

GRYPHON

CAPITAL INCOME TRUST

ARSN 623 308 850

ASX ANNOUNCEMENT

9 August 2021

Placement of Units

One Managed Investment Funds Limited ACN 117 400 987 (**Responsible Entity**), in its capacity as responsible entity of the Gryphon Capital Income Trust ARSN 623 308 850 (ASX: GCI) (**GCI** or the **Trust**), is pleased to announce that today it is launching a placement to wholesale and sophisticated investors (**Placement**). The Responsible Entity has entered into a placement agreement with Morgans Financial Limited and National Australia Bank Limited, who will together manage and arrange the Placement as joint lead managers.

Capital Raising

The Responsible Entity proposes to issue up to **30,919,014** new units in the Trust (**New Units**) to wholesale investors at a price of **\$2.01** per New Unit, using the Trust's available placement capacity under ASX Listing Rule 7.1. The New Units to be issued under the Placement will represent a maximum of 15% of the Trust's issued capital and therefore will not require GCI unitholder approval.

The New Units to be issued under the Placement will rank equally with existing ordinary units in the Trust with effect from their date of issue including in respect of entitlements to distributions.

Key features of the Placement are contained in the Fact Sheet lodged with ASX on the date of this announcement.

Purpose of the Placement

The funds raised under the Placement will be used to undertake additional investments consistent with the Trust's Investment Strategy as disclosed in the Trust's most recent product disclosure statement dated 4 November 2019 and as amended by changes to the Trust's Investment Guidelines announced on Thursday 5 August 2021. New funds raised are not expected to impact the Trust's target return which remains unchanged.

The Trust's investment manager Gryphon Capital Investments Pty Ltd ACN 167 850 535 (**Investment Manager** or **Gryphon**) believes the Placement will benefit existing GCI unitholders by providing additional scale for the Trust to expand participation in the Residential Mortgage-Backed Securities (**RMBS**) and Asset-Backed Securities (**ABS**) market and thereby diversifying the portfolio, expanding the Trust's investor base and providing greater liquidity for GCI unitholders and reducing the operating costs of the Trust on a cost per unit basis.

Responsible Entity

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Prospective Interest Purchase Plan (IPP) Offer

The Responsible Entity and Investment Manager are also considering the possible implementation of an Interest Purchase Plan (IPP). If implemented, the IPP will be available to all eligible GCI unitholders in Australia and New Zealand.

The Responsible Entity and the Investment Manager expect further details to be released to the market in due course.

About Gryphon

Gryphon is a specialist fixed income manager with significant experience in the Australian and International fixed income markets. Gryphon manages individual segregated accounts on behalf of institutional investors and GCI on behalf of wholesale and retail investors seeking opportunities in fixed income credit markets including RMBS and ABS. Gryphon currently manages funds in excess of \$2.4 billion.

Further information

The Placement is not being underwritten. However, the Placement is being lead managed and arranged by Morgans Financial Limited and National Australia Bank Limited (**Joint Lead Managers**) pursuant to the terms of a placement agreement entered into between the Joint Lead Managers, the Responsible Entity, the Investment Manager and Gryphon Capital Management Pty Ltd (**GCM**) (a related party of the Investment Manager) dated 9 August 2021 (**Placement Agreement**).

Under the Placement Agreement, GCM has agreed to pay certain fees to the Joint Lead Managers for acting as managers and arrangers to the Placement.

Directory

Responsible Entity—One Managed Investment Funds Limited

ACN 117 400 987

Governor Macquarie Tower Level 16, 1 Farrer Place
Sydney NSW 2000

Investment Manager—Gryphon Capital Investments Pty Ltd

ACN 167 850 535

Level 1, 50 James Street
Fortitude Valley Qld 4006

Unit Registry—Boardroom Pty Limited

ACN 003 209 836

Grosvenor Place Level 12, 225 George Street
Sydney NSW 2000

Authorised for release by One Managed Investment Funds Limited, the responsible entity of Gryphon Capital Income Trust.

One Managed Investment Funds Limited (ABN 47 117 400 987) (AFSL 297042) (OMIFL) is the responsible entity of the Gryphon Capital Income Trust (ARSN 623 308 850) (ASX: GCI) (GCI or the Trust). Information contained in this document was prepared by Gryphon Capital Investments Pty Ltd (ACN 167 850 535) (Gryphon). While neither OMIFL nor Gryphon has any reason to believe the information is inaccurate, the truth or accuracy of the information cannot be warranted or guaranteed.

This announcement is not a product disclosure statement or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of any units in the Trust (Units) in any jurisdiction outside Australia. This announcement is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any Units. This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the New Units nor any Units have been or will be registered under the U.S. Securities Act of 1933 (the Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Units and Units may not be offered or sold in the United States or to any person acting for the account or benefit of a person in the United States unless they are registered under the Securities Act or unless they are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable U.S. state securities laws. The New Units to be offered under the Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Regulation S under the Securities Act) in reliance on Regulation S under the Securities Act.

Before making any decision regarding the Trust, investors and potential investors should consider the Product Disclosure Statement (PDS) and other continuous disclosures available on the Australian Securities Exchange (ASX) website (Disclosure Material). The Disclosure Material contains important information about investing in the Trust and it is important investors obtain and read the Disclosure Material before making a decision about whether to acquire, continue to hold or dispose of units in the Trust. This document contains general information only and is not intended to be financial product advice. It does not take into account any person's (or class of persons') investment objectives, financial situation or particular needs, and should not be used as the basis for making investment, financial or other decisions. Investors should also consult a licensed financial adviser before making an investment decision in relation to the Trust. This document may contain forward-looking statements based on current expectations, estimates, and projections about the Trust's business and the industry in which the Trust invests. Readers are cautioned not to place undue reliance on these forward-looking statements. Neither OMIFL nor Gryphon undertakes any obligation to revise any such forward-looking statements to reflect events and circumstances after the date of this publication. Past performance is not indicative of future performance. Neither OMIFL or Gryphon nor any other person associated with the Trust guarantees or warrants the future performance of the Trust, the return on an investment in the Trust, the repayment of capital or the payment of distributions from the Trust. To the extent permitted by law, no liability is accepted by OMIFL, Gryphon or their respective directors for any loss or damage as a result of any reliance on this information. Information in this document is current as at **9 August 2021**.