



MONTHLY REPORT
OCTOBER 2024

Unit Price and FUM

| | | | |
|------------------------------|-----------------------------|-----------------|-----------------------|
| Indicative Unit Price | \$1.4406[^] | FUM Size | \$24.4 Million |
|------------------------------|-----------------------------|-----------------|-----------------------|

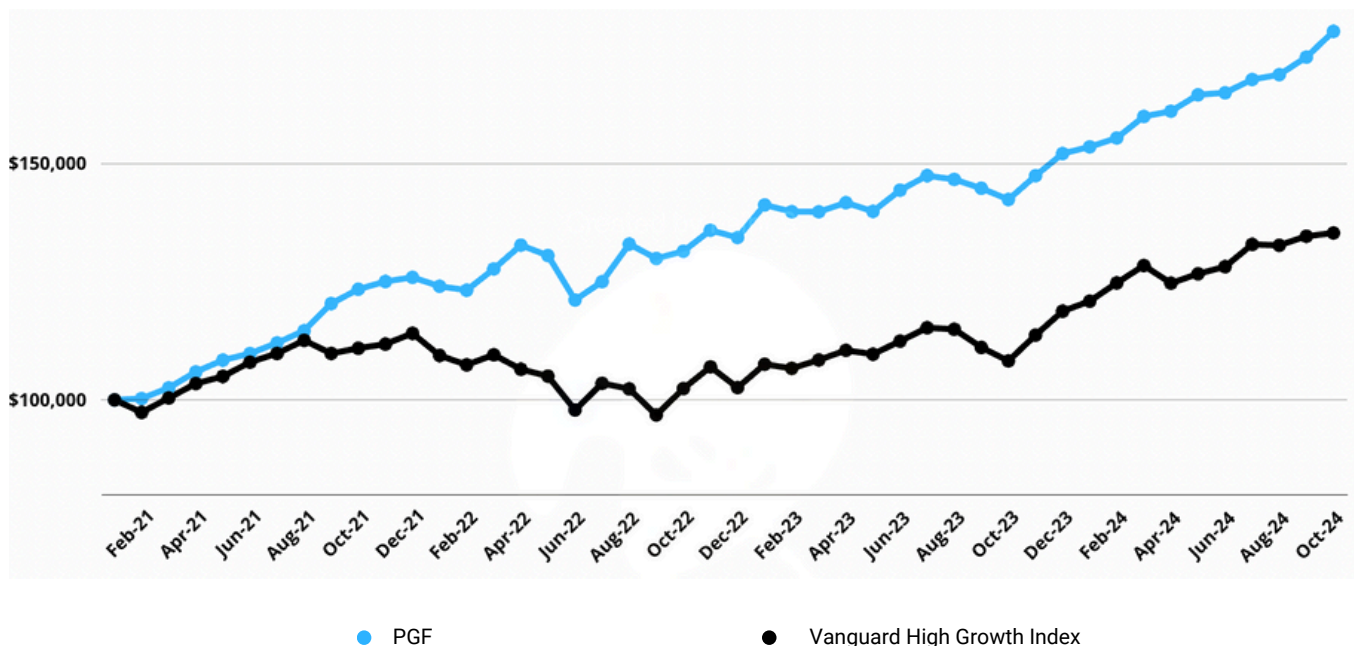
Indicative unit price is quoted on an cum-distribution basis until FY24 tax return is lodged.
Past distributions paid: FY23: 9.61c, FY22 5.12c, FY21 8.91c.

Performance Table Net of Fees

| As at 31 October 2024 | PGF | Vanguard High Growth Index Fund | Difference |
|-----------------------|---------------|---------------------------------|------------|
| 1 Month | 3.16% | 0.51% | 2.65% |
| 3 Months | 6.07% | 1.81% | 4.26% |
| 1 Year | 24.97% | 25.02% | -0.05% |
| 3 Years p.a. | 12.98% | 7.00% | 5.98% |
| Since Inception* | 77.99% | 35.90% | 42.10% |

Monthly Performances Net of Fees

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total Return % |
|------|-------|-------|-------|------|-------|-------|------|-------|-------|-------|------|-------|----------------|
| 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 | 1.70 | 0.61 | 2.20 | 3.16 | | | 16.98 |

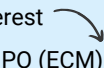
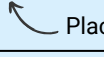


*Inception date is 8 February 2021. Vanguard High Growth Index Fund is chosen as PGF's benchmark for its representation of ASX and global equity market indices.
[^]The latest monthly unit prices and return figures are provided on an estimated basis only and may be subject to change.

Top 10 Listed Equity Positions

| Stock Name | Portfolio Weight |
|-------------------------------------|------------------|
| Platinum Asia (ASX:PAI) | 2.5% |
| S&P Biotech ETF (ASX:CURE/NYSE:XBI) | 2.0% |
| VanEck Gold Miners (ASX:GDX) | 1.9% |
| Meeka Metals (ASX:MEK) | 1.8% |
| Platinum Capital (ASX:PMC) | 1.7% |
| Kaiser Reef (ASX:KAU) | 1.7% |
| Neuren Pharmaceuticals (ASX:NEU) | 1.5% |
| Santos (ASX:STO) | 1.5% |
| Tesla (NASDAQ:TSLA) | 1.1% |
| Block Inc CDI (ASX:SQ2) | 1.1% |

Exposure Allocation

| Strategy Bucket Allocation | Portfolio Weight |
|--|------------------|
| #1 Cash and Fixed Interest  | 6.7% |
|  Placement + IPO (ECM) | 36.6% |
| #2 High Conviction Stocks | 35.6% |
| #3 Options Account | 8.6% |
| Managed Funds | 6.1% |
| Unlisted Investments | 6.4% |

Fund Analytics

| | |
|----------------------|---------------|
| # of Positive Months | 35/45 (77.8%) |
| Upside Capture | 0.77 |
| Downside Capture | 0.11 |

Fund Commentary

PGF's estimated return for October was +3.16%, outperforming the Vanguard High Growth Index Fund, which posted a +0.51% return. During the same period, the ASX 200 Accumulation Index fell by -1.31%, while the MSCI World Ex-Australia Index rose by +3.92%.

In October, under our Bucket #1 strategy, PGF participated in 65 placements, 3 block trades, and 3 IPOs, with expectations of receiving free attaching options in 14 of these deals. Although most of these options are yet to be issued, we anticipate their allocation to the fund over the coming months. Deal flow was exceptionally strong this month, with heavy retail buying in the after market.

Key contributors to returns in October included HMC Capital (ASX:HMC) +16.2%, Kaiser Reef (ASX:KAU) +30.0%, Greatland Gold (LON:GGP) +33.3%, Propel Holdings (TSX:RPL) +33.6%, Infinity Mining (ASX:IMI) +47.4%, Titomic (ASX:TTT) +59.9%, Meeka Metals (ASX:MEK) +68.0% and Trigg Minerals (ASX:TMG) +77.3%.

Meeka Metals was a standout performer. The company operates the Murchison Gold Project, a production-ready asset in Western Australia, with a current ore reserve of 305 koz and anticipated first gold production in early FY26. According to a Definitive Feasibility Study (DFS) conducted in May 2024, the project has a rapid payback period, especially at elevated gold prices. For instance, at a gold price of A\$3,500 per ounce, the payback is just seven months—and gold exceeded A\$4,000 per ounce in October. In September, MEK raised A\$23 million through a two-tranche placement at A\$0.05 per share, earmarked for project development. Meeka closed October at 8.7 cents, buoyed by strong gold prices and attractive project fundamentals.

Main detractors within the strategy was Novatti Group (ASX:NOV) -15.0%, Renu Energy (ASX:RNE) -33.3% and Aumake (ASX:AUK) -37.5%.

Our Bucket #2 high-conviction, longer-term positions also generated mostly positive returns. Notable contributions came from Biotech ETF (ASX:CURE/NYSE:XBI) +5.7%, Gold Miners (ASX:GDX) +7.6%, Pinnacle (ASX:PNI) +11.4%, Opthea (ASX:OPT) +11.7%, Block (ASX:SQ2) +15.7%, Pioneer Credit (ASX:PNC) +16.0%, Life 360 (ASX:360) +16.0%, NexGen Energy (ASX:NXG) +20.2%, Metro Mining (ASX:MMI) +22.6% and Alfabs Australia (ASX:AAL) +22.8%.

Fund Commentary Continued

Key detractors were Santos (ASX:STO) -3.4%, Salter Brothers (ASX:SB2) -3.6%, Newmont (ASX:NEM) -8.9%, Alibaba (HKG:9988) -9.6%, Gentrack (ASX:GTK) -12.3%, Paragon Care (ASX:PGC) -14.6%, Money Forward (TSE:3994) -15.8%, Neuren Pharma (ASX:NEU) -18.4% and Humm Group (ASX:HUM) -18.9%. Alibaba retraced some of its gains, while Tencent remained relatively flat. Recent Chinese stimulus measures have so far failed to invigorate investor sentiment, and in the short term, these stocks face apparent setbacks. Our exposure to China in the fund remains minimal, primarily through two listed Platinum Funds (ASX:PAI/PMC), both of which are currently undergoing conversion from a LIC to an ETF.

Alfabs (ASX:AAL) Site Visit

We conducted a site tour of the Alfabs headquarters in Kurri Kurri, NSW. Established in the 1950s, Alfabs currently provides engineering services for Australian infrastructure projects and sells and leases mining equipment and consumables. We were particularly impressed with the leadership team, including CFO Mark Harrison and CEO Matthew Torrance, who succeeded his father, Paul. During a two-hour presentation, the elder Torrance—no longer operationally involved—stood at the back of the room, making spontaneous heartfelt and passionate interjections throughout. His dedication underscored the family's deep connection to the business, a vital attribute in the competitive industry they operate in. The Torrance family holds a 52% stake in the company. We initially invested in Alfabs at its IPO price of 25 cents in June this year and have also bought on-market. Alfabs closed at 32 cents at the end of October.



One example of a 'shell' being refurbished in the higher margin Mining division. We initially thought it was a commoditised business with low entry requirement until we see first hand the complexity and knowledge know-how required to source, refurbish and lease/sell these equipments. We came back quite impressed.



Another example of a Driftrunner (a vehicle used in underground mining) being refurbished.

Two Upcoming IPOs

We are quite excited to see Australia's IPO market showing definitive signs of revival after an almost three-year hiatus. We are now seeing numerous large-sized IPOs in advanced stage of listing on the ASX. We have committed to two IPOs in October - Vitrafy Life Science (ASX:VFY) and Symal (ASX:SYM).



\$110m market cap at listing

Vitrafy Life Sciences, set to IPO in late November 2024, is a biotech innovator focused on cryopreservation technology that significantly improves survival rates of biological materials, including cells, blood products, and reproductive materials for both human and animal health applications. With its proprietary LifeChain software and FDA-registered freezing devices, Vitrafy is well-positioned to serve high-demand sectors such as gene therapy and aquaculture. Addressing a \$93 billion market, Vitrafy brings patented technology, initial revenue traction, and partnerships with key industry players. The funds raised from the IPO will support rapid scaling in Australia and the U.S., enhancing its early commercial momentum.



\$437m market cap at listing

Symal Group, also aiming to list in late November 2024, is an Australian construction company that provides integrated services across civil infrastructure, contracting, equipment hire, material sales, recycling, and remediation. Founded by Managing Director Joe Bartolo in 2001, Symal works with a mix of blue-chip and government clients, focusing on vital sectors like transport, renewable energy, defence, and community infrastructure. We chose to participate in Symal's IPO due to its robust growth trajectory, driven by self-funded expansion and high-quality client relationships. Operating within Australia's \$80 billion construction market, Symal's low reliance on subcontractors allows for greater control and efficiency in project delivery. With significant infrastructure spending forecast in energy transition and defence, Symal is well-positioned for growth. Notably, Jarden's figures show Symal's IPO is priced attractively at a 4.0x FY25 EV/EBITDA multiple, compared to listed peers trading at 7-8x.

We take considerable care when writing about specific stocks in detail. In the past, we have written in depth on a few select stocks and with a growing reader base, even more considerations are added when publishing about individual stocks. This report aims not to encourage our readers to buy the companies mentioned but to provide insight into some of the opportunities we are seeing in the fund from time to time. This is not a recommendation to purchase Alfabs, Vitrafy or Symal. Our positions in these stocks may change at any time without notice.

Fund Information

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.

Portfolio Manager

Jack Hu, CFA, BCom | jack@pgf.net.au

Responsible Manager

Benjamin Peters, GDFP | ben@pgf.net.au

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

Application and Redemptions

<https://www.registrydirect.com.au/offer/phoenix-growth-fund/>

Website

<https://www.pgf.net.au/>

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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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