

PPF Diversified Growth Fund

A.R.S.N. 099 838 016

The PPF Diversified Growth Fund has been setup to actively manage a portfolio of direct Australian equities and private equity. While target exposures to international equities and absolute return strategies are anticipated to be accessed through specialist funds.

The Fund seeks value in under-appreciated and mispriced sectors. The focus is on thematic investment opportunities where the Manager believes outsized returns can be delivered over a 3-5 year period.

PERFORMANCE AS AT 31 DECEMBER 2025

	3 month	1 year	3 year p.a.	5 year p.a.	7 year p.a.	10 year p.a.
PPF Diversified Growth Fund	12.83%	64.13%	16.74%	19.92%	20.44%	12.08%
Benchmark	-1.52%	6.80%	7.38%	5.76%	6.40%	5.11%
Value Add (net)	14.35%	57.32%	9.36%	14.16%	14.04%	6.97%

Actual performance will differ for clients due to timing of their investment. Returns are calculated net of fees. Benchmark is the S&P/ASX 200 Index. Past performance is not an indicator of future returns.

KEY INFORMATION

Portfolio Manager:	Eugene Ferla
Investment Objective:	To outperform the S&P/ASX200 Index (Benchmark) measured over rolling 3 year periods.
Liquidity:	Monthly
Minimum Investment:	\$20,000
Unit Price:	\$1.7670 (at 31 Dec 2025)
Management fee:	0.77% p.a.
Performance fee:	20% > benchmark
Manager & Responsible Entity:	PPF Asset Management Limited
Auditor:	RSM Australia
Custodian:	Sandhurst Trustees Limited

Management fee excludes some fees including expense recovery. Refer to PDS for details.

COMMENTARY

For the December quarter, the Fund returned 12.83% net of fees, outperforming the S&P/ASX200 Index which returned -1.52%. The Fund's calendar year return was positive 64.13% net of fees.

In another strong quarter, the portfolio's performance was driven principally by its exposure to industrial metals including lithium and rare earth elements along with a high conviction exposure to tungsten by way of Eq Resources which was added to the portfolio in May 2025.

Snapshot: China dominates world production of tungsten, accounting for 83.00%, with Russia and Vietnam combined, controlling over 7.00%. In August 2023, China imposed export restrictions on tungsten which were further tightened in February 2025. The price of tungsten Ammonium Paratungstate (APT) out of China has more than tripled in price over the last 12 months. With Western-market supply tightly constrained by the restrictions, a re-pricing of one of the leading and most geographically stable tungsten miners was inevitable. With strategic mines in Far North Queensland and Spain, Eq Resources can provide western markets with much-needed supply of this specialty metal which has important uses in semiconductors and robotics, defence and electric vehicles, among others.

Other strong portfolio performers in the quarter included the Fund's exposure to the technology sector.

Top Fund Contributors (Qtr) (by contribution)	Weebit Nano Limited Eq Resources Limited Argosy Minerals Limited
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The main detractor from performance however, was the Fund's exposure to energy. We expect energy, led by uranium to be a standout performer in 2026. The portfolio was invested in 31 positions at the end of the quarter.

The Manager has long-held the view that the profligacy of the Covid-era would be the fuse to ignite an extended period of inflation, with a resulting commodity bull market. We remain confident that commodities will continue to underpin portfolio returns in the months and years ahead where bouts of volatility will provide opportunities to add to exposures. We continue to scour the market for undervalued pockets in technology, healthcare and biotech, consumer discretionary and energy, while recycling our commodity sector profits into out-of-favour metals including nickel, manganese and vanadium along with the food-related commodities of agriculture and soft commodities. These typically garner attention later in the cycle. The Fund remains focused on protecting investor capital while delivering optimal returns to investors.

Disclaimer

This document is prepared by PPF Asset Management Limited (AFSL 229696) ('PPFAML') as the investment manager, issuer and responsible entity of the PPF Diversified Growth Fund ARSN 099 838 016 ('the Fund').

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The Product Disclosure Statement ('PDS') and Target Market Determination ('TMD') of the Fund are available at the following link: <https://www.ppfunds.com.au/ppf-diversified-growth-fund>. Any potential investor should consider the PDS and TMD before deciding whether to acquire units in the Fund.