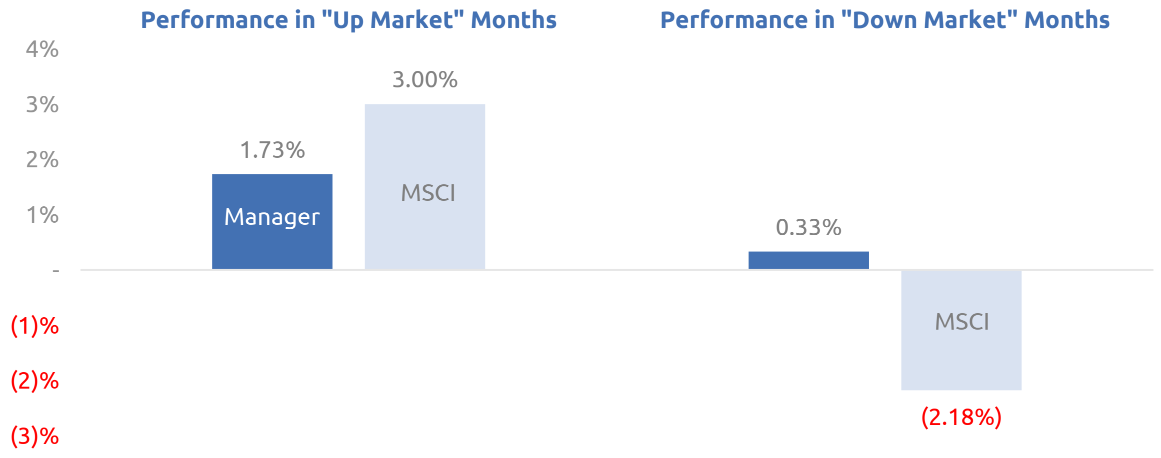
STRATEGY PERFORMANCE (%, NET)[1]

	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	-1.5	+2.4	-2.7	+1.2	+0.8							+1.8	+15.3
										Since Inception			+171.8	+120.4
										Geometrica p.a			+10.1	+10.1
										Strategy p.a.			+14.3	+11.1

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 Geometrica Fund returned **+0.8%** after costs in the month of June 2023.

For the financial year ended 30 June 2023, the fund returned **+12.8%,** which was achieved on an average net exposure of **+29.5%**.

Our three-year compound return is **+10.7% per annum net of all costs**.

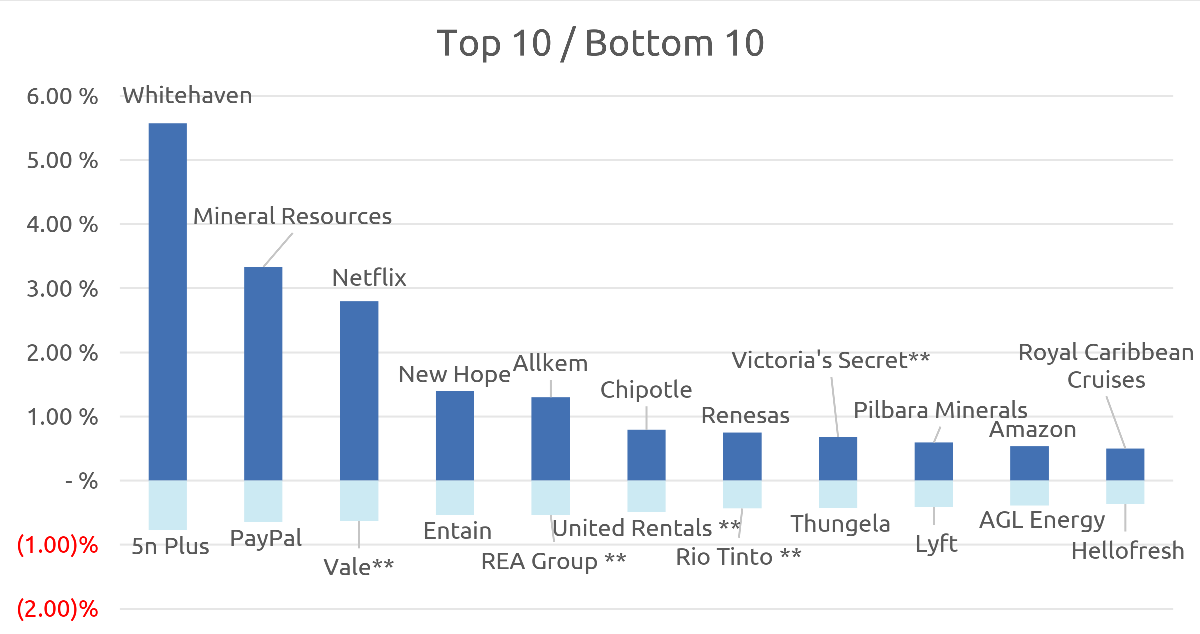
[1] *Performance is after all fees, Founder Lead Series units.*

For the month of June, the largest positive contributors to performance were Royal Caribbean Cruises, Netflix and Renesas, whilst detractors from performance in June included positions in Entain and First Solar.

At the end of June, net exposure sat at 57% up from 53% in May, largely driven by a reduction in short exposure and some new longs.

FINANCIAL YEAR 2023

If we had to summarise as to what we got right and wrong in fiscal 2023, it would distil into good return asymmetry on the capital deployed as shown below, but we wish we had deployed more of it.



Source: Apex Fund Services, Geometrica. ** denotes a short position.

A necessary precursor for improvement in any process is to identify – and own – errors. To paraphrase George Soros "…*there is no shame in being wrong, only in failing to correct our mistakes.*"

When we say we wish we'd deployed more capital in fiscal 2023, this is solely through the lens of our stock selection process. In our framework, capital is a valuable resource to be deployed only in situations where assessed upside risk is significantly greater than downside risk.

In calendar 2022, equity market multiples compressed as inflationary expectations rose. Despite markets being down significantly, we managed to eke out a gain by restricting our attention to only the most dislocated situations.

In retrospect, we left these settings on a tad too long and in 2023 we constrained our stock picking process by looking through the lens of macroeconomics a little too much.

As evidenced by our stock-level asymmetry our process works, and has done so consistently over many years, we just need to do more of it.

Geometrica is a bit over 3 years old. Our three-year compound average return, which captures the madness of covid's onset, recovery, and great inflation, is +10.7% per annum.

Over a ~7-year stack (i.e. since strategy inception) it is +14.3% p.a.

+14.3% p.a. might not sound that exciting…but if that sort of return is replicable over long periods of time, capital will double in ~5 years and 4x in ~10 years.

A FOCUS ON RETURN ASYMMETRY

Whenever we assess a potential investment, we focus on sticking to two simple tenets:

#1: Do not lose money.

#2: Do not deploy capital unless the assessed upside is much greater than the assessed downside risk.

We will not be successful every time we invest, but if we stick to these rules and actively manage risk, we should be able to **compound capital at high rates of return through time**.

On this journey, risk management matters. Avoiding large drawdowns is critical if you want to compound your capital.

PORTFOLIO

At the time of writing our net exposure has lifted higher, in step with the opportunities we are finding to deploy capital into asymmetric situations.

We added **Royal Caribbean Cruises** (RCL.US, mkt cap. US$28bn) to the portfolio in early June; it was the month's largest positive contributor.

Someone once said macro-economic prognostication is just a way to project bias.

In the case of the cruise lines, the consensus macro-based prognostication was that an impending U.S. recession would knock these stocks for six.

Many analysts also assumed it was only a case of mean reversion; that if the enterprise value[2] of these businesses was back to its 2019 level (pre-covid) then there would be no upside.

We remind ourselves that only by looking at each stock situation *in detail*, can we detect opportunity relative to consensus expectations.

The cruise lines are seeing exceptionally strong demand. RCL for instance has record customer deposits, bookings and pricing.

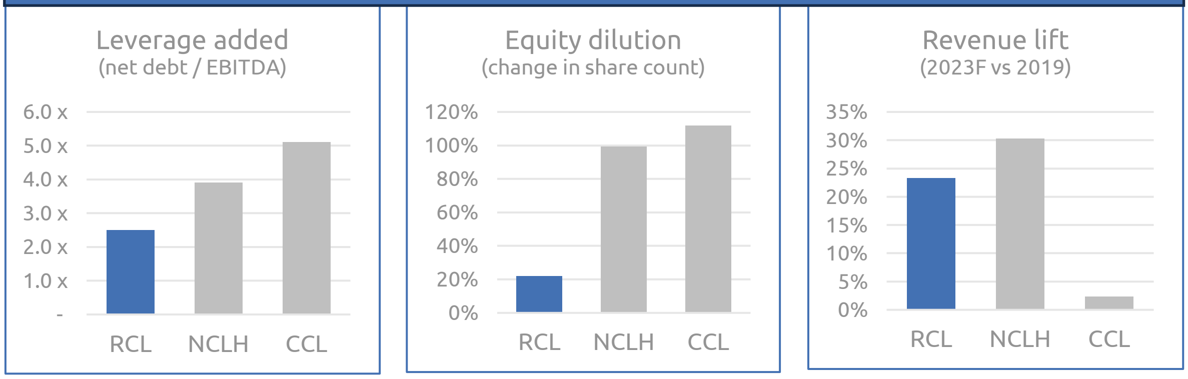
RCL is also, we think, the leader in non-ticket revenue growth, which appears to be a structural trend. RCL estimates it is up to 40% cheaper to cruise versus an alternative land-based vacation.

Rather than just market this cost benefit, RCL is monetising it. By offering an increasing array of add-ons (everything from high speed wifi to meal upgrades) RCL is boosting its revenue yield.

[2] Sum of market capitalisation and net debt; the market assessment of the enterprise's value.

RCL is our selected player in the sector. RCL has managed through Covid significantly better than its competitors, incurring less debt, significantly less equity dilution and growing its revenue potential.

Covid's impact by Cruise Line Operator: 2019 to 2023F:



Source: Geometrica estimates, Bloomberg. Measures 2023 over 2019 (being the last normal year before Covid).

This means, given now excellent cashflow, as RCL grows earnings, it will pay down debt faster and the accrual of that value to equity holders will fractionalise over fewer shares, driving rapid per share value growth.

We forecast that RCL will be the first of the large cruise lines to see its share price exceed its pre covid share price peak – by a wide margin.

Netflix (NFLX.US, mkt cap. US$189bn) advanced 11.5% in June and contributed about half a percentage of performance. We've written extensively on this stock. Netflix is a self-help story where it manifestly under-monetised its best-in-class engagement metrics and is now correcting this. We see Netflix as the dominant player in its industry by some margin.

Our position in **Renesas Electronic** (6723.JT, mkt cap. US$36.6bn) contributed about half a percentage point of performance, rising 18% in June. Renesas has vastly improved its business model since the last industry cycle by reducing its fixed manufacturing footprint and relying on contract manufacturing for leading edge nodes where return on investment is less compelling. This means the earnings cycles are less pronounced and its return on capital profile has increased materially.

Renesas is exposed to the proliferation of semiconductors in everyday life. It produces chips that control micro motors, sensors and power devices, demand for which is booming and set to continue to grow at a rapid pace. The stock remains cheap on earnings with excellent long-term prospects.

Our position in **First Solar** (FLSR.US, mkt cap. US$22.3bn) fell -6% during the month. We continue to be a holder.

Whilst First Solar has truly amazing technology, it operates in an exceptionally competitive industry, which has for the last decade constrained returns.

This is all starting to change but is taking time. First Solar's major market, the USA, has announced a series of measures highly favourable to local producers, of which First Solar is by far the largest. We expect this to continue in August.

As at the time of writing, First Solar had fully recouped its losses in June, having announced second quarter earnings ahead of expectations and an expansion of its US production capacity driven by exceptionally strong demand and a large, contracted order book supported by significant customer deposits.

Entain (ENT.LN, mkt cap. £8.8bn) fell 4% in June, continuing a decline of 9% in May. We took the opportunity to add to our position. After this fall, the stock remains our 5th best P&L producer of all time. We forecast *significant* upside in the months and years ahead.

Entain's major US investment, BetMGM has lost some market share recently due to lagging on IP around a single player view of its app, and in the area of what is known as in-game parlay. We see the signs of BetMGM fixing these two issues over the next six months.

Most sell-side analysts value the US component of these stocks as…

Future EV = market turnover X % market share X EBITDA margin X EBITDA multiple

…to arrive at a future enterprise value which is then discounted back to today's date.

The formula is more sensitive to changes in market share than you might think because the market appears to vary the EBITDA valuation multiple based on market share trajectory.

Entain has further earned the ire of its shareholders by aggressively spending on M&A in markets *outside* the US and in part paying for acquisitions using its own shares.

This rankles us. **MGM** (MGM.US, mkt cap. US$18.5bn) bid 0.6 of its own shares for every Entain share back in 2021, which Entain swiftly rejected.

That bid would be worth £23.75/share today, vs the current Entain share price of £13.70 and the June issue price of £12.30.

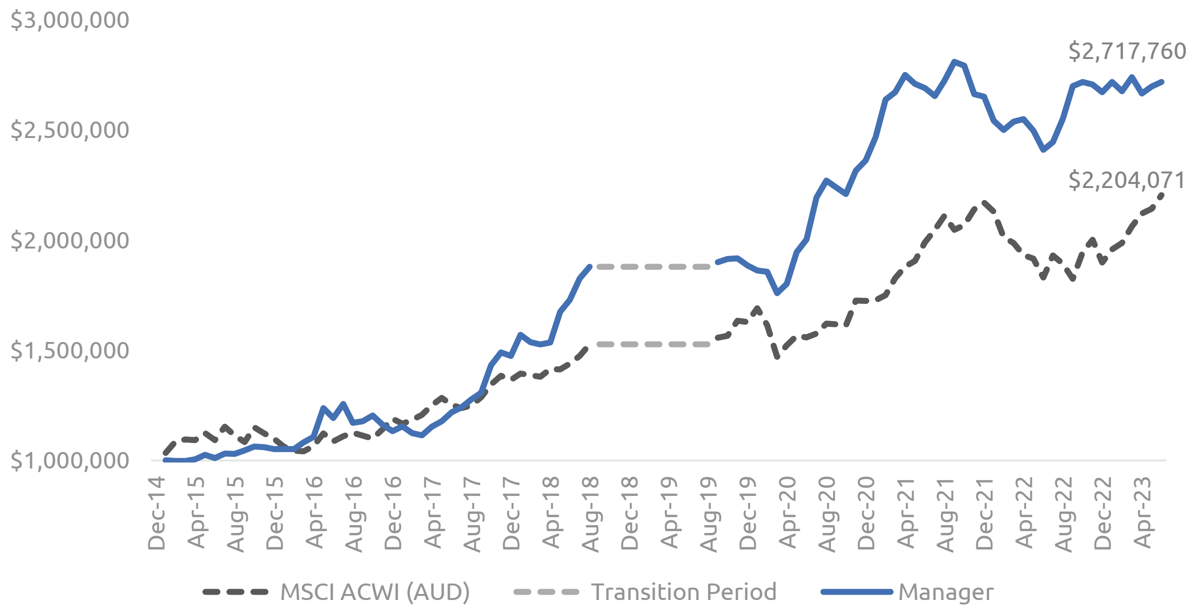
Entain is cheap, with rapidly rising earnings, thanks to a profit inflection currently underway within BetMGM, and thanks to newly acquired earnings streams about to come online.

We think the current management team will be able to realise the value potential in this business. If not, Entain has had numerous corporate suitors over the years.

* * * *

In closing, we appreciate the trust and confidence you have shown by investing with and alongside us. Should you have any questions, please do not hesitate to reach out.

MANAGER PERFORMANCE HISTORY[3]



30 Jun 2023	Strategy Inception	Strategy inception pa	Geometrica inception pa	CYTD	1 year	1 month
Founder[4]	171.8%	+14.3%	+10.1%	+1.8%	+12.8%	+0.8%

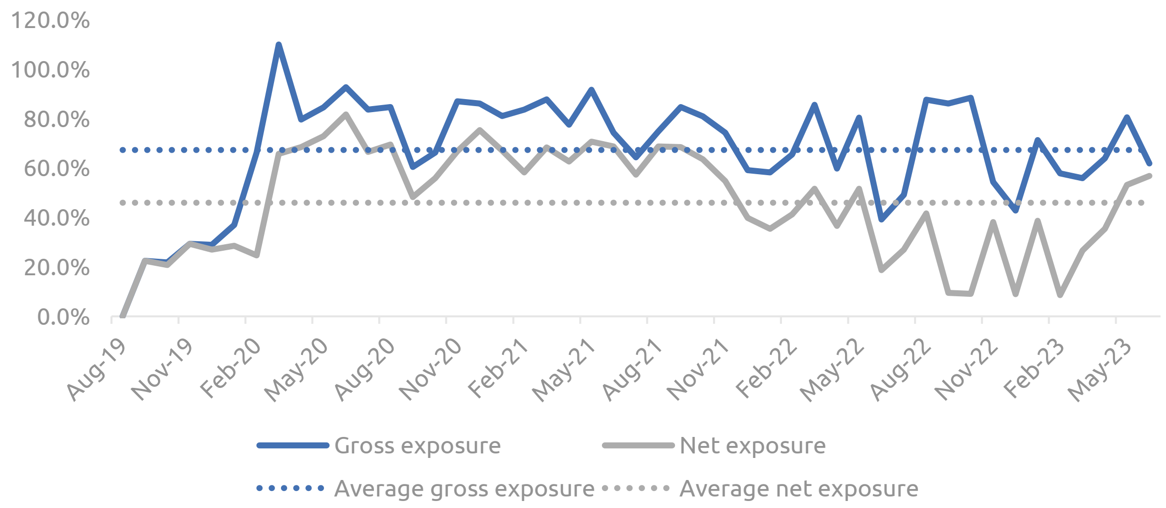
* Manager left CVF in Sept 2018 and began Geometrica in Sept 2019 NB: Performance period is from 5 Jan 2015. Performance is net of all fees.

ASSET ALLOCATION

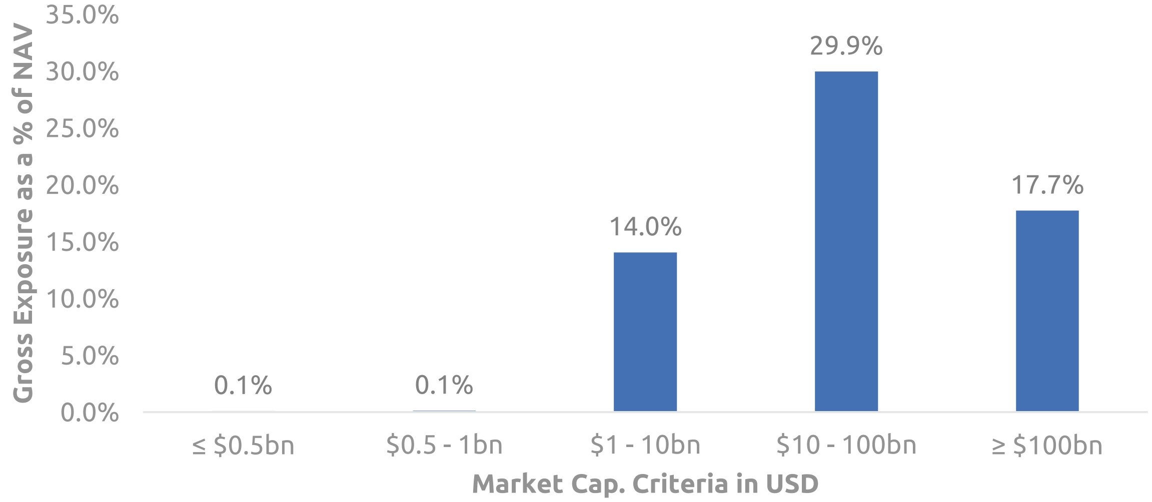
Country	Long	Short	Gross	Net
Australia	4.0%	0.0%	4.0%	4.0%
Americas	31.0%	(2.6)%	33.6%	28.5%
Asia	10.8%	0.0%	10.8%	10.8%
Europe	13.5%	0.0%	13.5%	13.5%
Total	59.3%	(2.6)%	61.9%	56.8%

[3] 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.
[4] 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 & NET 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, Netwealth
Fees	1.5% management (+GST) 20% performance (+GST)
Benchmark	RBA Cash Rate
High water mark	Yes
Liquidity	Monthly
Administration & custody	Apex