August 2026 Monthly Report

Returns 31-Dec-12 to 31-Aug-26

	Norse Capital	All Ords Accum	Outperformance	Small Ords Accum	Outperformance
Inception	593.75%	238.83%	354.92%	125.89%	467.86%
Inception per annum	15.22%	9.33%	5.88%	6.14%	9.08%
CY2026 (ytd)	8.34%	4.89%	3.45%	-6.20%	14.55%
CY2025	4.13%	10.56%	-6.43%	24.96%	-20.83%
CY2024	45.23%	11.44%	33.78%	8.36%	36.87%
CY2023	17.73%	12.98%	4.75%	7.82%	9.90%
CY2022	-30.79%	-2.96%	-27.83%	-18.38%	-12.41%
CY2021	16.86%	17.74%	-0.88%	16.90%	-0.04%
CY2020	26.36%	3.64%	22.73%	9.21%	17.15%
CY2019	43.44%	24.06%	19.38%	21.36%	22.08%
CY2018	7.46%	-3.53%	10.99%	-8.67%	16.13%
CY2017	15.55%	12.47%	3.08%	20.02%	-4.46%
CY2016	9.31%	11.65%	-2.33%	13.18%	-3.87%
CY2015	36.80%	3.78%	33.02%	10.16%	26.65%
CY2014	10.81%	5.02%	5.79%	-3.81%	14.62%
CY2013	19.24%	19.66%	-0.41%	-0.76%	20.00%
1m	4.91%	1.90%	3.02%	5.18%	-0.26%
3m	7.20%	4.00%	3.21%	-0.19%	7.39%
6m	18.19%	-0.11%	18.30%	-6.31%	24.50%
1y	7.00%	3.49%	3.51%	-1.22%	8.22%
2y pa	16.94%	9.06%	7.88%	10.40%	6.53%
3y pa	21.69%	10.91%	10.78%	9.76%	11.93%
5y pa	4.08%	7.40%	-3.32%	2.22%	1.86%
7y pa	9.66%	8.57%	1.09%	5.71%	3.95%
10y pa	12.98%	9.32%	3.66%	6.51%	6.47%
12y pa	15.05%	8.35%	6.70%	6.58%	8.47%

	Norse Capital	All Ords Accum	Outperformance	Small Ords Accum	Outperformance
Sharpe Ratio	0.89	0.58	1.52x	0.31	2.81x
Sortino Ratio	1.47	0.82	1.80x	0.44	3.31x
Annualised standard deviation	14.91%	13.21%		16.39%	
Highest monthly return	11.91%	10.16%		14.27%	
Largest monthly loss	-10.61%	-20.94%		-22.38%	
Largest drawdown	-36.68%	-27.33%		-29.11%	
% positive months	67.68%	66.46%		58.54%	

Equity markets resumed their uptrend in August, continuing on from the late July rebound immediately after the Situational Awareness hedge fund capitulation. Our +4.9% return came in above the All Ords +1.9% but shy of the Small Ords +5.2%. In the US the S&P 500 returned +2.6% and the Nasdaq +3.9%.

As would be expected in a positive month, our biggest detractor came from our hedges which cost the portfolio -0.85%. (We currently don't have any shorts, having taken back the last of them in late July). The +2% rise in the Aud-Usd cost the portfolio another -0.7%; our futures hedge covers ~34.7% of our currency exposure after cashing out a portion around 70c.

On the positive side of the ledger, our enterprise software basket contributed +1.8%, basically all of it from CRWD which ended the month up +21%. The shares have roughly doubled from the SaaSpocalypse lows. I was dubious that cybersecurity could be vibe-coded away by AI and so results have demonstrated, with revenue +25.6% and net new ARR reaccelerating to +51%. On the contrary, AI has proven to be a massive tailwind, particularly since Anthropic's Mythos cyber capabilities announcement. The proliferation of AI agents has amplified the use of CRWD's existing endpoint modules and adoption of their new AI detection and response offerings, charged by usage (not seats). CRWD's vast cyber data is also a data moat in the usage of AI itself, enabling machine-time responses to cyber incidents in this age of AI. The share valuation is definitely expensive – but you do get the best company in cyber. The recent share price appreciation has taken our CRWD position past PME into our 2nd largest individual share weighting.

Our 3.1% crypto weighting added +0.9% with our GBTC bitcoin etf holding adding +25.2% and CRCL (our stablecoin exposure) jumping +52.6%. Overall USD-weakness in the wake of US Treasury manipulation of long end yields leading to gains in Bitcoin and gold (and the above mentioned Aud-Usd). In that theme, I also added a position in ASX-listed pre-production gold miner MI6 during the month with the shares up between 5%-47.3% from our purchase prices.

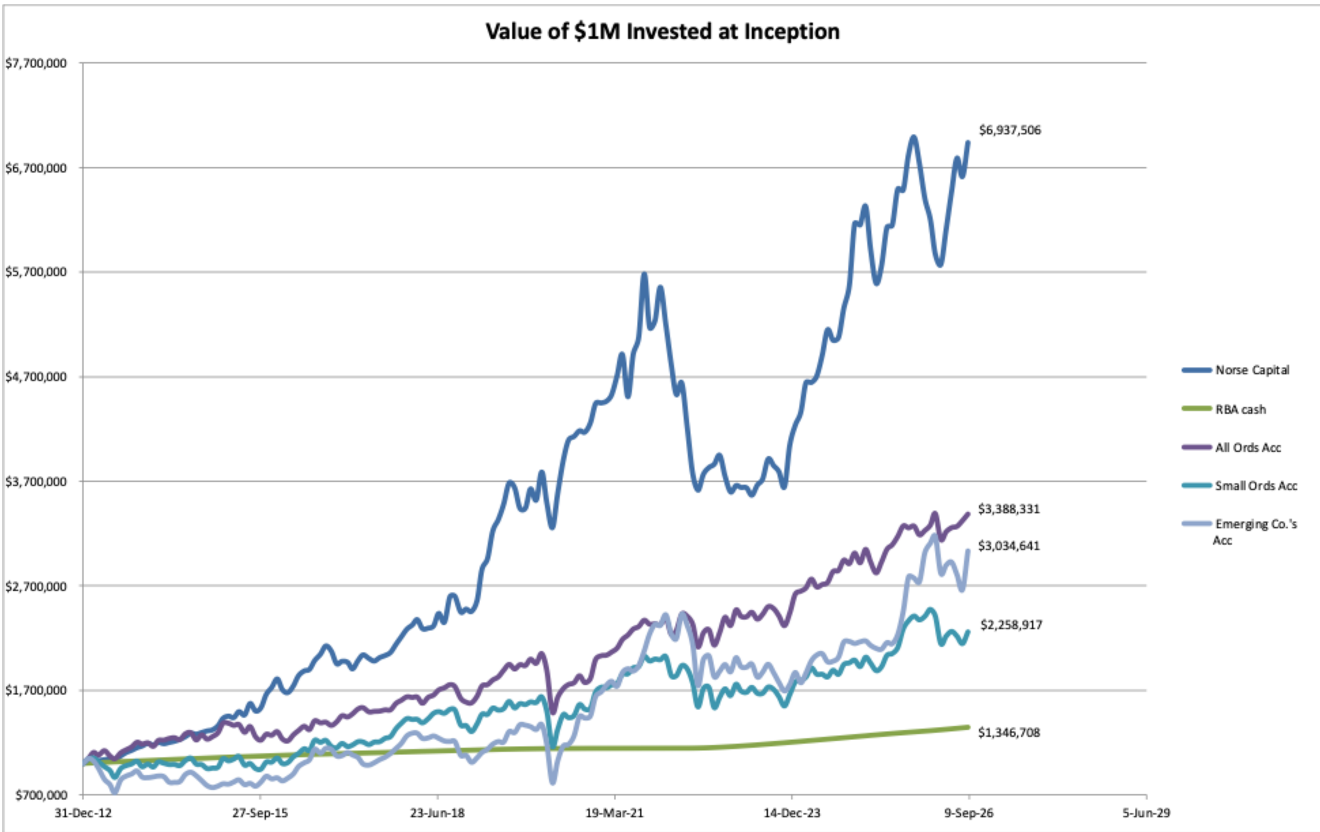
PME shares added +10.6% (although that masked wider volatility in August with the shares rallying past $200 post results before settling back into the low $170s). Yet another solid results announcement with underlying NPAT at constant currency +32.5%. (Stripping out the mark-to-market 4DX investment profits). Pleasingly, PME has been able to maintain/increase their high margins – 74.9% at the EBIT line. Their second highest year of new contract wins (last year's record included their biggest ever Trinity contract which is now on track for a full FY27 contribution following implementation completion) and a 100% contract renewal record in FY26. Their cardiology product is off to a good start and they have pathology as a newer addition. So PME continues its growth into the US market (now at ~11% share) and as (mostly) always, the share price valuation remains high.

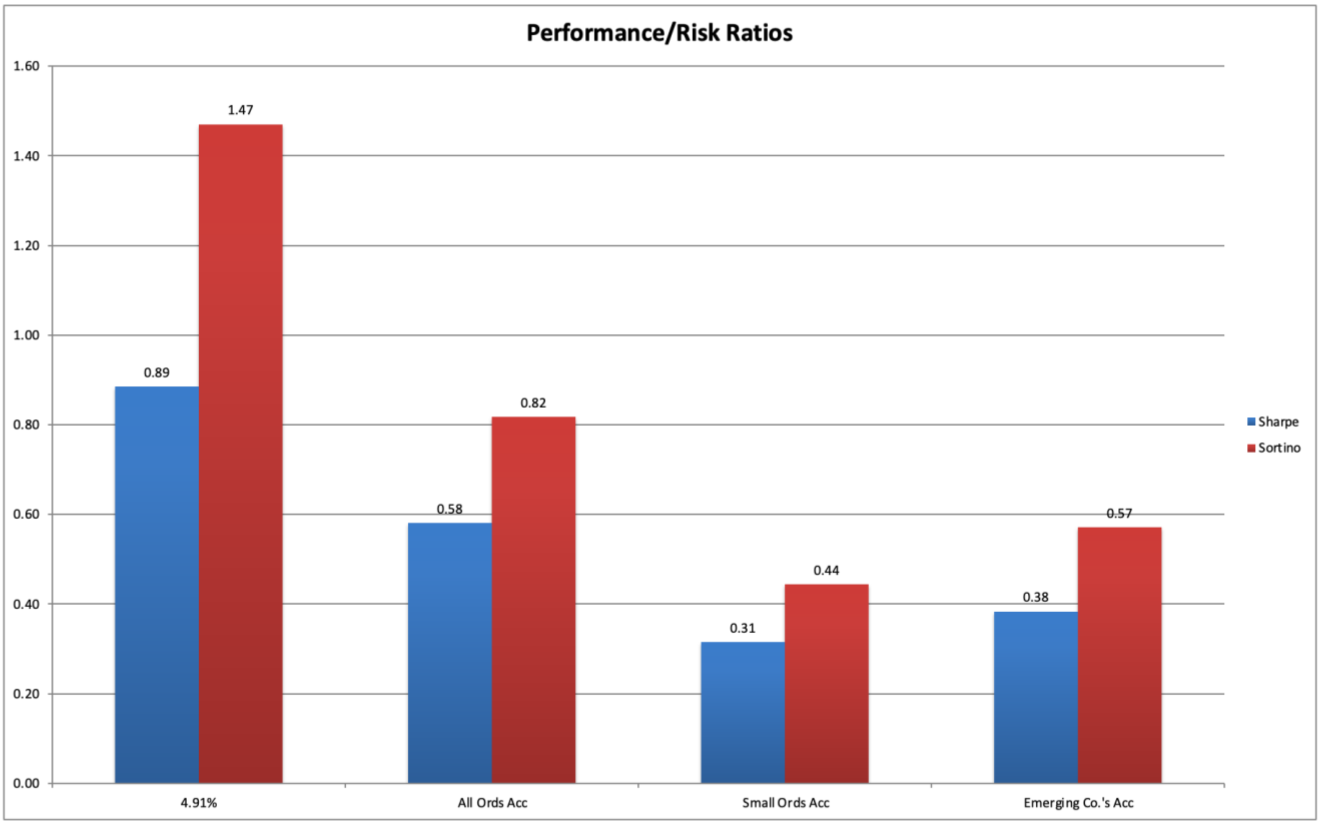
Gains too from EOL (+11.9%), RMD (+10.9%) and CGS (+23.2%). EOL's +14% revenue and +55% underlying EPS results were overshadowed by their announcement of an all-share acquisition of Gas Management Services Ltd, a European provider of energy market software owned by the Belgian group Fluxys (who will subsequently hold ~18.26% of EOL). EOL will pay 9.4x EBITDA for a steady-state (historically) lowish growth company. Heads EOL can ramp up growth over what Fluxys achieved historically, tails they didn't pay *too* much.

<u>Portfolio Holdings:</u>

Cash:	25.4% (AUD and USD)
AUD-USD currency exposure:	30.8%
Longs:	74.7%
Shorts:	0.0%
Options delta:	-5.2%
Net exposure:	69.6%
Top 5 equities (alphabetical):	AAPL, CRWD, EOL, PME, RMD

Net exposure is ~5% longer, primarily as we became less short options delta due to exercises and expiries: our short-dated AAPL risk-reversals were cashed out in the money ($327.50 puts) as well as the near leg of one of our QQQ put spreads ($718 puts). Against those, our other QQQ put spreads expired worthless. I rolled up our AAPL $310 puts into $325-$310 put spreads and bought 3 month $16 TLX puts when the shares popped above $17. I also added a new QQQ put spread. EOL replaces GOOG in our top 5 holdings as EOL shares have rallied while GOOG's have pulled back.


Value of $1M Invested at Inception
$7,700,000
$6,700,000
$5,700,000
$4,700,000
$3,700,000
$2,700,000
$1,700,000
$700,000
31-Dec-12
27-Sep-15
23-Jun-18
19-Mar-21
14-Dec-23
9-Sep-26
5-Jun-29
$6,937,506
$3,388,331
$3,034,641
$2,258,917
$1,346,708
Norse Capital
RBA cash
All Ords Acc
Small Ords Acc
Emerging Co.'s Acc


Performance/Risk Ratios
1.60
1.40
1.20
1.00
0.80
0.60
0.40
0.20
0.00
0.89
1.47
0.58
0.82
0.31
0.44
0.38
0.57
4.91%
All Ords Acc
Small Ords Acc
Emerging Co.'s Acc
Sharpe
Sortino