



Phoenix Growth Fund

August 2026 Monthly Report

ESTIMATED NET RETURN

+4.62%*

SINCE
INCEPTION

+155.45%

BENCHMARK
SAME PERIOD

+75.73%

RELATIVE
PERFORMANCE

+79.72%

INDICATIVE UNIT PRICE
\$1.8430 (cum-dist.)

FUND SIZE
\$54.8m

INCEPTION
8 Feb 2021

POSITIVE MONTHS
51 / 67 (76.1%)

PERFORMANCE NET OF FEES · AS AT 31 AUGUST 2026

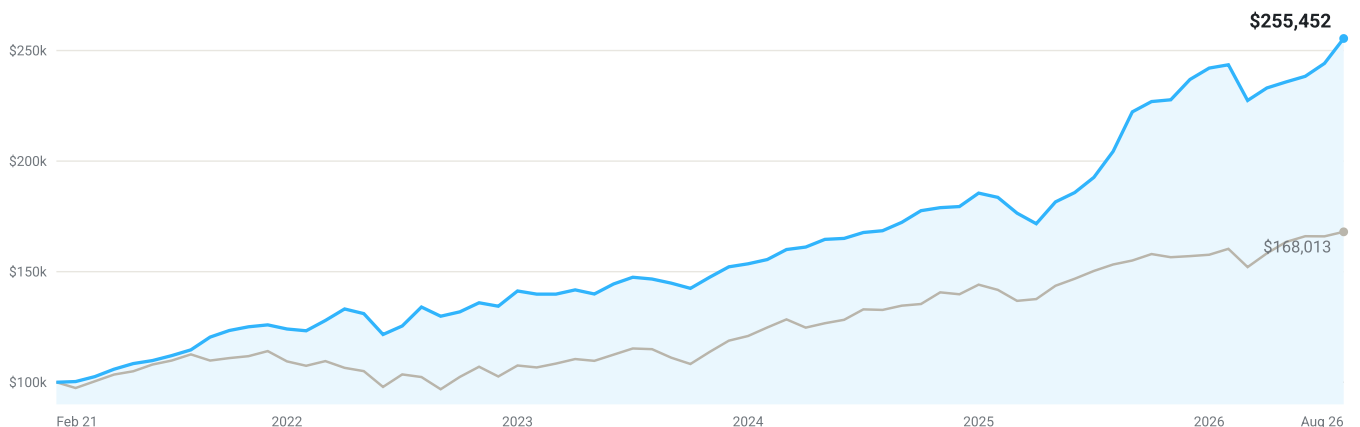
PERIOD	PGF	BENCHMARK	DIFFERENCE
1 Month	4.62%*	1.22%	+3.40%
3 Months	8.49%	2.78%	+5.71%
1 Year	24.98%	9.61%	+15.37%
3 Years p.a.	20.32%	13.48%	+6.84%
5 Years p.a.	17.38%	8.42%	+8.96%
Since Inception	155.45%	75.73%	+79.72%

MONTHLY RETURNS NET OF FEES

YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
2021	—	0.28	2.28	3.28	2.36	1.28	2.06	2.29	5.02	2.52	1.33	0.70	25.95
2022	-1.48	-0.68	3.80	4.10	-1.62	-7.21	3.21	6.80	-3.09	1.54	3.08	-1.12	6.72
2023	5.12	-1.01	-0.02	1.38	-1.30	3.21	2.13	-0.54	-1.28	-1.64	3.53	3.19	13.21
2024	0.93	1.22	2.94	0.69	2.16	0.26	1.63	0.47	2.23	3.08	0.77	0.29	17.96
2025	3.36	-1.01	-3.89	-2.73	5.77	2.30	3.74	6.07	8.76	2.08	0.35	4.04	32.00
2026	2.19	0.60	-6.76	2.49	1.17	1.07	2.60*	4.62*					7.83*

GROWTH OF \$100,000 SINCE INCEPTION

PGF Vanguard High Growth Index Fund



*Latest monthly unit prices and return figures are provided on an estimated basis only and may be subject to change. Inception date is 8 February 2021. The Vanguard High Growth Index Fund is chosen as PGF's benchmark for its representation of ASX and global equity market indices. Distributions paid: FY25 11.77c, FY24 4.02c, FY23 9.61c, FY22 5.12c, FY21 8.91c. Past distribution rates are not indicative of future payments.

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#Past performance is not indicative of future performance. Specific risks of the Fund may impact on the possibility of such a return in future.

Fund Commentary

BUCKET #1 · CASH AND ECM

In our Bucket #1 strategy, we participated in 49 deals during the month. We expect to receive free attaching options from 8 of these deals. Many of these options have yet to be issued but are expected to be allocated over the coming months. Placements modestly contributed to the fund's overall return.

CONTRIBUTORS

PM Capital Fund PGF	+7.1%
Lowell Res Fund LRT	+10.5%
Saturn Metals STN	+14.7%
Snowline Gold Corp. SGD	+16.3%
WhiteRock Lithium WLC	+19.7%
Ionic Rare Earths IXR	+20.5%
Invert Graphite IVG	+41.1%
Kaoko KAO	+45.0%
Peakto Limited PKO	+66.7%
Galantas Gold GAL	+68.3%
Rimfire Pacific RIM	+69.0%
Techgen Metals TG1	+73.6%
Kinetiko Energy KKO	+77.2%
Liberty Metals LIB	+79.1%
Piche Resources PR2	+138.9%

DETRACTORS

AI Private Opp Trust AIX	-5.4%
Stakk Limited SKK	-6.8%
Selkirk Copper Mines SCMI	-8.0%
Evion Group EVG	-8.7%
Daly Resources DLY	-18.9%
Newpeak Metals NPM	-23.1%
SPC Global Holdings SPG	-23.6%
SCX.ai Holdings SCX	-25.1%
Alurion Resources ALU	-33.3%
Spenda Limited SPX	-50.0%
Hyterra Ltd HYT	-68.7%

Kaoko is a placement stock that we have held since the 20 cents April 2026 IPO which ended month at 74 cents. The company is exploring for copper in Namibia's Kaoko Copper Belt - a premium jurisdiction drawing interest from global miners. The listing came into a strong copper backdrop as prices have pushed to record levels on the back of AI data centre build out, defence, grid and tightening mine supply out of key countries. Managing director Gerard O'Donovan combined with an exceptional board were also strong drawing factors into the strength of the stock.

BUCKET #2 · HIGH CONVICTION STOCKS

CONTRIBUTORS

Benz Mining BNZ	+11.2%
HMC Capital HMC	+12.9%
EQT Holdings EQT	+13.6%
Neuren Pharmaceutical NEU	+14.1%
Dimerix DXB	+14.3%
Light & Wonder LNW	+16.3%
FDC Consolidated FDC	+19.8%
VanEck Gold Miners GDX	+27.4%
Janus Electric JNS	+51.6%
European Lithium EUR/EUROC	+59.4%
Freee 4478	+65.3%
Ceretas CTS	+80.0%

DETRACTORS

HealthCo H&W REIT HCW	-2.7%
Regal Partners RPL	-5.4%
SGH SGH	-7.8%
Dickson Concepts 0113	-8.6%
Sky Metals SKY	-10.0%
Cromwell Property CMW	-11.6%
Centuria Capital CNI	-18.2%

CERETAS · listed in July at 25 cents, developing a portable, non-invasive therapeutic ultrasound platform aimed at Alzheimer's. CTS has re-rated sharply as the market has started to price in optionality around its trial.

CENTURIA CAPITAL · Centuria has been weighed down by the Bass Centuria situation. We see this as a sentiment driven overreaction rather than a change to the underlying earnings base and have been buying on market.

FUND ANALYTICS

POSITIVE MONTHS

76.1%

51 of 67 months

SHARPE RATIO

1.41

Since inception

UPSIDE CAPTURE

0.97

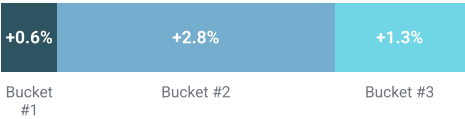
vs benchmark

DOWNSIDE CAPTURE

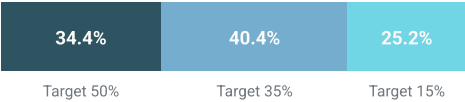
0.28

vs benchmark

CONTRIBUTION TO NET RETURN



EXPOSURE ALLOCATION



Bucket #1	34.4%
Cash and fixed interest	24.6%
Placement + IPO (ECM)	9.7%
Bucket #2	40.4%
High conviction stocks	40.4%
Bucket #3	25.2%
Hedging account	20.8%
Managed funds	2.4%
Unlisted investments	2.0%

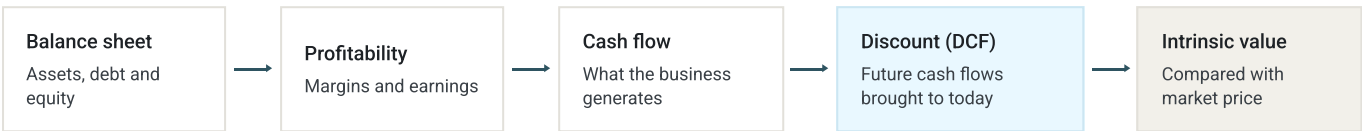
TOP 10 LISTED EQUITY POSITIONS

Benz Mining BNZ	3.7%
Metrics Opportunities MOT	2.9%
SpaceX SPCX	1.9%
European Lithium EUR/EUROC	1.6%
EQT Holdings EQT	1.2%
FDC Consolidated FDC	1.2%
Global X S&P Biotech ETF CURE	1.0%
HealthCo Healthcare Wellness HCW	1.0%
Neuren Pharmaceutical NEU	1.0%
Regal Partners RPL	0.9%

Fundamental Investing?

For most of the share market's history, valuation was the primary pillar for returns. The market factors that sets returns today look very different.

1. THE TRADITIONAL APPROACH



For much of the history of the share market the prudent and commonly accepted approach has been fundamental investing. An investor looks at the current and perceived value of a company, mostly by investigating its balance sheet, earnings, profitability and cash flow. Then an investor would project cash flows forward and discount them back to arrive at what they believe the company is worth. That figure is compared with where the shares trade today and the gap between the two is the opportunity. It remains the most widely adopted investment strategy among active managers.

However, market structure has changed remarkably over the past decade. Active investors are no longer the dominant drivers of market behaviour and their participation continues to shrink. Passive flows and quantitative or directional strategies account for a growing proportion of daily volume. These participants do not read cash flow statements. Index funds buy what enters the index in proportion to its weight. Systematic strategies buy what is moving. The marginal buyer of a share for a growing part of the market is not looking at fundamentals at all.

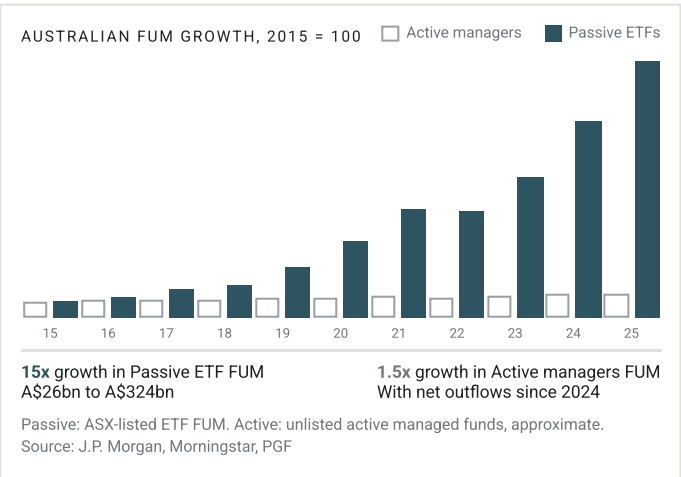
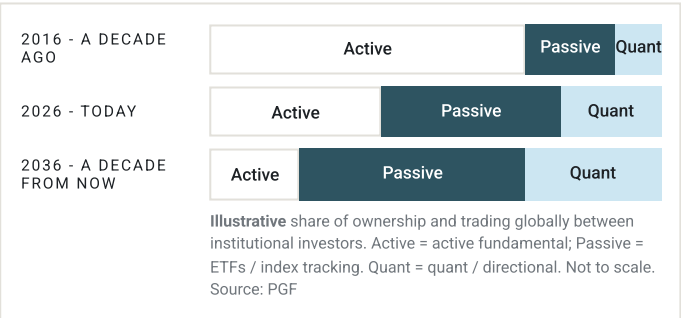
2. TODAY'S LANDSCAPE

Today, the market is dominated by passive (ETF) strategies that track indices and this trend is unlikely to stop any time soon. The argument that passive investing is a bubble has been made for decades, yet the "bubble" only appears to be getting stronger, as the charts opposite show. We feel this bubble is sustainable given empirically most active managers underperform the index and most retail investors would not know what their returns are, hence the optimal way is for everyone to get a market (or index) return.

This dynamic introduces new ways of investing for active managers that may be more optimal than fundamental investing alone. Making the decision to buy or sell a company based solely on its fundamentals is a fundamentally (pun intended) flawed approach in today's market.

The argument is even if fundamentals remain the most likely driver of a company's long term returns, when other approaches such as momentum, index rebalancing plays or arbitrage offer a **superior risk-adjusted IRR**, and those opportunities are relatively abundant today, should we as investors limit ourselves to just the fundamentals alone?

A share price is set by whoever is buying and selling it. If a large and rising share of that buying is mechanical, then index weight, liquidity and price trend are as much a driver of return as earnings, if not a much stronger signal in the short term.



3. WHAT THIS MEANS FOR PGF

PGF takes on strategies that are less commonly accepted. An example is investing in companies with little justification on the fundamentals side but considerable fanfare, where we expect passive flows to support the share price as the stock moves toward index inclusion. Judged on a DCF, a position like this makes little sense. Judged on IRR and the probability of the flow arriving, it can be a much better way of achieving risk adjusted return for our investors.

The argument against this from the fundamental investors is that this is not "investing", but to us, as manager of your

money, our job is to **maximise the IRR of your investment in the best risk-adjusted way**. To us, that is what defines the word "investing".

To be fair, we still do a great deal of fundamental and GARP investing and much of the portfolio is built that way. The difference is that we are flexible enough to run multiple types of strategies in the fund. Each has their own unique return driver and works differently in different market conditions. In fact, when you run a multi-strategy approach your portfolio benefits immensely due to diversification.

4. THE STRATEGIES WE RUN

From most "old school" to "modern" strategies.

01 Fundamental and GARP Quality businesses bought below what their cash flows are worth, or growth bought at a reasonable price.	02 Discounted assets Market price reflecting material discount versus underlying Net Asset Value.	03 Equity capital markets Placements, IPOs and block trades. Structural discount in primary issuances.
04 Arbitrage Pricing gaps between related securities, dual listings, options and their underlying shares.	05 Index plays Positioning ahead of index inclusion, rebalances and the passive flows that follow them.	06 Catalyst driven and momentum Supported by trend, popularity and in an essence the momentum of the stock and thematic.

Our investable universe.

Global ALL GLOBAL EXCHANGES	All market caps NANO TO MEGA	Listed and unlisted CREDIT, SHARES, OPTIONS AND PRIVATE HOLDINGS
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PGF was established in February 2021 with the goal of generating an above equity net return for its unitholders. It is designed as an absolute return fund with capital growth as the key focus, achieved by using an unconstrained approach via investing in a wide range of investable assets. Refer to fund Information Memorandum for more information.

THREE STRATEGIES AND THEIR TARGET WEIGHTS

BUCKET #1 50% Cash + ECM (Equity Capital Market) Deals Cash and Fixed Interest Placement and IPOs High turnover, high touch. Low beta, consistent return profile.	BUCKET #2 35% High Conviction Stocks Listed ASX and Global Stocks Low turnover, fundamental driven. Market beta.	BUCKET #3 15% Alternatives Options trading strategy Managed funds Unlisted investments Inversely correlated with equity markets.
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FUND GUIDELINE

Maximum single holding size	20% at cost
Maximum unlisted holdings	30% at cost
Buy / sell spreads	Nil
Distribution frequency	Annually
Minimum investment	\$100,000
Suggested holding period	3+ years

APPLICATION AND REDEMPTIONS

registrydirect.com.au/offer/phoenix-growth-fund

www.pgf.net.au

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making methodologies and may vary from them materially at its sole discretion and without prior notice to investors. Depending on market conditions and trends, Emerald Capital may pursue other objectives or strategies considered appropriate and in the best interest of portfolio performance.

There are risks involved in investing in the Emerald Capital's strategy. All investments carry some level of risk, and there is typically a direct relationship between risk and return. We describe what steps we take to mitigate risk (where possible) in the Fund's Information Memorandum. It is important to note that despite taking such steps, Emerald Capital cannot mitigate risk completely.

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