

# GRYPHON

**CAPITAL INCOME TRUST**

**WHOLESALE INVESTOR PLACEMENT**

**AUGUST 2021**

# Disclaimer

## About this presentation and the offer

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## Forward looking statements

This presentation 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.

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## Investment Risk

Section 8 of the PDS dated 4 November 2019 describes the key risks associated with an investment in the Trust, the Trust’s investment strategy and other risk factors. Potential investors should refer to the Trust’s ASX Announcements and seek advice from a financial, investment or other adviser before deciding whether the Offer is suitable for them. This communication contains factual information only and has not been prepared taking into account your investment objectives, financial situation or particular needs.

# GCI objective is to deliver

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1. *Sustainable  
monthly cash  
income*

2. *High risk-adjusted  
return*



3. *Capital Preservation*

# GCI Wholesale Investor Placement



## Key Offer Details

<b>Trust Name</b>	Gryphon Capital Income Trust ARSN 623 308 850 (GCI or Trust)
<b>Investment Manager</b>	Gryphon Capital Investments Pty Ltd (Gryphon)
<b>Responsible Entity</b>	One Managed Investment Funds Limited
<b>Offer</b>	Placement of new units to wholesale and sophisticated investors. New units issued will rank equally with existing ordinary units from the date of issue.
<b>Offer Price</b>	\$2.01 per new unit
<b>Target Offer Size</b>	Up to 15% placement limit equal to 30.9 million units
<b>Placement Book Opens</b>	Monday, 9 August 2021, 10.00am AEST
<b>Placement Book Closes</b>	Tuesday, 10 August 2021, 4.00pm AEST
<b>Target Distribution</b>	RBA Cash Rate plus 3.50% per annum, net of fees
<b>Offer Costs</b>	The costs of the Offer will be paid by Gryphon Capital Management Pty Ltd (GCM), a related party of the Investment Manager.
<b>No Underwriting</b>	The Offer is not being underwritten

# GCI Performance versus IPO Objectives



*Gryphon has delivered on all IPO objectives*

<b>1. Sustainable, monthly income</b>	Exceeded target returns
<b>2. Low NTA volatility</b>	<2% maximum NTA drawdown, fully recovered
<b>3. Capital Preservation</b>	Achieved
<b>4. Attractive Structure</b>	LIT provides investor liquidity via ASX and enables Gryphon to invest for the long term
<b>5. Cost to Investor</b>	Low MER with <u>no</u> incentive fees payable to the Manager
<b>6. Best in Class Investor Engagement</b>	New Gryphon website and investor education via video updates
<b>7. Experienced Manager</b>	Gryphon's investment team has > 100 years collective experience and a robust investment process

Note: Past performance is not indicative of future performance.

# GCI overview Risk vs Return

Sustainable monthly cash income

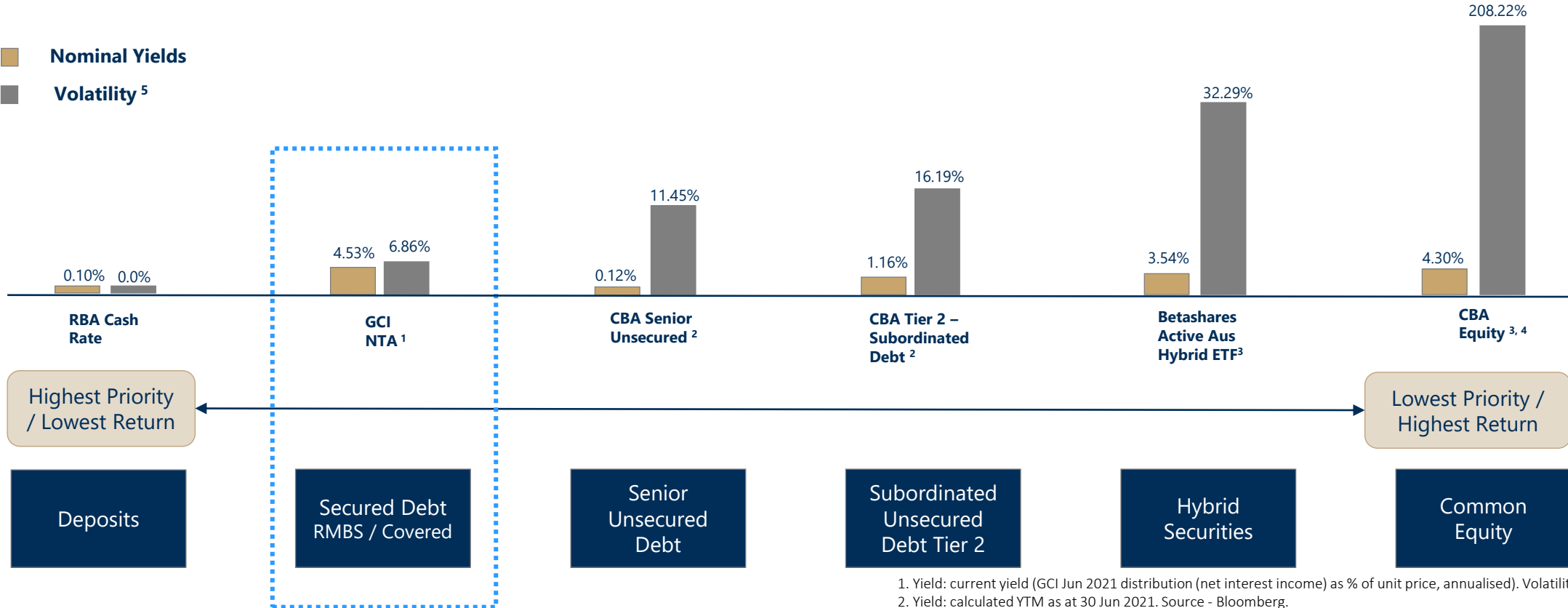


High risk-adjusted return

Capital Preservation

## High risk adjusted returns

**Nominal Yields**  
**Volatility<sup>5</sup>**



1. Yield: current yield (GCI Jun 2021 distribution (net interest income) as % of unit price, annualised). Volatility: GCI NTA. Source - GCI.  
 2. Yield: calculated YTM as at 30 Jun 2021. Source - Bloomberg.  
 3. Yield: most recent gross dividend, annualised. Source - Bloomberg.  
 4. Volatility: daily closing ASX price. Source - Bloomberg.  
 5. Unless otherwise indicated, annualised volatility of daily clean price time series since GCI listing – 25th May 2018.  
 6. Past performance is not indicative of future performance.

# GCI for Income

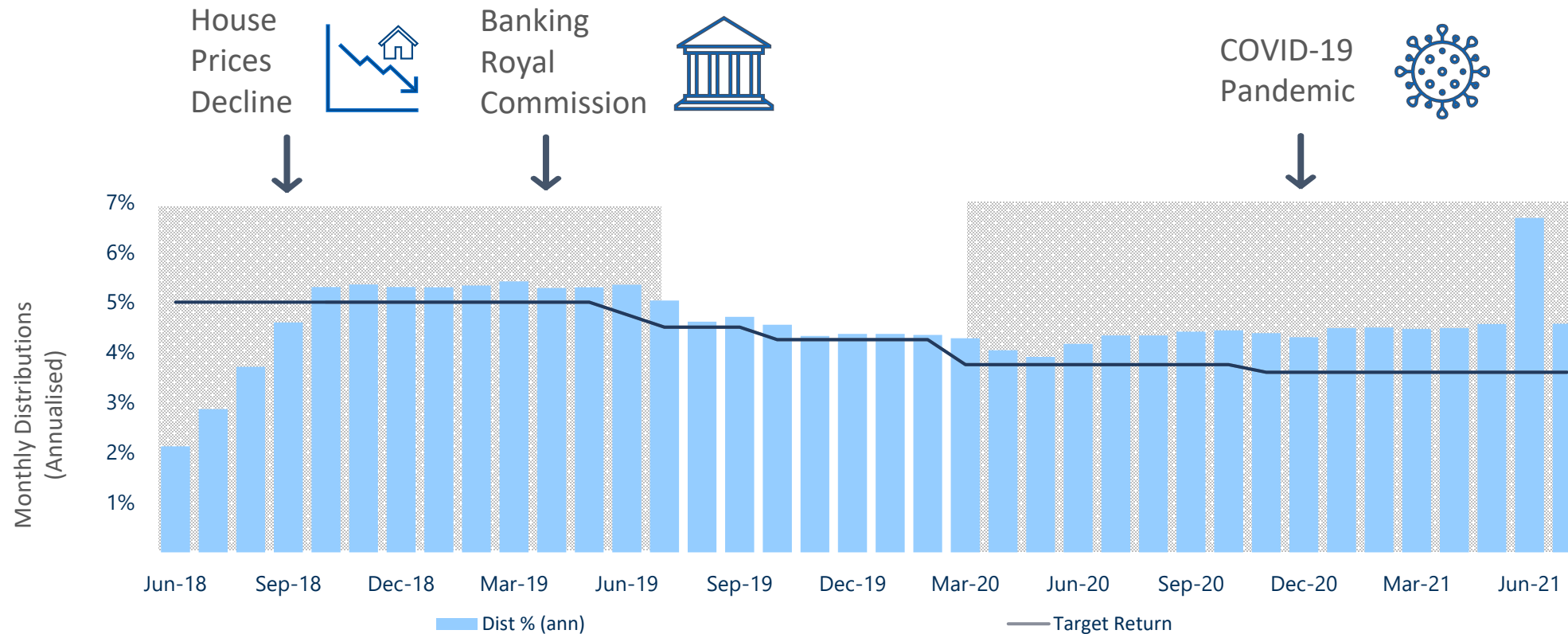
Sustainable monthly cash income



High risk-adjusted return

Capital Preservation

*GCI has generated sustainable monthly income through challenging market conditions*



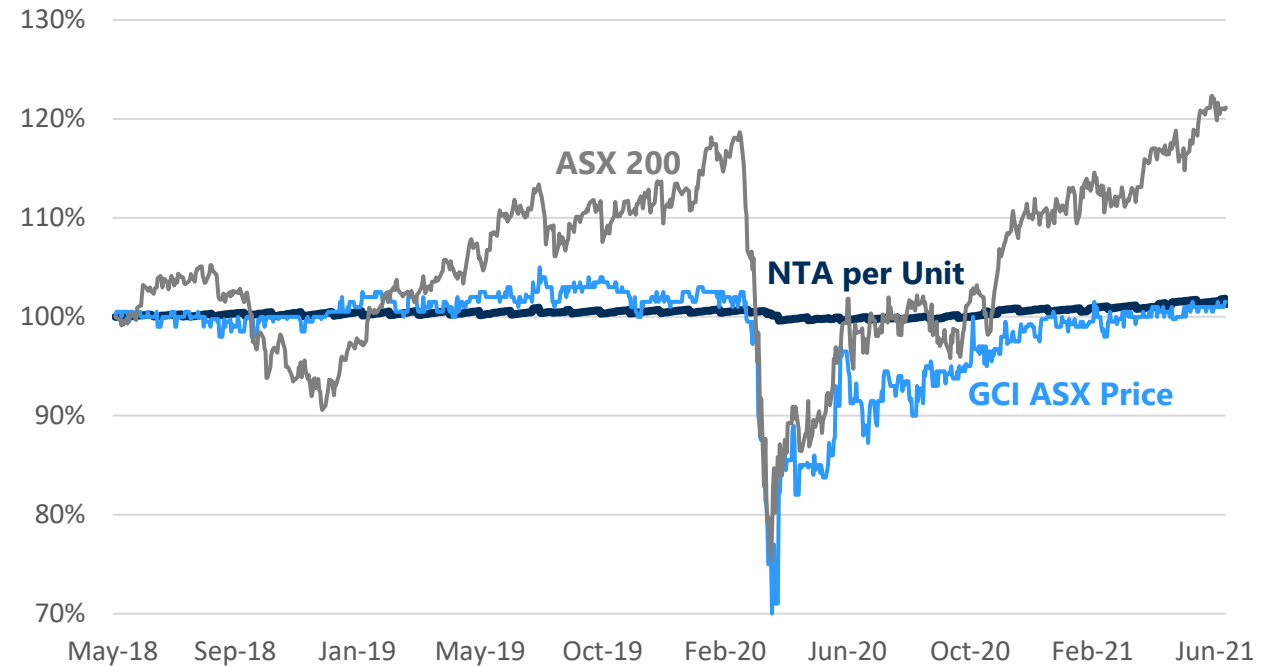
Source: Gryphon

# GCI for Capital Preservation



- When investing for income, capital preservation is paramount and is a central pillar of Gryphon's investment process
- Gryphon's investment process focuses on the downside and aims to ensure each investment is resilient to downside shocks
- Bondholder protections seek to ensure an investment in RMBS is loss remote
- No investor in Australian RMBS has ever lost capital when held to maturity<sup>1</sup>

GCI NTA / ASX Price Performance<sup>2</sup>



1. Source: S&P Global Ratings  
2. Source: ASX, Gryphon (ASX data rebased to GCI Inception)



# GCI Investor Engagement

Gryphon's objective is **BEST IN CLASS** investor engagement

Sustainable monthly cash income



High risk-adjusted return

Capital Preservation



The screenshot shows the Gryphon Capital Income Trust website. The header includes the Gryphon logo and navigation links: ABOUT GRYPHON, OUR LIT (ASX:GCI), INSTITUTIONAL INVESTORS, News & Insights, and Contact Us. A secondary navigation bar includes Overview, About, Who is GCI for?, Why Invest?, Performance, External Ratings, The Latest, and Document Library. The main content area features the Gryphon logo and the text 'CAPITAL INCOME TRUST'. Below this, there are three columns of key metrics:

ASX Code <b>GCI</b>	Market Capitalisation <b>\$418 million</b>	Latest NTA Per Unit <b>\$2.03</b>
Latest Unit Price <b>\$2.04</b>	Listed <b>May 2018</b>	Distribution p.a.* <b>4.61%</b> <small>* rolling 12-months</small>

## Gryphon Insights



<https://gcainvest.com/resources/inflation/>



<https://gcainvest.com/resources/introduction-rmbs/>



<https://gcainvest.com/resources/gryphon-insights-gcis-nta/>



<https://gcainvest.com/resources/how-gci-able-meet-its-target-rate-return-low-interest-rate-environment/>

Source: GCI website

# GCI Investment Highlights



- ✓ **Income** – Monthly cash income with a target return of RBA Cash Rate plus 3.50% per annum, net of fees.
- ✓ **Diversification, low NTA volatility** – Since listing largest NTA drawdown < 2%.
- ✓ **Capital preservation** – Multiple layers of bondholder protections.
- ✓ **Experienced Manager** – 100 years of collective experience and a robust investment process.
- ✓ **Attractive structure** – LIT provides investor liquidity via ASX and enables Gryphon to invest for the long term.
- ✓ **Low cost** – Low MER with no incentive fees payable to the Manager.
- ✓ **Investor Reporting** – Gryphon provides best in class investor reporting and engagement.

Performance <sup>2</sup>	1 month	3 months	6 months	1 year	3 Years (Ann)	Incept (Ann) <sup>1</sup>
<b>Net Return</b>	0.37%	1.54%	3.20%	6.31%	5.21%	5.06%
<b>RBA Cash Rate</b>	0.01%	0.03%	0.05%	0.14%	0.73%	0.77%
<b>Net Excess Return</b>	0.37%	1.52%	3.15%	6.16%	4.45%	4.25%
<b>Distribution</b>	0.38%	1.30%	2.39%	4.63%	4.69%	4.55%
<b>Distribution (c/unit)</b>	0.77	2.62	4.78	9.13	9.22	8.95

<sup>1</sup> Inception date — 21 May 2018  
<sup>2</sup> As of 31 July 2021

# GCI Wholesale Placement Key Dates

## Key Offer Dates



<b>ASX Announcement for Proposed Placement and Trading Halt</b>	Monday, 9 August 2021, (pre-market open)
<b>Offer Opening Date</b>	Monday, 9 August 2021, 10.00am AEST
<b>Offer Closing Date</b>	Tuesday, 10 August 2021, 4.00pm AEST
<b>Placement Commitments Due</b>	Tuesday, 10 August 2021, 6.00pm AEST
<b>ASX Trading Halt Lifted</b>	Wednesday, 11 August 2021, (pre-market open)
<b>Settlement of New Units</b>	Tuesday, 31 August 2021
<b>Issue and Allotment of New Units</b>	Wednesday, 1 September 2021 (ex-August distribution)

Note: This timetable is indicative only and may change without notice. Unless otherwise indicated, all times are stated in Australian Eastern Standard Time (AEST).