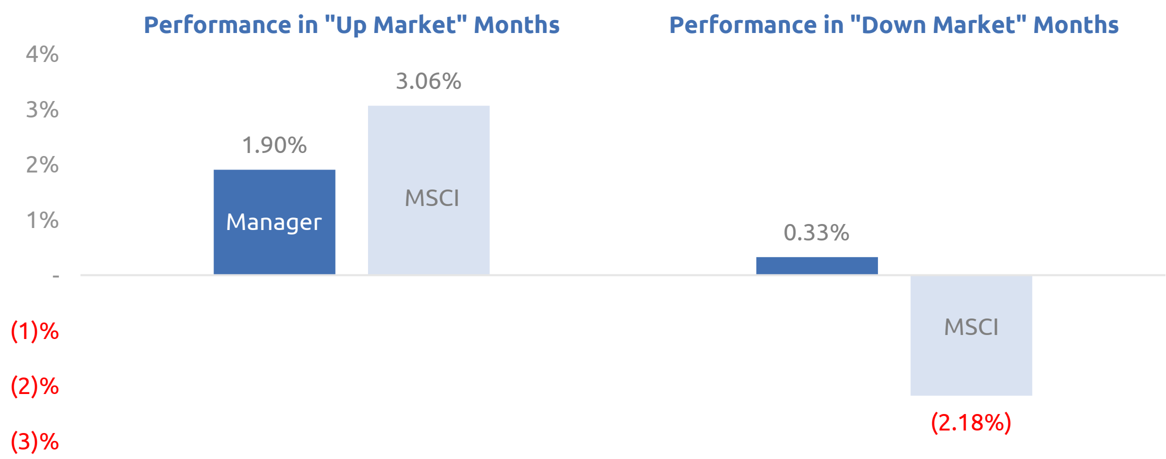
STRATEGY PERFORMANCE (%, NET)[1]

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Fund	Index
2015	+0.1	-0.3	+0.0	+0.7	+2.1	-1.4	+2.0	-0.2	+1.5	+1.7	-0.2	-0.9	+5.1	+9.8
2016	+0.0	+0.0	+2.9	+2.3	+11.8	-3.6	+5.3	-6.8	+0.6	+2.3	-3.5	-2.5	+7.7	+8.4
2017	+1.9	-2.6	-1.0	+3.5	+2.2	+3.5	+1.7	+3.0	+2.4	+9.5	+4.1	-1.1	+30.3	+14.8
2018	+6.5	-2.1	-0.7	+0.6	+9.1	+3.2	+5.6	+2.9	--	--	--	--	+27.4	+11.8
2019	--	--	--	--	--	--	--	--	+1.1	+0.8	+0.1	-1.6	+0.5	+6.6
2020	-1.3	-0.3	-5.2	+2.4	+7.9	+3.0	+9.5	+3.5	-1.4	-1.4	+4.8	+2.0	+25.2	+5.9
2021	+4.5	+6.9	+1.2	+3.0	-1.5	-0.7	-1.4	+2.6	+3.1	-0.6	-4.6	-0.4	+12.2	+25.8
2022	-4.1	-1.7	+1.5	+0.5	-2.0	-3.5	+1.4	+4.4	+5.8	+0.7	-0.4	-1.3	+0.8	-12.5
2023	+1.7												+1.7	+3.1

	Fund	Index
Since Inception	+172.3	+95.8
Strategy p.a.	+15.2	+10.0
Geometrica p.a.	+11.4	+7.5

2015 – 2018: CVF (same portfolio managers and strategy)
2019 onwards: Geometrica.

STRATEGY PERFORMANCE ASYMMETRY



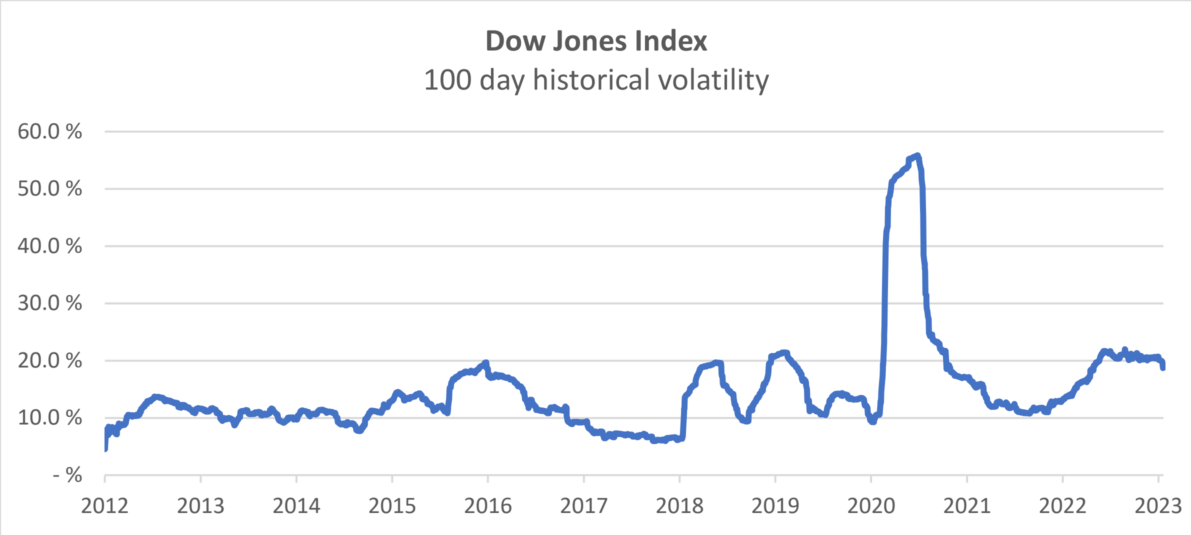
Source: Mainstream, ASX Announcements, Geometrica and Bloomberg. Performance is after all fees, from Jan 2015 (excluding the period of Sep 2018 – Aug 2019; Manager left CVF in Aug 2018 and began Geometrica in Sept 2019). MSCI = MSCI ACWI (AUD).

OVERVIEW

The Fund returned 1.7% after costs in the month of January 2023[1]. This compares to the MSCI All Countries World Index (AUD) which returned 3.1%.

For much of 2022 and now into 2023 equity markets have traded with a degree of price volatility that is higher than what most of us have been used to over the last decade (with the exception of 2020's covid onslaught).

[1] *Performance is after all fees, Founder Lead Series units.*



Source: Bloomberg, Geometrica

The driver of heightened volatility has been a process of ongoing recalibration of market expectations around the question of inflation and how high various central banks will be prepared to take policy interest rates in order to drive inflation back to their targeted levels. The expectations changes have at times been sharp, resulting in violent short term price action.

Recent months have been no different. The Index[2] was down -5.1% in December 2022 then up +3.1% in January 2023.

Our approach continues unchanged. Rather than attempt to play a monthly market game, we continue to be laser focused on finding and investing in stocks where we can quantify market expectations as being **materially** out of sync with underlying evidence which offer attractive valuation upside. These situations tend to offer asymmetric opportunity, precisely because they are non-consensus.

We won't get them all right and our returns will definitely not mimic index returns because by definition we aren't copying an index. But sticking with our process should hold us in good stead and give us an excellent shot at outperforming, as has historically been the case to date.

PORTFOLIO

Our position in **First Solar** (FSLR.US, mkt cap US$17.9bn) advanced +14% during the month and was a material contributor.

First Solar is unique as the USA's only vertically integrated solar manufacturer, employing a highly differentiated technology. We are banging the table on this situation because we see material earnings and share price upside ahead over the next few years which is not reflected in the share price.

[2] MSCI All Countries World Index (AUD)

Three separate pieces of regulation now protect US domestic integrated solar manufacturers from predatory competition.

It is very unlikely another US integrated manufacturer emerges because the integrated capital costs in a standard photovoltaic solar cell processing route are high and there is a history of stranded capital in the US polysilicon industry that serves as a significant deterrent for polysilicon based green field capital commitments.

What this means is that First Solar will be lower on the US domestic integrated cost curve than all their competition. We should get more disclosure on the company's plans and views on medium term margins in March when they next report earnings.

A detractor from performance for January was a position we hold in **Daiichi Sankyo** (4568.JT, mkt cap US$60bn), which fell -21% after reporting earnings that missed expectations, partially due to higher research and development spend.

We first entered the stock after an earnings miss back in 2021. The company has developed a ground-breaking suite of ADCs (anti-body drug conjugates) used in cancer treatment, with the first (Enhertu) becoming a block buster drug. We are excited by the ongoing heavy slate of very late-stage trials which to date continue to expand indications and thus future earnings for Ehertu and now several other new ADCs the company is bringing to market.

Netflix (NFLX.US, mkt cap US$161bn) advanced +17.9% during January. The current share price recovery in many ways resembles Netflix's prior Qwikster debacle of 2011-2012, when Netflix cut its service offering at the same time as it raised prices. Customers were less than thrilled and deserted in droves, sending the stock price into a downward spiral. Management ultimately recalibrated, won users back and the share price recovered, but not without some volatility along the way. That was when Netflix was a $40 stock.

This time around Netflix's share price plunge conformed to a pattern. Netflix unquestionably over-earned during Covid.

Then came the painful reset, with the stock declining around 70% from $700/share to $200/share as subscriber numbers, revenue and earnings all missed lofty market expectations. We think this is a classic case of the market being "…*a device for transferring money from the impatient to the patient*"[3].

There is low hanging fruit at Netflix. The lost subscribers didn't go to a competitor; almost every competitor we've reviewed around the time when Netflix lost its subscribers also lost subscribers, who anecdotally stopped watching TV and went back to work and school.

Netflix has a large base of users who pay nothing because they've "borrowed" a username and password from someone who lives in a different location.

[3] Warren Buffett

If Netflix encourage the password "borrowers" to legitimately join and they don't, no loss. If a small fraction join Netflix, it will translate into a meaningful gain in subscribers and revenues for Netflix.

The password "borrowers" don't even have to pay full freight; they can join the new Netflix advertising-based plan. We note that advertising trends are weak right now, as called out in recent earnings calls by the likes of Google, but in this new venture NFLX is coming from zero, so it's all upside.

Our position in **Chipotle** (CMG.US, mkt cap US$47bn) advanced 15.6% during January. We first invested in the company back in 2017 when it was in the throes of a rhinovirus and e.coli food safety crisis which saw revenues plummet. Back then we made our investment after studying multiple analogues in the industry.

The business is immature in the sense that it has a long runway of rollout growth, but also we think multiple avenues of business model development.

Whilst we are sceptical of Chipotle's ability to come up with another concept of significance or even take Chipotle Grill's offshore in any material way, deep and narrow works just fine because Chipotle has some of the best QSR (quick service restaurant) industry unit economics we've ever seen.

Whenever Chipotle's share price takes a decent tumble, we take a look because commensurate with the unit economics comes amazing returns on investment every time they open another store.

Thungela Resources (TGA.LN, mkt cap £1.5bn) was a tax on performance in January with the stock falling -25.7% in a month. Thungela operates in South Africa which comes with its own unique challenges.

South African based mining operators were *really cheap* when we invested, in part due to legacy issues, but in part due to rail and port issues which constrained the company from selling their wares at very high international prices.

Thungela has a significant rail and port allocation. Unfortunately, Thungela and other operators experienced operational challenges in accessing those higher offshore prices, in part for reasons we have seen before in African mining companies. We chose to exit. We are reminded that emerging markets carry additional risks that make developed markets our preferred focus.

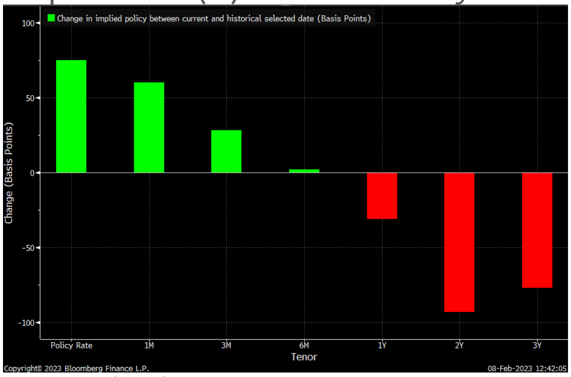
In closing

We see two dynamics at work as we look forward into 2023 which will have important implications for portfolio positioning during the year. The first one is negative and the second positive.

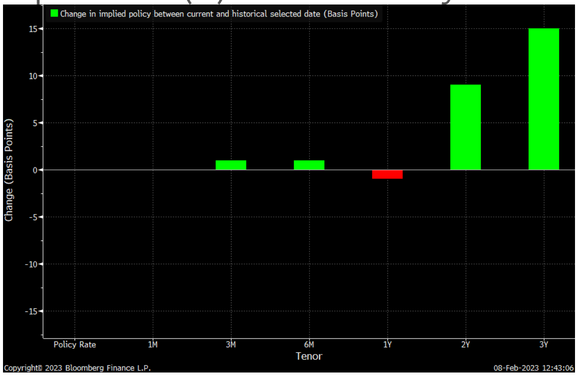
#1: It is unlikely that the US Federal Reserve can kill inflation without injuring consumption and employment. US unemployment is the lowest it has been in over 50 years. In the US, we see tangible evidence that earnings risks for some companies is rapidly increasing.

#2: Once the signs are in place that inflation (and especially services inflation) is rolling over, rate cuts are likely to be on the menu and that's a positive for market valuation, which has compressed significantly over the last year. In the case of the USA, markets are already starting to price rate cuts in (unlike, say, Japan; see below).

USA: Change in market policy rate expectations (%) over the next 3 years



Japan: Change in market policy rate expectations (%) over the next 3 years



Source: Bloomberg

But #2 has as condition precedent #1. You cannot get to #2 without first dealing with #1, because the Fed won't be cutting rates unless employment and demand conditions ease and ease appreciably.

So, this makes for great opportunities on both the short and long sides of evidence based stock picking, now and through the year.

We can see some sectors are pricing in the recovery before the downturn, and others are already pricing in a downturn with no recovery.

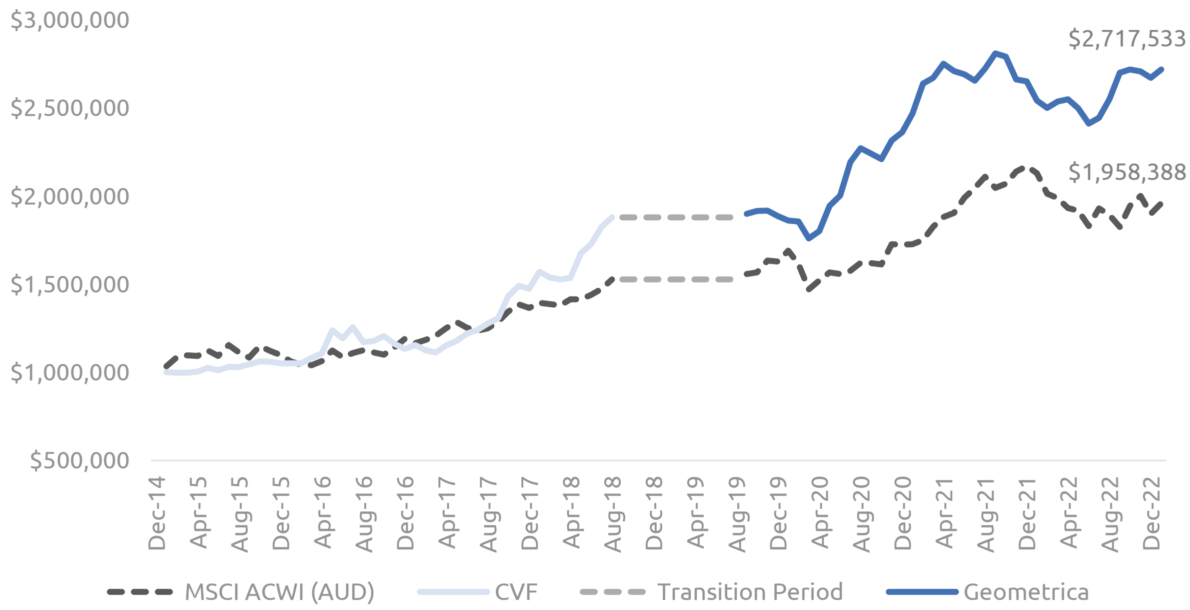
This is creating a very granular and rich opportunity set for us to harvest from as we continue to refine our portfolio on both the long and short side.

The days of stocks, sectors and markets marching relentlessly upwards on low to no volatility are we think probably over. 2023 should be a great year to be a stock picker.

As ever, we feel privileged that you have joined us for the journey.

For any investor wanting to catch up with us directly, please email us at Team@GeometricaFund.com

MANAGER PERFORMANCE HISTORY[4]



31 Jan 2023	Strategy inception pa	Geometrica inception pa	CYTD	1 year	6 months	3 months	1 month
Founder[5]	+15.19%	+11.44%	+1.74%	+6.88%	+11.18%	0.00%	+1.74%

* Manager left CVF in Sept 2018 and began Geometrica in Sept 2019 NB: Performance period is from 5 Jan 2015. Performance is net of all fees.

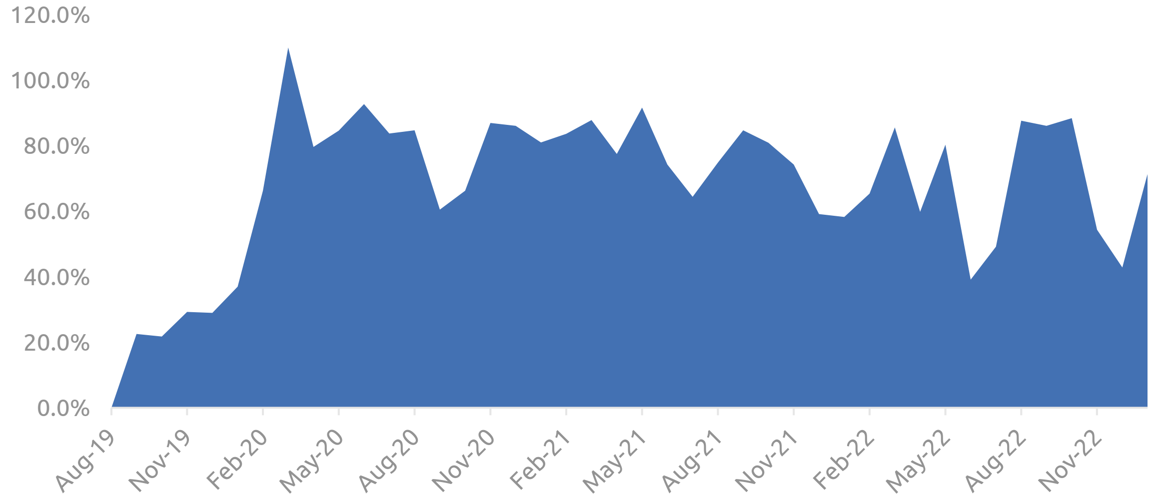
ASSET ALLOCATION

Country	Long	Short	Gross	Net
Australia	12.7%	(3.8)%	16.5%	8.9%
Americas	28.3%	(11.2)%	39.5%	17.0%
Asia	10.5%	0.0%	10.5%	10.5%
Europe	3.6%	(1.4)%	5.0%	2.2%
Total	55.0%	(16.4)%	71.4%	38.7%

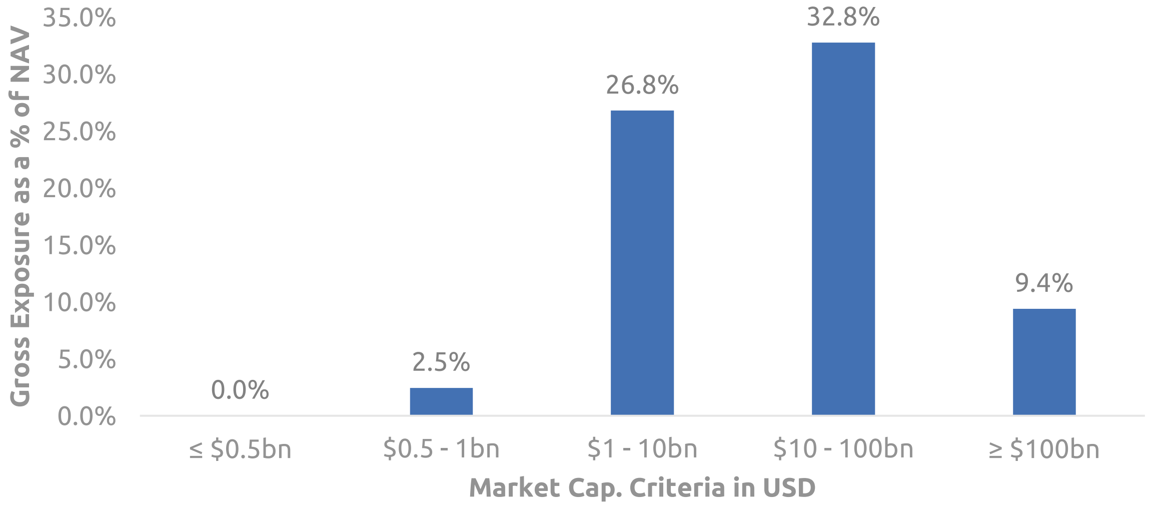
[4] Manager left CVF in September 2018 and began Geometrica in September 2019. Performance period is from 5 January 2015. Performance is net of all fees.

[5] Founders Class units – Lead Series. Small variations will occur between unit classes and series based on differences in timing and terms. Source: Mainstream Fund Services, the Fund's external administrator and calculation agent.

GROSS EXPOSURE



GROSS EXPOSURE BY MARKET CAPITALISATION



FUND OVERVIEW (ALPHA UNITS)

Fund	Geometrica Fund
Structure	Wholesale unit trust
Mandate	Global long short Mid-cap focus
Gross exposure range	0 - 200%
Net exposure range	up to 100%
Single stock long limit	15% at cost
Single stock short limit	5% at cost
Buy / Sell Spread	Nil / 0.25%
Investor Eligibility	Wholesale only
Platforms	Ausmaq, Hub24, Powerwrap
Fees	1.5% management (+GST) 20% performance (+GST)
Benchmark	RBA Cash Rate
High water mark	Yes
Liquidity	Monthly
Administration & custody	Mainstream Fund Services