

Fund Update

October was another challenging month for equity markets, with the ASX finishing lower for the third consecutive month and the S&P/ASX300 Accumulation Index down 3.8%. Ongoing economic uncertainties, elevated bond yields and geopolitics-led risk-off sentiment weighed on stocks.

The Fund returned -11.7% during the month of October, resulting in a Net Asset Value (NAV) of \$0.9459/unit. All three holdings traded down during the month, with Lendlease the key underperformer down 13.5%.

Post month end, the Fed decision to pause interest rate rises for the second meeting in a row has seen a rebound in equity markets and the Fund's investments – however we remain cautious on the near-term outlook.

Notwithstanding the disappointing closing NAV, we continue to have strong conviction in each of our three investments and execute on our highly active investment strategy with the aim of delivering returns that are uncorrelated to broader markets.

Entry price \$0.9488 / unit¹

Exit price \$0.9431 / unit¹

Fund NAV per Unit²

| \$ | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 2022 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | \$1.0000 | \$1.0372 | \$1.0269 | \$1.0534 | \$1.0348 |
| 2023 | \$1.0740 | \$1.0681 | \$1.0596 | \$1.0760 | \$1.0696 | \$1.1692 | \$1.1943 | \$1.1636 | \$1.0717 | \$0.9459 | | |

Monthly Fund Returns (Net)³

| % | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|------|--------|--------|------|--------|------|------|--------|--------|---------|------|--------|--------|
| 2022 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 3.7% | (1.0%) | 2.6% | (1.8%) | 3.5% |
| 2023 | 3.8% | (0.5%) | (0.8%) | 1.5% | (0.6%) | 9.3% | 2.1% | (2.6%) | (7.9%) | (11.7%) | | | (8.6%) |

Fund Performance (Net)³

| % | 1mth | 3mth | 6mth | 1yr | 2yr | Inception (annualised) | Inception (aggregate) |
|----------------|---------|---------|---------|--------|-----|------------------------|-----------------------|
| Net Return (%) | (11.7%) | (20.8%) | (12.1%) | (7.9%) | n/a | (4.6%) | (5.4%) |

Fund Strategy

HMC Capital Partners Fund I (Fund) is an Australian-domiciled open-ended unlisted fund providing exposure to a high-conviction investment strategy seeking to generate superior risk-adjusted returns⁴.

The Manager primarily invests across a concentrated portfolio of high-conviction stakes in listed Australian and New Zealand companies with real asset backing where there is potential to unlock 'trapped' value through improved capital allocation and portfolio management. The Manager also has the flexibility to invest in private companies exposed to long term structural tailwinds.

¹ Entry and Exit prices reflect the Net Unit Value as at 31 October 2023, adjusted by the buy-sell spread (currently 0.30%)

² As at month end. NAV per unit refers to Trust A and Trust C units.

³ All performance figures are quoted net of fees and costs. Figures may not sum exactly due to rounding. Inception date 31 August 2022. Performance is shown for informational purposes only. Past performance should not be taken as an indicator of future performance.

⁴ Distributions are not guaranteed, and the Fund investment strategy is focused on generating capital gains rather than regular income.

The Fund has a limited quarterly withdrawal facility. Withdrawals are limited to the terms detailed in the Information Memorandum and the HMC website. The ability of the Fund to offer quarterly withdrawals is not guaranteed.

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How to Apply: Refer to Information Memorandum at <https://www.hmccapital.com.au/our-funds/hmc-capital-partners-fund-i/> If you are a Wholesale Client you may apply for Units at: <https://investor.automic.com.au/#/w/hmccp>

IMPORTANT NOTICE

This Update has been prepared and issued by HMC Investment Management Pty Ltd (ACN 644 510 583) (Manager). Each Capital Partners Trust has a trustee which is a subsidiary of HMC Capital and a corporate authorised representative of HMC Capital Funds Management Pty Limited (ACN 154 055 446, AFSL 513 625). Each Trustee has appointed HMC Investment Management Pty Ltd as Investment Manager for each Trust. The trustees are HMC Capital Partners No. 1 Pty Ltd (ACN 658 946 117) (in respect of HMC Capital Partners Trust A), HMC Capital Partners No. 2 Pty Ltd (ACN 658 946 288) (in respect of HMC Capital Partners Trust B) and HMC Capital Partners No. 3 Pty Ltd (ACN 658 946 484) (in respect of HMC Capital Partners Trust C). The information contained herein is general information only and does not take into account the objectives, financial situation or particular needs of any person. You should obtain and read a copy of the Information Memorandum relating to the Fund before making a decision to invest. Investment in the Fund is subject to risk including possible delays in payment or loss of income and principal invested.