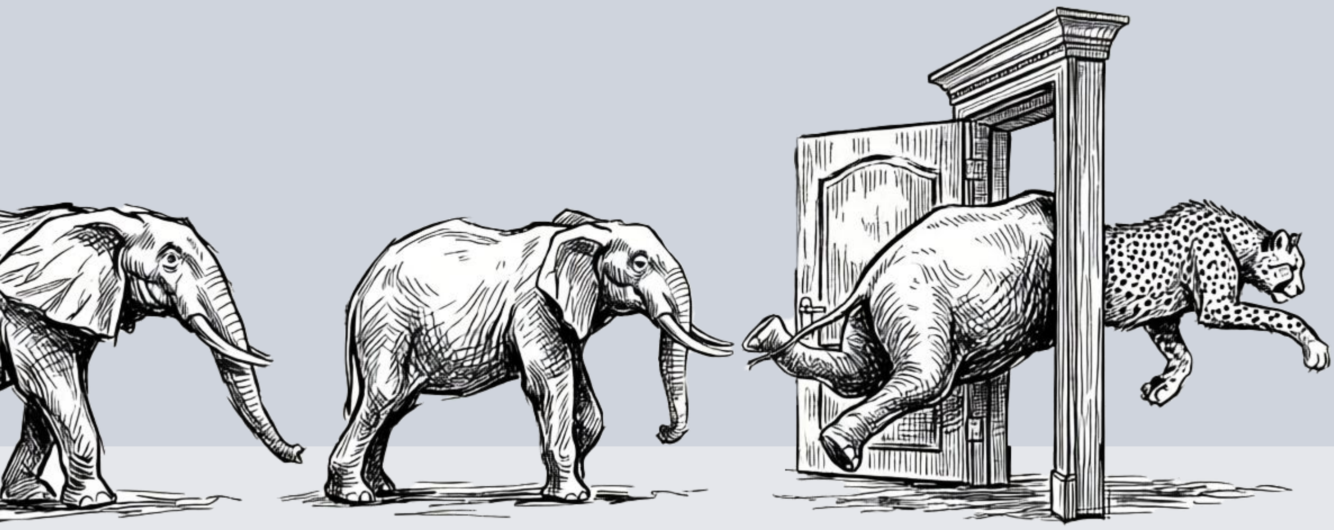
MIHIC FUND MANAGEMENT

ADAMANTOS

INVESTOR LETTER | MARCH 2026



# The structural break

| | Adamantos Fund[1] | Cash +5%[2] | MSCI ACWI[3] |
|---|---|---|---|
| Q1 2026 | +12.0% | 2.2% | -5.8% |

*Past performance is not a reliable indicator of future returns.*

## Performance

The Adamantos Fund was up 12% in the March quarter of 2026. In what has been an exceptional 3 months, we had positive returns from both long and short positions in every month of the quarter. For reference, global equity markets, as measured by the MSCI All Country World Index, were down 5.8% over the quarter. Adamantos has the objective of generating absolute returns in combination with resilience to stress events, and this quarter we delivered on both counts.

[1] Returns of the Adamantos Fund (ARSN139 669 293) are calculated using its net asset value unit price (excluding buy/sell spread) and represent the combined income and capital returns over the quarter ending on 31 March 2026. Fund returns are net of fees and costs, pre-tax, and assume the reinvestment of distributions. **Past performance is not a reliable indicator of future returns.**

[2] "Cash" refers to the RBA Cash Rate.

[3] "ACWI" refers to the MSCI All Country World Net Index (AUD). MSCI ACWI data sourced from FactSet. MSCI data © MSCI Inc. All rights reserved.

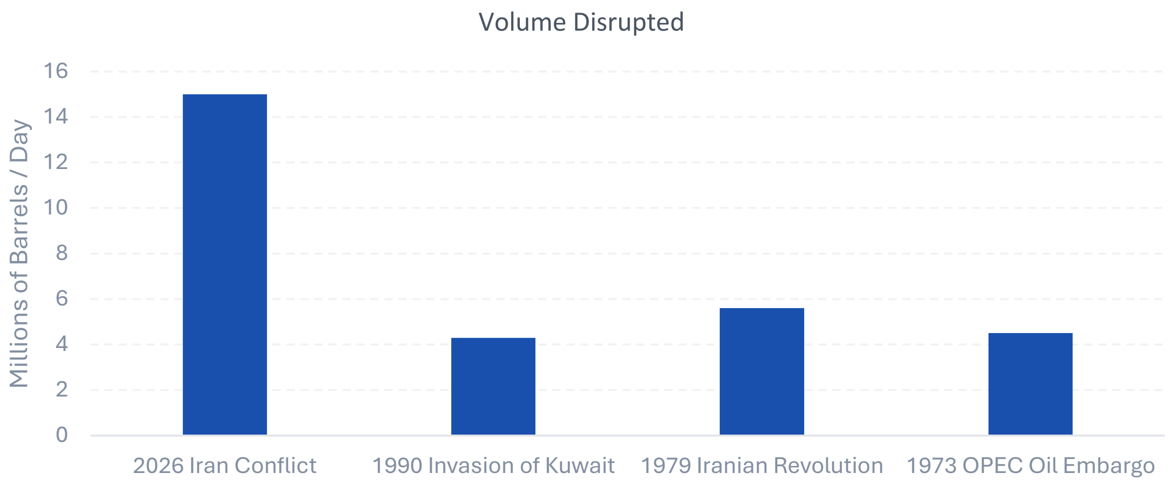
## How Adamantos delivered returns

What is particularly notable is the fact that in January and February Adamantos was correctly positioned for strength in Japan, South Korea and Emerging Markets, while also generating returns from weakness in software stocks. Then in March, we quickly reduced positioning in North Asia, and increased exposure to oil, chemicals, fertilizer and LNG, leading to strength for the long portfolio in a month when markets struggled. We also put on timely new short positions in metals, with the short book also benefitting from general declines across markets. In effect, we were well-positioned before the structural break, and then appropriately and promptly responded to the structural break as it emerged.

## Structural break

While we have plenty of views on AI, the most important thing in markets right now is the conflict in the Middle East. The scale of disruption is unprecedented and potentially catastrophic. One has the sense that market participants are asleep at the wheel, as many seem to hope that this will all be over soon. Even if it is, an underappreciated amount of damage has already been done.

To give a sense, here is the scale of the disruption in oil:



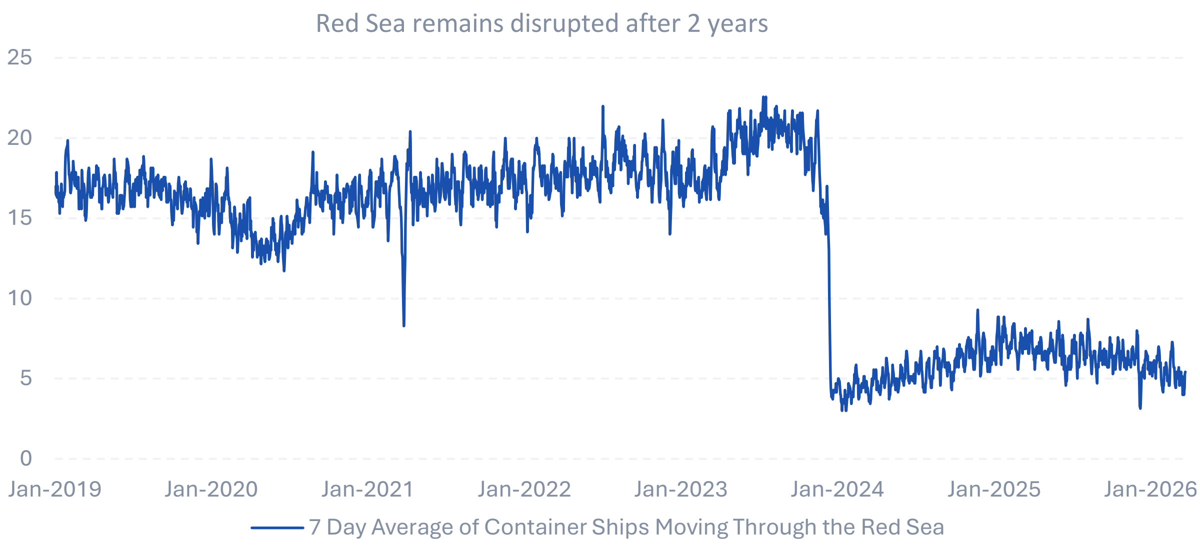

Data sources: Mihic Fund Management, Brookings Institution. Data as at March 2026.

If the current situation were to persist for a year, we would likely need to shrink global GDP by at least 10%. For reference, global GDP shrank 2-3% in the 2008-09 Global Financial Crisis (GFC), and that was spectacularly bad! Under this scenario we would see incredibly high oil prices, and much higher interest rates — stagflation, and a deep recession. The scenario is so bad that it feels like an imminent solution is required.

Of course, we all hope that it will be solved quickly, but hope is not a strategy. In reality, from a statistical perspective, these events go on for longer than people hope. We hope in particular for a quick diplomatic resolution. One number stood out to us: in the first gulf war, in 1991, the US-led coalition brought 750,000 personnel into the Middle East to face a 150,000-man Iraqi army. The Iranians have a million soldiers, and another million paramilitaries. How many personnel would need to be brought in to fight a land war against Iran? Hopefully that is something we never find out.

Optimistically, even if there is to be a quick resolution, the scale of disruption already caused is unlikely to be resolved in a short space of time. There is damage that will take years to repair and scaling up production that has been completely shut down can take months. Resuming shipping, which was previously in a steady state, can be chaotic, as we witnessed post-COVID. Even if all of the practical challenges can be solved, countries are now aware that the possibility of a disruption exists, and are likely to increase their national stockpiles of oil and oil products. This will lead to an extended period of heightened demand.

As an example of how long disruptions can last, note that container shipping has not properly returned to the Red Sea two years after Houthi disruptions started:




Data sources: Mihic Fund Management, IMF PortWatch. Data as at March 2026.

Simply put, the situation, as it stands, does not yet appear to be reflected in equity markets. We believe that people have underreacted to a structural break, as is often the case. Adamantos is positioned for this. Just as importantly, however, we stand ready to reposition should circumstances change in either direction.

Thank you for entrusting us with your capital,

Sava Mihic

Portfolio Manager, Adamantos

## References[4]

### Adamantos Strategy vs its benchmark[5]

| As of 31/3/2026 | 1 mth | 3 mths | 6 mths | 1 year | 2 yr p.a. | 3 yr p.a. | 5 yr p.a. | Inception p.a. |
|---|---|---|---|---|---|---|---|---|
| Adamantos Strategy | 4.8% | 12.0% | 18.6% | 11.4% | 15.9% | 14.5% | 12.3% | 14.9% |
| Cash +5% | 0.8% | 2.2% | 4.4% | 9.2% | 9.5% | 9.5% | 8.2% | 7.9% |
| Excess | +4.0% | +9.8% | +14.2% | +2.2% | +6.4% | +5.0% | +4.1% | +7.0% |

### Value of A$100 invested in the Adamantos Strategy since inception[6]


[4] For reference only, this section presents the synthetic portfolio performance of the "Adamantos Strategy", which has a continuous track record with Sava Mihic as the portfolio manager and has consistently applied the same investment strategy since 31 August 2020 (inception date). It combines the returns of the Platinum Arrow Trust (with Platinum Investment Management Limited (ABN 25 063 565 006) (AFSL 221935) as the trustee) from inception on 31 August 2020 to 31 December 2025 and the returns of the Adamantos Fund (ARSN 139 669 293 | APIR KAM0001AU) from 1 January 2026 onwards.

[5] Adamantos Strategy returns are calculated using the relevant portfolio's net asset value unit price (excluding buy/sell spread) and represent the combined income and capital returns over the specified period. They are net of fees and costs, pre-tax, and assume the reinvestment of distributions. "Cash" refers to the RBA Cash Rate. **Past performance is not a reliable indicator of future returns.**

[6] This chart illustrates the cumulative returns on A$100 invested in the Adamantos Strategy from its inception on 31 August 2020 to 31 March 2026 (based on monthly performance, net of fees), versus those of the RBA Cash Rate +5%. **Past performance is not a reliable indicator of future returns.**

## Net return history of the Adamantos Strategy[7]

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | **Year** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **2020** | | | | | | | | | -0.5% | -0.1% | 6.9% | -0.5% | **5.6%** |
| **2021** | 1.0% | 5.3% | 8.2% | -0.2% | 3.2% | -0.2% | 2.8% | 1.5% | 1.3% | -6.6% | 2.7% | 3.6% | **24.3%** |
| **2022** | 7.6% | -6.5% | -5.7% | 6.8% | 2.8% | -1.5% | -2.0% | 2.9% | -1.3% | 2.6% | 3.8% | 0.5% | **9.1%** |
| **2023** | 0.8% | 0.5% | -0.5% | 4.5% | -5.5% | 0.8% | 3.5% | 4.0% | 0.4% | -0.1% | -3.5% | 1.4% | **5.9%** |
| **2024** | 1.8% | 1.2% | 3.1% | 0.5% | 2.4% | -1.2% | 7.4% | -3.8% | 1.1% | 1.3% | -3.2% | 2.8% | **13.6%** |
| **2025** | -1.0% | 7.3% | 6.3% | -6.7% | -2.4% | 0.4% | 1.5% | 3.6% | -2.4% | -0.6% | 7.9% | -1.3% | **12.3%** |
| **2026** | 3.6% | 3.2% | 4.8% | | | | | | | | | | **12.0%** |

## About us

Mihic Fund Management is an Australian-based investment manager specialising in international equities with a dual focus on absolute returns and downside protection during stress events. Mihic Fund Management has an independent style of investment management driven by the extensive deployment of technology to enhance the fundamental analysis of companies.

## Investor Services

Please visit www.mihic.com for the daily unit prices and other information about the Adamantos Fund.

If you are a unitholder in the Adamantos Fund and have questions about your account, or if you have questions about how to invest in the Adamantos Fund, please contact our Unit Registry, Boardroom Investor Services on 1300 737 760 or at mihic@boardroomlimited.com.au.

For other questions about the Adamantos Fund, please contact us on 02 7261 1377 or at invest@mihic.com.

[7] Adamantos Strategy returns are calculated using the relevant portfolio's net asset value unit price (excluding buy/sell spread) and represent the combined income and capital returns over the specified period. They are net of fees and costs, pre-tax, and assume the reinvestment of distributions. **Past performance is not a reliable indicator of future returns.**

**Important Information**

This document was prepared by Mihic Fund Management Pty Ltd (ABN 16 686 463 552) ("**Mihic Fund Management**"), a corporate authorised representative (CAR no. 1318918) of K2 Asset Management Ltd (ABN 95 085 445 094) (AFSL no. 244393) ("**K2**"). K2 is the Responsible Entity of the Adamantos Fund (ARSN 139 669 293 | APIR KAM0001AU) (the "**Fund**"). Mihic Fund Management was appointed the investment manager of the Fund on 1 January 2026 and has been responsible for all investment decision-making on behalf of the Fund since then.

References to the "Adamantos Strategy" are to the synthetic portfolio which has a continuous track record with Sava Mihic as the portfolio manager and has consistently applied the same investment strategy since 31 August 2020 (inception date). It combines the returns of the Platinum Arrow Trust (with Platinum Investment Management Limited (ABN 25 063 565 006) (AFSL 221935) as the trustee) from inception on 31 August 2020 to 31 December 2025 and the returns of the Adamantos Fund (ARSN 139 669 293 | APIR KAM0001AU) from 1 January 2026 onwards.

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