

KALYX GLOBAL ASSET MANAGEMENT

Kalyx Global Fund

INFORMATION MEMORANDUM

July 2026

STRICTLY CONFIDENTIAL

For Wholesale Investors Only

Important Notices

This Information Memorandum (IM) is issued by Kalyx Global Pty Ltd (the Trustee) (Authorised Representative No. 1322309) in respect of the Kalyx Global Fund (Fund). This IM is dated 28 July 2026. The Fund is managed by Kalyx Global Asset Management Pty Ltd (the Manager) (Authorised Representative No. 1322308). Both the Trustee and the Manager are corporate authorised representatives of True Oak Investments Pty Ltd (AFSL 238184).

The Fund is established under a Trust Deed dated 11 March 2026 and is an unregistered managed investment scheme. Offers in the Fund are available to Wholesale Clients only.

This IM is not intended to be received or read by anyone other than Wholesale Clients within the meaning of section 761G of the *Corporations Act 2001 (Cth)*. Each person who applies to invest in the Fund will be required to satisfy the Manager that they qualify as a Wholesale Client. The Trustee reserves the right to reject any application, in whole or in part, at its absolute discretion.

Investment in the Fund is restricted to Australian residents. The Manager may, at its absolute discretion, consider applications from investors resident outside Australia on a case-by-case basis.

This IM does not constitute an offer to acquire interests in the Fund and is not intended to be the only information on which an investment decision is made. It is provided to assist prospective investors in making their own independent evaluation of an investment in the Fund and does not purport to contain all information that may be necessary or desirable for each investor's particular objectives and circumstances.

This IM may contain certain forward-looking statements, financial objectives and return targets with respect to the anticipated performance of the Fund. These are based on assumptions and are subject to factors that could cause actual performance to differ materially from that expressed or anticipated. The financial objectives and return targets of the Fund are in no way guaranteed. Investment decisions should not be based solely on these objectives.

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This IM is neither a prospectus nor a product disclosure statement under the *Corporations Act*. It has not been lodged with ASIC. ASIC takes no responsibility for its contents.

Prospective investors should not construe the contents of this IM as legal, tax, investment or other advice. Each investor should make their own independent inquiries and consult their own advisers as to legal, tax and related matters before investing.

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1 Fund Overview

1.1 Key Features

The table below summarises the key features of an investment in the Fund. Investors must read the whole of this IM before making a decision to invest.

The Offer	Units in the Kalyx Global Fund, an unlisted Australian unit trust available only to Wholesale Clients.
Manager	Kalyx Global Asset Management Pty Ltd CAR no.1322308
Trustee	Kalyx Global Pty Ltd CAR no.1322309
Fund Structure	Unregistered managed investment scheme, structured as an Australian unit trust (AMIT election intended).
Investment Strategy	Concentrated global SMID cap equity strategy focused on companies at identifiable operational, cyclical and idiosyncratic inflection points, with systematic drawdown management.
Universe	Global small and mid-cap equities (target range USD 100 million to USD 10 billion market capitalisation) with discretion to invest in physical commodity and equity ETFs and indices.
Minimum Investment	AUD 500,000
Investor Capacity	Proposed limit of 40 wholesale investors.
Management Fee	1.25% per annum of NAV
Performance Fee	15% of net returns above the hurdle rate.
Hurdle Rate	RBA Cash Rate + 400 basis points (hard hurdle).
High Watermark	Yes. Performance fees only payable when NAV exceeds prior peak.
Redemption Frequency	Monthly.
Redemption Notice	45 days prior to proposed redemption date.
Liquidity Management	The Trustee may defer, scale back, pro-rata (if requests exceed 25%), or suspend redemptions during market disruptions to protect remaining unitholders.
Applications	Monthly.
Unit Pricing	Monthly, as at close of trading on the last business day of each calendar month.
Net Exposure Range	50% to 100%.
Maximum Gross Exposure	120% of NAV.
Drawdown Management Framework	Systematic three-phase framework triggered by objective market signals. Cash is raised first, followed by index short positions when broad market stress is confirmed.
Short Instruments	Index instruments only. No single-name short selling.
GP Commitment	The substantial majority of the Manager's personal net worth is invested in the Fund.
Investor Base	Australian wholesale investors only.
Currency	Primarily unhedged. Opportunistic hedging may be employed at the Manager's discretion
Income Distributions	Annual, with reinvestment as default.

1.2 Fund Structure

The Fund is an unlisted, open-ended, unregistered managed investment scheme established as an Australian unit trust. The trustee of the Fund is Kalyx Global Pty Limited (ACN 694 600 489) (Trustee) which is a corporate authorised representative of True Oak Investments Pty Ltd, AFSL no.238184, (CAR no.1322309) and has entered an authorised intermediary arrangement with the licensee. The Trustee intends to make an irrevocable election to be treated as an Attribution Managed Investment Trust (AMIT) for Australian tax purposes, subject to meeting the relevant eligibility requirements.

The Manager proposes to limit the Fund to 40 wholesale investors by design. This reflects the Manager's commitment to maintaining a direct, ongoing relationship with every investor in the Fund. The Manager believes that a concentrated investor base with aligned interests is a prerequisite for long-term capital compounding.

All fund assets are held by the trustee or the appointed Custodian for the benefit of investors. Investors do not have ownership of specific trust assets.

1.3 Unit Pricing and Valuation

The Fund is valued on a monthly basis, as at close of trading on the last business day of each calendar month. Unit prices are calculated by the Fund's Administrator based on the NAV of the Fund.

The application price for units is the NAV per unit plus any applicable buy spread. The redemption price is the NAV per unit less any applicable sell spread. The buy/sell spread reflects the estimated transaction costs of acquiring and disposing of assets to process applications and redemptions.

1.4 Income Distributions

The Fund intends to distribute all realised income on an annual basis, following the end of each financial year (30 June). Unless otherwise instructed, distributions will be automatically reinvested in the Fund.

2 Kalyx Global Asset Management

2.1 About the Manager

Kalyx Global Asset Management is a specialist investment manager focused on global small and mid-cap (SMID cap) equities at identifiable inflection points. Established in 2026 to provide sophisticated wholesale investors with access to a concentrated, high-conviction strategy, the Manager targets four types of inflection: confirmed operational turns already showing in the numbers; idiosyncratic change from a strategic pivot or restructuring; cyclical inflections in concentrated industries where disciplined survivors capture the recovery; and companies whose long-established technical expertise meets an emerging end market. The Manager's thesis is that inflections of this kind are persistently mispriced in the SMID cap segment. Index benchmarks, ETF flows and mandate constraints leave these companies under-researched, under-owned and under-covered.

Philip Sellaroli is the founder and sole director of the Manager. He established Kalyx Global in 2026, bringing over twenty years of experience spanning global investment banking and fund management. His career began at Credit Suisse, followed by eleven years at Macquarie, where he served as Head of Trading in Tokyo, and seven years at Platinum Asset Management as senior trader, analyst, and portfolio manager within the Asia ex-Japan strategy. Most recently, he served as senior analyst to a single-family office portfolio.

This deep experience across research, execution, and portfolio management highlighted a recurring market inefficiency: the mispricing of inflections in the small and mid-cap space. By assessing companies operationally, structurally, and through the lens of emerging change before it is priced in, he developed a high-conviction philosophy designed to capture asymmetric risk-reward and deliver meaningful through-cycle returns.

Philip Sellaroli has committed the vast majority of his personal net worth to the Fund and co-invests as a unitholder on identical terms. The Fund's fee structure and drawdown management mechanisms are designed to reflect this alignment, ensuring the Manager's outcomes move directly with those of its investors.

2.2 Investment Philosophy

The Manager's philosophy has been shaped by two decades of investing in global equities, and by the particular lessons of getting it wrong. What follows is not a checklist, but a description of how the Manager thinks about the asset class and where it believes returns are made.

Structurally Underfollowed

SMID cap equities are structurally underfollowed. Sell-side coverage thins materially within the Manager's targeted market cap range (USD 100 million to USD 10 billion), while institutional ownership is heavily constrained by mandate size and liquidity. This structural neglect creates persistent mispricing that a disciplined, focused process can systematically exploit.

Operational Change Drives Re-rating

Across each of the Manager's four target inflection categories (Confirmed, Idiosyncratic, Cyclical, and Expertise Meets Opportunity), gross margin expansion and an initial turn in free cash flow serve as the Manager's primary tripwires. These early signals demonstrate that operational change is real, long before it becomes visible in headline earnings.

Consensus models, anchored to trailing company economics, routinely miss these early indicators, creating a two to four quarter analytical lag. This lag is the Manager's entry window, where initial capital is deployed and position sizing begins.

The secondary confirmation (expanding EBIT margins, rising ROIC, disciplined capital allocation, and sustainable free cash flow) typically follows later. It is this secondary layer of proof that forces market consensus to recognise the turn, driving the valuation re-rating and multi-year compounding that follows.

Narrative Change is Necessary, Not Sufficient

A revised strategy, new management team, or corporate divestment attracts market attention, but narrative shift is not where the Manager's conviction begins. Most turnarounds fail or take far longer than initial guidance suggests. The Manager waits for empirical evidence in the reporting before fully sizing a position. The corporate announcement is the signal to commence research, not the signal to buy. The cost of being late by a quarter is small; the cost of being early by two years is the entire position.

Concentration Amplifies Alpha

Empirical research and institutional experience consistently show that a focused portfolio of 15 to 25 high-conviction holdings will outperform a diluted 50 to 60 stock portfolio over a full cycle. The reason is simple: in an over-diversified portfolio, marginal positions are inevitably lower conviction and cluster around the mean. Concentration forces the discipline of rejecting second-best ideas. Risk is managed at the individual position level, through rigorous sizing, and the Drawdown Management Framework, not through stock proliferation.

Downside Discipline Compounds

Market-wide downturns flatten fundamental differences as stock correlations spike, meaning even the strongest fundamental analysis cannot prevent drawdowns. By systematically raising cash first and deploying index hedges when broad market stress takes hold, a rules-based framework preserves capital. This ensures the portfolio is structured not just to limit losses, but to turn market fear into an opportunity by aggressively deploying capital when assets are most mispriced.

2.3 AFSL and Regulatory Status

The Trustee and Manager operate under an Australian Financial Services Licence (AFSL) as corporate authorised representatives of a licensed AFSL holder. Details of the Trustee and Manager's regulatory status and AFSL authorisations are available on request. The Manager is required to comply with all relevant obligations under the *Corporations Act 2001 (Cth)* and ASIC regulatory guidance in the conduct of its investment management activities.

3 Investment Objectives and Strategy

3.1 Investment Objective

The Fund aims to deliver real absolute returns above the RBA Cash Rate plus an equity risk premium (400 basis points) over a full market cycle, while protecting investor capital when markets turn against the strategy.

The performance fee hurdle of RBA Cash Rate plus 400 basis points is designed to align performance fees with genuine net value creation. Because global SMID cap equities carry inherent risks, including illiquidity, volatility, and single-stock concentration, the Manager believes a performance fee should only crystallise once investors have received an equity risk premium above cash. The Manager does not believe it should earn a performance fee for delivering anything less.

3.2 The Four Inflection Types

Not all inflections are identical, and they do not all reward the same analytical process. The Manager categorises opportunities across four distinct setups. Each possesses its own pattern of evidence, timeline, and failure mode. What unites them is that the market consistently lags in repricing the fundamental earnings power that genuine operational change unlocks.

These four types are not mutually exclusive, and the most durable positions often combine elements of more than one. The objective is to identify the dominant source of mispricing that the market will be forced to reprice first.

Confirmed Inflection

The operational turn has already materialised and is showing up in the numbers. Gross margin has inflected, free cash flow has turned, and operating leverage is building. The market has registered the first beat but has not yet extrapolated the trajectory, creating an entry opportunity before full re-rating occurs.

Idiosyncratic Inflection

A strategic pivot, non-core asset divestment, or leadership change resets the business trajectory, creating the potential for a fundamental operational turn. As outlined in Section 2.2, the Manager waits for this strategic shift to materialise in reported financials before fully sizing a position. The corporate announcement is the signal to commence research, not the signal to buy.

Cyclical Inflection

A company-specific catalyst aligns with an industry emerging from a prolonged cyclical downturn. While cycle troughs are rarely clear in real time, the Manager targets disciplined survivors that maintained capacity and reinvestment through the bottom. Within cyclical setups, the Manager prioritises businesses operating as one of only three or four dominant players in their niche, positioning them to capture outsized operating leverage during the recovery rather than merely participating in it.

Expertise Meets Opportunity

Over years or decades, a company develops deep, specialised capability within a quiet or niche market. An emerging, high-growth end market then creates sudden demand for that exact expertise. The core capability was always present; the addressable opportunity is new. Consensus lags in recognising these setups because, at surface level, the company still looks like a legacy operator.

3.3 Investment Process

The Manager follows a disciplined, progressive investment process from opportunity discovery through to portfolio construction.

Surfacing Inflection Candidates

Idea generation is structured to systematically cover a global SMID universe that is too broad for traditional manual screening alone. The Manager combines systematic quantitative filters with proprietary technology workflows to identify early-stage operational inflections across its four target categories before they appear on consensus radars.

Quantitative screens monitor fundamental velocity (tracking gross margin expansion, cash conversion turns and working capital shifts) across developed and selected emerging markets. To scale coverage, these traditional filters are augmented by custom workflows and LLM-based agents developed by the Manager. These tools continuously process global regulatory filings, exchange disclosures, earnings call transcripts, and executive changes, alongside broader public web sources, to flag early strategic pivots, management transitions, and niche capabilities encountering new demand.

To maintain strict valuation and timing discipline, any company whose share price has already appreciated meaningfully is excluded. The Manager targets fundamental change ahead of market recognition, not after it.

This systematic top-of-funnel surfaces 10 to 20 high-potential candidates per month for rigorous human fundamental analysis. Technology serves solely as the discovery engine to expand coverage; it never makes the investment decision.

Inflection Identification

Initial fundamental research centres on developing a deep, historical understanding of the business and its structural position within its broader industry ecosystem. The objective at this stage is to answer three core questions:

- **Durability:** Is the observed inflection real and sustainable, or merely a temporary, one-to-two quarter cyclical bounce?
- **Magnitude:** What is the true scale and runway of the addressable opportunity if the inflection takes hold?
- **Industry Feasibility:** Is the implied upside realistic within the competitive dynamics and structural boundaries of the sector?

The Manager tests the second derivative: evaluating not just whether gross margins and cash conversion have improved, but whether the rate of improvement is accelerating. Most screened candidates are eliminated at this stage.

Analytical Framework

For candidates that pass initial identification, the Manager deepens research to build high-conviction thesis validation and determine initial position sizing. Work at this stage relies heavily on primary research and objective external perspectives:

- **Primary Research:** Synthesising expert network interviews, industry practitioner feedback, earnings call transcripts, and direct engagement with company management to cross-examine internal narratives against industry reality.
- **Secondary Confirmation Tracking:** Identifying the specific operational checkpoints (expanding EBIT margins, accelerating ROIC, disciplined capital allocation, and sustainable free cash flow) that must materialise over subsequent reporting periods. These secondary metrics serve a dual purpose: they act as the Manager's internal milestones to scale conviction, while representing the explicit fundamental proof that ultimately drives market consensus to price the operational turn.
- **Thesis & Bear Case Documentation:** The investment thesis is rigorously documented prior to committing capital, explicitly detailing core assumptions, required operational milestones, and the business's full potentiality. To actively challenge confirmation bias, which naturally develops once a compelling opportunity is discovered, the Manager constructs an independent bear case that deliberately stress-tests those assumptions. This framework establishes explicit, measurable thesis-invalidation triggers before a single dollar is deployed, defining in advance what would prove the thesis wrong and mandate an immediate exit.
- **Valuation & Scenario Benchmarking:** While the price paid dictates the initial margin of safety, starting valuation is only truly meaningful when evaluated in the context of the business's ultimate potential. Rather than relying on easily observable, static trailing multiples, valuation is benchmarked directly against the earnings power unlocked under a validated inflection scenario. Where direct peers are absent, the Manager benchmarks against similar operational models or companies that have undergone comparable structural inflections to establish reasonable valuation guardrails.

Position Construction

No matter how rigorous the initial research, discovery is merely the entry point. Building the conviction required for significant position sizing requires living with an investment and observing how management executes against real-time operational milestones.

Positions are therefore initiated at a modest size while research continues. The Manager relies on Secondary Confirmation Tracking of the key operational checkpoints discussed above, scaling position size as reported fundamentals validate the thesis.

The Fund does not hold a bloated list of speculative names hoping an inflection eventually materialises. Position size is scaled strictly as fundamental prints confirm the thesis. The cost of being one or two quarters late to a validated turn is negligible; the cost of being two years early is the entire position.

Specific sizing parameters and concentration limits are detailed in Section 4.

Exit Discipline

Exit discipline begins at entry, establishing a fundamental reference point before committing capital. Having an explicit baseline ensures the Manager objectively determines whether a thesis is progressing or invalidated based on reported facts, rather than reacting to price action alone:

- **Absence of Fundamental Confirmation:** If the anticipated operational evidence fails to materialise in live reporting, and margin expansion stalls or cash conversion lags, the position is cut in full rather than held on expectation. The Manager does not hold unvalidated positions hoping the turn eventually shows up.
- **Risk & Portfolio Rebalancing:** Position sizing is actively managed against concentration risks. Where an appreciating holding exceeds 15% of NAV, the Manager mechanically trims the position by 20% to maintain portfolio balance without prematurely exiting an intact thesis.
- **Full Recognition:** A validated thesis reaches maturity when the market price fully reflects the company's improved operational performance and earnings power. Once the operational turn has been recognised and the mispricing gap closes, the position is exited. Capital is recycled out of fully valued holdings and redeployed into the next mispriced inflection.

3.4 Geographic Scope

The Fund invests across global SMID cap equities with a primary focus on developed markets. Current coverage includes the United States, Europe (including the United Kingdom, Germany, France, the Netherlands, Spain, Italy and the Nordic markets), Japan, Hong Kong, China and Australia. The Fund maintains additional coverage in Asia ex-Japan and Latin America as opportunities arise.

Currency exposure is primarily unhedged. The Manager has not seen consistent evidence that currency timing adds value over a full cycle, and the cost of carrying systematic hedges erodes returns. The Manager reserves the right to hedge a specific exposure where the risk is unusually large or the carry is unusually favourable, but this is the exception rather than the rule.

4 Portfolio Construction and Risk Management

4.1 Portfolio Parameters

Number of Positions	Target 15 to 25 concentrated holdings
Market Cap Universe	Target USD 100 million to USD 10 billion
Minimum ADV per Name	USD 200,000 average daily value traded
Initial Position Size	Approximately 1% of NAV on initiation
Build Threshold	3% or greater required for continued holding
Maximum Single Position	15% of NAV

Position Reduction Trigger	At 15% of NAV, 20% of the position is sold systematically
Net Exposure Range	50% to 100% of NAV
Maximum Gross Exposure	120% of NAV
Holding Period	1 to 5 years per position, typically

4.2 Position Sizing — Invest and Investigate

Position sizing is the Manager's primary risk control, governed by a simple rule: never pay for conviction the work has not yet earned. Positions are initiated small while the thesis is being tested, built only as operational evidence accumulates, and trimmed mechanically if a single holding grows to dominate the portfolio.

- Initiate at approximately 1% of NAV on a confirmed inflection signal. Early participation without committing capital ahead of conviction.
- Build to 3% or greater only as the thesis starts to play out in the financials. If after a reasonable observation window, the evidence has not arrived, the position is sold entirely. The Fund does not carry 1% positions as placeholders.
- Continue building as the thesis plays out and the growth runway extends. The Manager holds through the duration of the inflection, typically one to five years.
- At 15% of NAV, 20% of the position is sold. This is mechanical, and not subject to a view on the stock at the time. The point is to make the decision before conviction in a single name distorts portfolio-level risk.
- Exit if the inflection fails to materialise or the thesis is invalidated.

4.3 Concentration and Diversification

The Fund is concentrated by design. Fifteen to twenty-five positions is enough to diversify away most stock-specific risk; beyond that, the marginal name typically dilutes returns more than it reduces risk.

The Fund is not run against a benchmark. Position sizes reflect conviction in the underlying business, not tracking-error mathematics. The Manager would rather hold nothing than hold a name to avoid being underweight it.

4.4 Shorts and Index Instruments

The Fund does not short individual stocks. Single-name shorts in SMID cap equities carry asymmetric risk: limited upside, theoretically unlimited downside, and recall risk that can force the trade closed at the worst moment. They also require a different skill set from the long process and would dilute focus. Where short exposure is taken, it is through liquid index instruments only, deployed exclusively under the Drawdown Management Framework in Section 5. The framework, not the Manager's market view, determines when and how much.

4.5 Equities, ETFs, and Market Indexes

While stock selection across global SMID cap equities forms the core of the portfolio, the Fund may also utilise equity index futures and broad market ETFs. Specifically, following a market drawdown where the Drawdown Management Framework has successfully preserved capital, the Manager may deploy capital into liquid market indexes or broad ETFs to rapidly restore market exposure at cyclical bottoms. This is a rare, short-term tactical tool. It provides immediate market participation while allowing the Manager the necessary time to systematically build positions in pre-screened, high-conviction inflection names without compromising execution discipline or liquidity.

5 Drawdown Management Framework

5.1 Philosophy

Drawdown management within the Fund is strictly rules-based. The decision to raise cash or implement a hedge is executed on the basis of objective market signals rather than discretionary market calls. In

the Manager's experience, the fundamental challenge of risk management is not the architecture of the framework, but the discipline to act on it in real time when human instinct urges delay to wait for further confirmation. A rules-based framework ensures that risk-reduction decisions are taken before that instinct prevails.

Three working principles sit underneath the framework. Cash comes first. It is the cheapest hedge available (instant, no carry, no basis risk), and the only one that also preserves the option to redeploy at lower prices. Index shorts are rare and reserved specifically for regimes where market correlation spikes and equities move as one, confirming that systemic market risk, rather than a stock-specific issue, is the driver; otherwise, the cleaner response is simply to trim individual names. Finally, hedges are removed as conditions approach peak stress rather than added into it. Protection bought at the height of fear is almost always overpriced and usually signals the time to begin redeploying capital.

5.2 Trigger Framework

The Drawdown Management Framework operates across three phases, each triggered by a specific combination of objective market signals. Where signals are mixed, the Manager applies a clear hierarchy. Market breadth drives the cash decision: if breadth falls below 50%, the Manager begins raising cash even if volatility remains calm. Correlation drives the hedge decision: index shorts are introduced only when correlation confirms that stress is broad-based. Where correlation remains low, risk is addressed through stock-specific trimming rather than index hedges.

The three phases and their corresponding trigger signals are set out below. Each phase is cumulative: Phase 2 does not replace Phase 1 but adds to it. The framework is designed to be read left to right. As conditions deteriorate across the signal columns, the portfolio response moves right across the exposure columns.

Phase	VIX	Market Breadth	Correlation	Net Exposure	Index Hedge	Cash
Normal	< 22	> 50%	< 0.6	90–100%	None	Low
Phase 1: Raising Cash	< 22	40–50%	0.6–0.8	70–80%	None	20–30%
Phase 2: Adding Hedges	22–30+	< 40%	≥ 0.8	50–70%	10–40%	20–40%
Phase 3: Unwind & deploy	> 30, easing	Recovering from < 20%	Elevated	60–70%, rising	Reducing	Reducing

Phase 3 is deliberately asymmetric in its construction. Where Phases 1 and 2 are triggered by deteriorating conditions, Phase 3 is triggered by early signs of stabilisation: the VIX is easing from elevated levels, breadth is beginning to recover, correlation fracturing as stocks decouple from the index. These are the signals that protection is becoming expensive and redeployment is approaching. Hedges are reduced and cash begins moving back into positions before the all-clear is obvious, because by the time it is obvious the opportunity has usually passed. That redeployment may be expressed through index exposure and through the single-stock long book.

5.3 Cash as the Primary Hedge

Cash is the Fund's first line of defence. When Phase 1 triggers are met, the Manager trims into cash, and the order matters. The first names sold are those where liquidity is thinnest, not the weakest thesis. The logic is uncomfortable but unavoidable: if conditions deteriorate, illiquid positions will be impossible to exit at a fair price, while the high-conviction names can usually be reduced in size at any point in the cycle. Cutting illiquidity first leaves the Fund with a more tradeable book in a tape that may get worse.

The Fund's net exposure range is wide by design, from 50% to 100%. At the low end of that range, the Fund is structurally half as exposed to a market drawdown as a fully invested long-only portfolio, and that is the point. Cash is not a residual; it is a position the Fund actively takes when the framework calls for it.

5.4 Index Shorts

Index shorts enter the picture only in Phase 2, when correlation has risen far enough to tell the Manager that the problem is the market rather than the holdings. The instruments used for this purpose are liquid index futures or ETFs. Single-name shorts are out of scope for reasons set out in Section 4.4. The purpose is narrow: to dampen the systematic component of drawdown while the long book is held intact. Back testing shows this environment is rare, presenting itself less than 10% of the time.

Index shorts are systematically reduced into peak stress, when volatility is highest, hedges are most expensive, and their marginal effectiveness is lowest. The Manager will not chase protection at the bottom; hedges are monetised aggressively as fear peaks and redeployed into core ideas as conditions normalise.

5.5 Interaction with Performance Fee

The performance fee hurdle is applied to the whole NAV, not just the invested portion, including any cash held as part of the protection framework. This is deliberate, and the consequence is that when the Fund de-risks into Phase 1 or Phase 2, the effective hurdle on the remaining invested capital is materially higher than the headline number. The Manager accepts that cost. It is the structural cost of being paid to compound capital, not to mark a benchmark.

6 Fees and Expenses

6.1 Fee & Expenses Summary

Management Fee	1.25% per annum of NAV, charged monthly in arrears.
Performance Fee	15% of net returns above the hurdle rate.
Fund Expenses	Capped at 0.25%. If expenses are below this level, the difference is retained within the Fund.
Hurdle Rate	RBA Cash Rate + 400 basis points (hard hurdle).
High Watermark	Yes. Performance fees are only payable when NAV exceeds the prior peak.
Performance Fee Crystallisation	Annual, as at 30 June each year. Monthly accruals are written back in full if the Fund falls below the hurdle or HWM before year end.
Buy/Sell Spread	0.25% (25 basis points). Reflects the estimated transaction costs of applying or redeeming. The spread is retained within the Fund for the benefit of existing investors and is not a fee paid to the Manager. No separate redemption fee is charged. Transaction costs on redemption are reflected in the sell spread above.

6.2 Management Fee

The management fee of 1.25% per annum is calculated on monthly NAV including cash and other liquid assets. The management fee is charged to the Fund monthly in arrears.

6.3 Fund Expenses

Fund expenses include fees payable to the trustee, Administrator, Custodian, auditor and other service providers, together with general operational expenses including AML/KYC costs and government charges. Ordinary fund expenses are capped at 0.25% per annum of NAV. Where actual expenses exceed this amount, the excess is borne by the Manager and not passed through to the Fund.

6.4 Performance Fee

The performance fee is 15% of net returns above the hurdle rate. The hurdle rate is the RBA Cash Rate plus 400 basis points. This is a hard hurdle: performance fees apply only to returns above the hurdle, never on returns up to it. The hurdle reflects the Manager's objective of delivering real absolute returns that represent genuine compensation for the equity risk investors are taking.

Performance fees are calculated and payable annually at 30 June.

6.5 High Watermark

Performance fees are only payable when the NAV per unit exceeds the prior peak NAV (the high watermark). If the Fund experiences a drawdown, no performance fees are payable until the NAV has fully recovered to the prior peak and thereafter exceeded the hurdle rate.

The high watermark mechanism ensures that investors never pay performance fees twice on the same gains. No performance fees are payable on recovered ground.

6.6 Illustrative Fee Examples

The following examples illustrate how fees are calculated under different return scenarios. All examples assume an opening NAV of AUD 100,000 per unit, an RBA Cash Rate of 4.10% and an implied hurdle of 8.10%. Examples are illustrative only and do not represent actual or projected returns.

Scenario 1 — Strong Year (Gross Return +33%)

Element	Calculation	Amount (AUD)
Opening NAV	—	100,000
Gross return at 33%	—	+33,000
Management fee (1.25%)	$1.25\% \times 100,000$	(1,250)
Net before performance fee	—	131,750
Hurdle amount (8.10%)	$8.10\% \times 100,000$	8,100
Excess above hurdle	31,750 minus 8,100	23,650
Performance fee (15%)	$15\% \times 23,650$	(3,548)
Closing NAV	—	128,202
LP net return	—	+28.20%

Scenario 2 — Moderate Year (Gross Return +10%)

Element	Calculation	Amount (AUD)
Opening NAV	—	100,000
Gross return at 10%	—	+10,000
Management fee (1.25%)	$1.25\% \times 100,000$	(1,250)
Net before performance fee	—	108,750
Hurdle amount (8.10%)	$8.10\% \times 100,000$	8,100
Excess above hurdle	8,750 minus 8,100	650
Performance fee (15%)	$15\% \times 650$	(97.5)
Closing NAV	—	108,653
LP net return	—	+8.65%

Scenario 3 — Negative Year (Gross Return -8%)

Element	Calculation	Amount (AUD)
Opening NAV	—	100,000
Gross return at -8%	—	(8,000)
Management fee (1.25%)	1.25% x 100,000	(1,250)
Net before performance fee	—	90,750
Hurdle cleared?	No	Nil
Performance fee	Nil	Nil
Closing NAV	—	90,750
LP net return	—	-9.25%
HWM carried forward	Prior peak maintained	100,000

Scenario 4 — Recovery Year (Gross Return +20% from Drawdown Base)

Element	Calculation	Amount (AUD)
Opening NAV (post drawdown)	—	90,750
High watermark	—	100,000
Gross return at 20%	—	+18,150
Management fee (1.25%)	1.25% x 90,750	(1,134)
Net before performance fee	—	107,766
HWM cleared?	Yes, at 100,000	—
Hurdle amount (8.10%)	8.10% x 100,000	8,100
Excess above hurdle	7,766 minus 8,100	Nil
Performance fee (15%)	Nil	Nil
Closing NAV	—	106,632
LP net return	—	+17.50%

These examples are illustrative only. Actual fee calculations are governed by the Fund's Trust Deed and the definitions set out in the Glossary. In the event of any inconsistency between these examples and the Trust Deed, the Trust Deed prevails.

7 Investing in the Fund

This section sets out the practical terms on which investors may apply for, hold and redeem units in the Fund.

7.1 Eligibility

Investment in the Fund is restricted to Wholesale Clients within the meaning of section 761G of the *Corporations Act 2001 (Cth)*. In Australia, this generally includes investors who:

- Invest AUD 500,000 or more in the Fund; or
- Provide a certificate from a qualified accountant confirming net assets of at least AUD 2.5 million or gross income for each of the last two financial years of at least AUD 250,000; or
- Are professional investors within the meaning of the *Corporations Act*, including holders of an AFSL, persons controlling more than AUD 10 million, or listed entities and their related bodies corporate.

The Fund is currently open to Australian resident investors only. The Trustee reserves the right to refuse any application, in whole or in part, at its absolute discretion.

7.2 Investor Capacity

The Manager intends to limit the Fund to a maximum of 40 wholesale investors. This limit reflects the Manager's commitment to maintaining a direct and ongoing relationship with every investor. Investors should be aware that the Fund may close to new investors at any time once the 40-investor limit is reached.

Prospective investors are encouraged to contact the Manager directly to discuss their interest in the Fund before submitting a formal application.

7.3 Applications

Applications for units are accepted monthly. To be processed in a given month, completed applications including all supporting documentation and application monies must be received by the Administrator at least three business days before the end of that month.

Units are issued at the application price (NAV per unit plus a 0.25% buy spread) calculated as at the last business day of the relevant month.

Application documentation including the application form, AML/KYC requirements and bank account details for application monies will be provided by the Manager on request. There are no cooling-off rights in relation to an investment in the Fund.

7.4 Redemptions

Investors wishing to redeem units must submit a redemption request to the Administrator at least 45 days prior to the proposed redemption date. All redemption requests must be approved by the Trustee subject to the Fund holding sufficient liquid assets. Where the Fund is not liquid, redemptions may only be made in accordance with a current withdrawal offer made by the Trustee. No unitholder has a right to withdraw from the Fund if there is no withdrawal offer currently open.

Redemption requests, once submitted, are irrevocable unless the Trustee consents to withdrawal of the request.

Redemptions are processed on the first business day of each calendar month, at the redemption price (NAV per unit less a 0.25% sell spread) calculated as at the close of trading on the last business day of the prior month. Redemption proceeds are generally paid within 90 days of the Redemption Date, in accordance with the Trust Deed. The Manager's current practice is to target payment within 21 days of the finalisation of NAV, however investors should note that the Trust Deed permits payment within 90 days. There is no minimum amount.

7.5 Restrictions on Redemptions

The Trustee has broad powers under the Trust Deed to delay, reduce pro-rata or suspend redemptions in certain circumstances including where:

- It is impracticable or impossible to fairly calculate the redemption price, for example because of market disruptions or trading halts on a significant portion of portfolio holdings;
- Processing redemptions would require realising a significant portion of the Fund's assets in a manner the Manager considers disadvantageous to remaining investors;
- Any relevant financial, stock, bond, derivative or foreign exchange market is closed or trading on any such market is restricted;
- Redemption requests at any time constitute more than 25% of the relevant unit class;
- The Trustee considers it desirable for the protection of the Fund or in the best interests of investors generally.

Investors will be notified as soon as practicable if redemptions are delayed or suspended.

The Trustee also has the power under the Trust Deed to compulsorily redeem all or part of an investor's units without the investor's consent, including where the investor has breached the Trust Deed, holding the units would cause a regulatory or legal issue for the Fund, the Fund becomes uneconomic to

operate, or the Trustee otherwise considers it necessary in the interests of the Fund. Redemption proceeds in such circumstances will be calculated and paid in accordance with the Trust Deed.

7.6 Transfers

Units in the Fund are transferable subject to the Trustee's prior written consent. A transferee must qualify as a Wholesale Client and must satisfy all applicable AML/KYC requirements. The Trustee is entitled to refuse a transfer request at its absolute discretion.

7.7 Distributions

The Fund intends to distribute all realised income on an annual basis following the end of each financial year (30 June). Unless the investor instructs otherwise, distributions will be automatically reinvested in the Fund at the application price on the first business day in July. Investors who wish to receive cash distributions must notify the Manager or Administrator before 10 June in the relevant year. Distributions represent attributed AMIT income components rather than cash dividends.

8 Investment Risks

An investment in the Fund involves significant risks. The risks set out below are not exhaustive. Prospective investors should read this section carefully and consider their own risk tolerance, investment objectives and financial circumstances before investing. The Manager gives no assurance or guarantee as to future performance, repayment of capital or any particular rate of return.

Risk	Description
Concentration Risk	The Fund holds 15 to 25 positions. An adverse development in a single holding can have a material impact on Fund performance. Concentration is a deliberate feature of the strategy and not a consequence of limited investment opportunity.
SMID Cap Liquidity Risk	Smaller companies may be difficult to exit quickly in dislocated markets. Bid-ask spreads widen materially in stressed environments. The minimum ADV requirement of USD 200,000 per name provides a baseline liquidity screen but does not eliminate liquidity risk.
Thesis Failure Risk	Inflections may not sustain. A single quarter of operational improvement may prove temporary. The Manager's invest and investigate framework and position sizing discipline are designed to limit the cost of thesis failure but cannot eliminate it.
Cyclical Timing Risk	If an economic or industry recovery is delayed or shallower than anticipated, positions may underperform or generate losses even when the long-term thesis remains intact.
Currency Risk	The Fund holds securities denominated in multiple currencies. Currency movements can positively or negatively impact returns. The Fund does not systematically hedge currency exposure.
Emerging Market Risk	Positions in emerging market jurisdictions carry additional political, regulatory, governance, convertibility and liquidity risks not present in developed market investments.
Drawdown Management Framework Risk	The systematic hedge framework may not fully protect against drawdowns in all market environments. Hedge trigger signals may be delayed, and the cost of hedging instruments may reduce returns in volatile periods.
Manager Risk	The Fund is dependent on the capabilities and continued involvement of the Manager. The loss or incapacity of the Manager would materially and adversely impact the Fund.
Regulatory Risk	Changes in applicable laws, regulations or tax treatment may adversely affect the Fund, its investments or investors.

Risk	Description
Valuation Risk	In certain market conditions, portfolio holdings may be difficult to value at their carrying price. This may affect the accuracy of NAV calculations and therefore application and redemption prices.
No Operating History	The Fund is a new vehicle with no operating history as a managed fund. Whilst the Manager previously operated an identical strategy in a private portfolio. Past performance of the Manager's private portfolio does not guarantee future performance of the Fund.
General Economic Conditions	The Fund's performance will be affected by prevailing economic conditions including interest rates, inflation, exchange rates and commodity prices. Economic downturns typically adversely affect company earnings and equity valuations.

Investors should not invest in the Fund unless they understand and can accept these risks. If you are uncertain whether an investment in the Fund is appropriate for your circumstances, you should seek independent financial, legal and tax advice before investing.

9 Taxation

9.1 General

The following is a general outline of certain Australian tax considerations for Australian resident investors who hold their units on capital account. It is based on the Manager's current interpretation of applicable tax laws and does not constitute tax advice. Tax laws may change at any time. Investors are strongly encouraged to seek their own independent professional tax advice before investing, taking into account their particular circumstances.

The Manager and trustee do not provide tax advice and accept no responsibility for the tax consequences of an investment in the Fund for any individual investor.

9.2 AMIT Election

The Fund intends to make an irrevocable election to be treated as an Attribution Managed Investment Trust (AMIT) for Australian tax purposes, subject to meeting the relevant eligibility requirements on an ongoing basis. Under the AMIT regime, the Fund is generally not subject to tax in its own right. Instead, the Fund's taxable income is attributed to investors on a flow-through basis, and investors are assessed on their share of the Fund's tax components in the year in which the Fund derives the income.

Investors will receive an AMIT Member Annual Tax (AMMA) Statement each year, which provides the information required to complete their income tax return in relation to their investment in the Fund.

9.3 MIT CGT Election

The Fund intends to make an election to treat gains and losses on eligible assets as capital gains and losses for tax purposes. Eligible assets include listed equity securities and units in trusts. This election, if made, means that gains and losses from the disposal of eligible assets are taxed under the capital gains tax regime rather than as ordinary income.

Australian resident individual investors who have held their units for more than 12 months may be entitled to the 50% CGT discount on capital gains attributed to them by the Fund, subject to applicable anti-avoidance provisions.

9.4 Distributions and Reinvestment

The Fund's taxable income attributed to investors may differ from cash distributions received. Investors may be required to make upward or downward adjustments to the cost base of their units as a result of differences between amounts attributed and amounts distributed in each income year. Detailed guidance is provided in the annual AMMA Statement.

9.5 Non-Resident Investors

Non-resident investors should seek their own independent tax advice before investing, taking into account their particular circumstances and the provisions of any applicable double taxation agreement.

9.6 GST

The issue and redemption of units in the Fund and distributions made by the Fund should not be subject to GST. Unless otherwise stated, all fees quoted in this IM are exclusive of GST. Where GST applies, fees will be increased by the applicable GST amount. The Fund may be entitled to claim input tax credits (ITC) and reduced input tax credits (RITC) in respect of certain GST-inclusive expenses.

9.7 FATCA and CRS

The Fund is a Financial Institution for the purposes of the US Foreign Account Tax Compliance Act (FATCA) and the OECD Common Reporting Standard (CRS). The Fund complies with its FATCA and CRS obligations by collecting and reporting information on relevant investor accounts to the Australian Taxation Office (ATO), which may be exchanged with the relevant tax authority in the investor's country of residence. Investors are required to provide certain information and certifications as part of the application process to enable the Fund to comply with its FATCA and CRS obligations.

10 Regulatory Considerations

10.1 Privacy

The *Privacy Act 1988 (Cth)* and the Australian Privacy Principles apply to the handling of personal information by the Manager. By completing the application form, investors consent to the collection, use and disclosure of their personal information for the purposes of assessing their application, administering their investment, complying with applicable legislation and providing services in connection with the Fund.

Investor personal information may be disclosed to regulatory and government authorities including the ATO and AUSTRAC, service providers engaged in the administration of the Fund, and other parties as required by law or consented to by the investor. The Manager will take reasonable steps to ensure that any third party to whom personal information is disclosed is bound by appropriate privacy obligations.

Investors have the right to request access to their personal information and to seek correction of information that is inaccurate. Requests should be directed to the Manager.

10.2 Anti-Money Laundering

The Manager is required to comply with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Law). Prospective investors are required to provide identity verification documentation as part of the application process. The Manager will not process any application until all required AML/KYC information has been received and the investor's identity has been satisfactorily verified.

The Manager may delay, refuse or suspend transactions in the Fund if it has concerns that a transaction may breach any obligation under applicable AML/CTF Law.

10.3 Complaints

Any questions or complaints should be directed to the Manager in writing. The Manager will acknowledge receipt of any complaint as soon as practicable and will provide a substantive response within 30 days. Contact details are provided in the Fund's application documentation.

11 Glossary

Term	Definition
AFSL	Australian Financial Services Licence.
AMIT	Attribution Managed Investment Trust, as defined in the <i>Income Tax Assessment Act 1997 (Cth)</i> .
AML/CTF Law	<i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)</i> and associated regulations.
AMMA Statement	AMIT Member Annual Tax Statement issued annually to investors.
Application Price	NAV per unit plus the applicable buy spread.
ASIC	Australian Securities and Investments Commission.
ATO	Australian Taxation Office.
Administrator	Vistra Fund Services (Australia) Pty Ltd
Business Day	A day other than a Saturday, Sunday or public holiday on which banks are generally open for business in New South Wales.
CAR no.	Corporate Authorised Representative number (issued by ASIC)
<i>Corporations Act</i>	<i>Corporations Act 2001 (Cth)</i> .
Class-Level Gate	At the discretion of the Trustee, a limit on redemptions so that only 25% of the Units in a Class may be redeemed at the same Valuation Time, in accordance with clause 7.12 of the Trust Deed.
CRS	OECD Common Reporting Standard for Automatic Exchange of Financial Account Information.
Custodian	Totality Wealth Limited AFSL no 280372
FATCA	Foreign Account Tax Compliance Act of the United States.
Fund	Kalyx Global Fund.
GST	Goods and Services Tax.
High Watermark	The highest NAV per unit at which a performance fee has previously been crystallised, or if no performance fee has been paid, the NAV per unit at the commencement of the first performance period.
Hurdle Rate	RBA Cash Rate plus 400 basis points per annum, being the minimum return the Manager must deliver before performance fees crystallise.
IM	This Information Memorandum.
ITC	Input Tax Credits.
Licensee	True Oak Investments Pty Ltd AFSL no.238184
Manager	Kalyx Global Asset Management.
MIT	Managed Investment Trust, as defined in the <i>Income Tax Assessment Act 1997 (Cth)</i> .
NAV	Net Asset Value of the Fund or the relevant class, as calculated by the Administrator in accordance with the Trust Deed.
Performance Fee	15% of net returns above the Hurdle Rate, subject to the High Watermark.
Performance Period	The period commencing on the first day of the Fund's operation and, for subsequent periods, commencing on the day after the end of the prior performance period, and ending on 30 June each year.

Term	Definition
RBA Cash Rate	The cash rate target published by the Reserve Bank of Australia.
Redemption Date	The first business day of each calendar month.
Redemption Price	NAV per unit less the applicable sell spread.
RITC	Reduced Input Tax Credits.
SMID cap	Global small and mid-cap listed companies or equities
Trust Deed	The trust deed establishing the Fund dated 11 March 2026, as amended from time to time.
Unit	A unit in the Fund.
Wholesale Client	Has the meaning given in section 761G of the <i>Corporations Act</i> .

Kalyx Global Asset Management

For further information, please contact the Manager directly.

This document is strictly confidential and is intended for wholesale investors only.

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