

2026 PRODUCT DISCLOSURE STATEMENT

2024 Chestnut Colt by CAPITALIST X SENSIBILITY



12th February 2026

This Product Disclosure Statement can only be issued by **Elite Thoroughbreds Pty Ltd (ACN 130 130 255)**. Elite Thoroughbreds Pty Ltd is a holder of **AFSL 503 402** and is the promoter of the horse racing syndicate detailed in this Product Disclosure Statement.

This PDS should be read in its entirety. This PDS should not be relied on as the sole basis for any decision in relation to an investment in the Syndicate. Before deciding to acquire Share(s) in the Syndicate, you should consider the suitability of the Syndicate to you. This PDS does not take into account the investment objectives, financial situation and particular needs of each potential investor. If you are in any doubt as to the course you should follow, you should consult further with Elite Thoroughbreds Pty Ltd or your bloodstock advisor. An investment in this Syndicate is subject to investment risks which could result in delays in the repayment of, or loss of, capital invested, or the delay or non-receipt of any return on that capital. The Promoter (including any director or associate), nor any party providing services to the Syndicate, guarantees the success of the Syndicate, or repayment of your investment.

***** This PDS *cannot* be duplicated or reproduced by anyone other than Elite Thoroughbreds Pty Ltd**

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1. Promoter and Seller:

The promoter and seller of the syndicate in this PDS is Elite Thoroughbreds Pty Ltd (ACN 130 130 255) located at 10 Carmen Street, Guildford West, 2161. Our postal address is PO Box W113, Parramatta Westfield, 2150. Elite Thoroughbreds Pty Ltd is a holder of AFSL 503 402.

2. Offer and Overview:

The offeror of this syndicate promotion is as noted above in part 1 and as such, will be owned by the syndicate participants according to each level of investment. Owners will also contribute to ongoing cost and share in winnings in accordance with their shareholding. Under ASIC Corporations (Horse Schemes) Instrument 2016/790, the maximum number of Owners in the Syndicate at any one time will be Fifty Owners and the maximum amount sought from the issue of Shares in this Syndicate will not exceed \$500,000 (Inc. GST).

3. Syndicate Manager:

The Manager of this syndicate will be Elite Thoroughbreds Pty Ltd, who will be required to manage the Syndicate in accordance with the terms set out in this PDS and any rules, regulations or guidelines set by the Racing NSW in respect of the management of the horse. The Manager is responsible for all aspects of management with regards to the racing career of the Horse, preparation of the Syndicate's annual accounts for submission to the Lead Regulator, the management of communications between the Owners and the stables, and the provision of all administrative services and trust accounts of the Syndicate.

Please note that Elite Thoroughbreds Pty Ltd, who is responsible for the management of the horse featured in this PDS, charge a management fee of \$60 per month, billed quarterly. This fee is **reduced** to \$40 per month should the owner already own shares in a horse currently under management with Elite Thoroughbreds Pty Ltd.

4. Shares & Horse Details:

The seller is Elite Thoroughbreds Pty Ltd and shares will be available in 2.5% increments. A total of 100% of this horse will be available for syndication. Initial costs are included in the share price until 1-6-2026 and are detailed in the **Formation of Expenses** (Part 32) set out in this PDS. Share prices noted below are inclusive of GST:

2.5% = \$3,225 5% = \$6,450 7.5% = \$9,675 10% = \$12,900

This chestnut colt was foaled 6th of November 2024. This yearling was purchased from the 2026 Inglis Classic Yearling Sale, is unnamed and has yet to be broken in. A vet valid report & catalogue pedigree are included in this PDS. The horse will be named by way of owner vote once this syndicate has been fully subscribed.

5. Trainer Details:

The trainer of this horse will be Gary Portelli. Mr Portelli is based at Warwick Farm, NSW. Portelli Racing's standard terms of trade are included in this PDS (pages 4, 5 & 6). Gary Portelli is a long-standing member of the Australian Trainers Association (ATA).

TERMS AND CONDITIONS OF TRAINING

1. DEFINITIONS

"GST" means any tax imposed on the supply of goods or services, consumption or value added tax, including without limitation and tax imposed in the A New Tax System (C'th);

"Horse" means the horse or horses trained by the Trainer for the Owner from time to time;

"Owner" means an owner, part owner, lessee, syndicate, corporation or any manager of any of them or other person obtaining the Services;

"Principal Racing Authority" or "PRA" is the body responsible for the conduct and administration of thoroughbred horse racing in an Australian State or Territory;

"Rules of Racing" means the Australian Rules of Racing and Local Rules promulgated by the Australian Racing Board (ARB) or the relevant Principal Racing Authority;

"Services" includes training, maintenance, stabling, feeding, exercising, running, freighting, agisting including gear and additives, and prescribing treatment for the Horse;

"Stewards" are appointed by a Principal Racing Authority to manage the integrity of thoroughbred horse racing;

"Terms" means these Terms and Conditions of Training; and

"Trainer" means any individual, corporation, trust or partnership operating a business which trains the Horse and is licensed under the Rules of Racing by a Principal Racing Authority or other responsible body;

"Training Fee" means the amount specified by the Trainer to the Owner at the time of entering into the agreement and calculated on a daily basis or part thereof, per horse.

2. APPLICATION

2.1 All training in Australia conducted by a member of the Australian Trainers Association will be subject to the Terms. Unless otherwise agreed in writing by the Trainer, the Terms cannot be varied or supplanted by any other terms.

2.2 These Terms will be governed by the laws of the State or Territory in which the Trainer operates. Where there is more than one Owner the Terms will bind all Owners jointly and severally.

2.3 These Terms will be governed by the Rules of Racing as promulgated by the Australian Racing Board or a State or Territory Principal Racing Authority.

3. RIGHTS AND OBLIGATIONS OF THE TRAINER

3.1 The Trainer will provide the Services in such manner as the Trainer, in its absolute discretion, deems proper and appropriate.

3.2 The Trainer will have the right to nominate, enter, accept or withdraw the Horse from any race or trial he/she thinks fit unless he/she has received written instructions from the Owner to the contrary.

3.3 The Trainer may engage a Veterinarian, Farrier, Horse Dentist or other person thought by the Trainer to be necessary or advisable to attend and treat the Horse and the full cost thereof must be borne by the Owner.

3.4 The Trainer will engage or employ and instruct the race jockey unless prior arrangements have been made by the Owner with the full knowledge of the Trainer not less than 48 hours before the race or 24 hours before the time to declare the rider for the Horse in a race as required by the relevant Rules of Racing, whichever will be the earlier.

3.5 In the case of more than one Owner written instructions must come from the manager as recognized by the relevant Rules of Racing.

4. PAYMENT

4.1. All monies due to the Trainer are to be paid within 7 days of the issuing of an invoice or such period as determined by the Trainer.

5. TRAINING FEES AND OTHER FEES

5.1 The Owner must pay the Training Fee to the Trainer. The Training Fee includes (but is not limited to) any and all costs, expenses or charges levied by the Trainer in connection with the Services including those detailed in condition 5.2

5.2 The Owner is liable for all additional costs occasioned by the Horse being trained or transported away from the Trainer's address of its license to train and is responsible for the cost of all veterinary, farrier, dentistry, race nominations, jockey fees, race day fees including the additional allowance as set out in any Industrial Agreement of Award relating to attendants or strappers and any other fees incurred by the Trainer.

5.3 Each amount specified as payable by the Owner to the Trainer under any Contract or Agreement is expressed net of GST. In addition to the amount payable, the Owner must pay to the Trainer on demand, the GST payable by the Trainer in respect of that amount.

5.4 Where there is any change in the costs incurred by the Trainer in relation the goods or Services, the Trainer may increase its price for goods or Services on order to take account of any such change.

5.5 The Training Fee may be varied from time to time by notice in writing to the Owner, whether it be by submission of an account or otherwise.

5.6 The Owner must pay for all bank fees and charges and agent/merchant fees associated with the payment of the Trainer's invoices.

5.7 In addition to the training fee and any other monies payable to the Trainer pursuant to any of the preceding clauses the Trainer shall be entitled to receive:

(a) 10% of the advertised stakes earned by the horse or 10% of the actual stakes earned whichever shall be the greater

(b) 2.5% of prize money earned by the horse for a Group, Listed or Metro win where the race is worth \$50,000 or greater to the winner.

5.8 By a payment of accounts sent to the owner by the Trainer the owner acknowledges and accepts these terms and conditions apply to any training and further training for the horse.

6. STAKEHOLDING

6.1 The Trainer's right to a percentage of stakes (10%) continues for the period of two weeks after the Horse is transferred to another trainer.

7. PAYMENT DEFAULT

7.1 If the Owner defaults in payment by the due date of any amount payable to the Trainer, then all money which would become payable by the Owner to the Trainer at a later date on any account, becomes immediately due and payable without the requirement of any notice to the Owner, and the Trainer may, without prejudice to any other remedy available to it:-

(a) Charge the Owner compounding interest on any sum due at the rate of 2% per month for the period from the due date until the date of payment in full;

(b) Charge the Owner for; and the Owners must indemnify the Trainer from, all expenses and costs (including without limitation all legal costs and expenses) incurred by it resulting from the default and in taking action to enforce compliance with the Terms;

(c) Retain possession of any horse until all Training Fees and other fees have been paid;

(d) Cease or suspend for such period as he/she thinks fit supply of goods or Services to the Owner;

(e) By notice in writing to the Owner, terminate any agreement with the Owner so far as unperformed by the Trainer, without liability for any direct or indirect loss or damage that may be caused to the Owner or any third party;

(f) retain possession of all papers and documents including registration papers of the Horse or pertaining to the Horse notwithstanding that such retention will have the effect of preventing the Horse from racing and the Trainer further may retain any gear, trophies and, other items the property of the Owner in the Trainer's possession; and

(g) May direct any race club to pay any prize money won by the Horse to it and will have the right to apply any prize money in the manner described in condition 7.3 coming into its possession which was won by the Horse as if such prize money were the proceeds of sale of the Horse.

(h) Refer any commercial dispute or disputed unpaid account after 90 days to the Stewards for mediation or arbitration.

7.2 Conditions 7.1(d) and (e) may also be relied upon, at the option of the Trainer:

- (a) Where the Owner becomes bankrupt; or
- (b) enters into any scheme of arrangement or any assignment or composition with or for the benefit of its creditors or any class of its creditors generally, or has a liquidator, provisional liquidator, administrator, receiver or manager appointed, or any action is taken for, or with the view to, the liquidation (including provisional liquidation), winding up or dissolution.

7.3 Where the Training Fee or any other amount, or any part thereof remains outstanding for a period of 30 days after the same was due for payment, the Trainer may offer for sale the Horse by public auction and to apply the proceeds of sale (after deduction of commissions etc. directly associated therewith) firstly against all Training Fees outstanding in relation to the Horse to the date of sale together with any interest accrued and any costs of the Trainer associated with the sale and secondly against any other training fees outstanding from the Owner in relation to any other horse with the Trainer with the balance, if any, to be paid by the Trainer to the Owner or as the Owner may direct.

7.4 The Owner and the Trainer agree that the interest created by these Terms, in the Horse, and the documents pertaining to the Horse, is a personal property security interest within the meaning of the Personal Property Securities Act 2009 (as amended from time to time). The Trainer shall have the right to register such security interest in the Personal Property Securities Register maintained by the Commonwealth of Australia.

8. SALE OF THE HORSE AND FIRST RIGHT OF REFUSAL

8.1 In the event that an Owner intends to sell a Horse while in the care of a Trainer or within a period of 60 days following the transfer of the Horse from the Trainer (including if the Horse is spelling or on agistment unless the Owner has notified the Trainer in writing of its intention not to return the Horse to the Trainer's stable) the Owner must first give the Trainer an offer to purchase the Horse on no less favourable terms than it would to a third party. Where the offer is accepted, the following conditions apply:

- (a) The offer must be in writing and state the terms and conditions of the transfer;
- (b) The Trainer may accept the offer by notifying the Owner of its acceptance in writing within 14 days of receiving the offer; and
- (c) The Owner must not proceed with the transfer until the 14 day period has expired.

8.2 If the offer in condition 8.1 is rejected by the Trainer, the Owner must forthwith upon the sale to any third party pay the Trainer an amount of 10% of the proceeds of sale after deduction only of expenses directly relating thereto including commission.

8.3 If a horse is retired to stand as a stallion or mare at stud then the owner grants the Trainer 2.5% of the value of the horse as agreed or failing agreement, as valued by a recognised equine valuer appointed by the Trainer.

9. INSURANCE There is no requirement for a Trainer to take out any insurance in relation to the Horse.

10. OWNER WARRANTIES AND INDEMNITIES

10.1 The Owner warrants to the Trainer that the Horse is sound, well handled and not dangerous or diseased.

10.2 The Trainer must not be liable to the Owner, and the Owner indemnifies the Trainer, against all actions, loss, damage, costs, or expenses arising out of any accident, loss, injury, damage or death to any horse, any person or any property howsoever caused even if the same is directly or indirectly caused by the negligent act or omission of the Trainer, his contractors, employees or agents.

11. LIABILITY

11.1 All conditions and warranties implied into contracts for the supply of services at law or pursuant to any Federal or State legislation are excluded to the maximum extent permitted.

11.2 The Trainer is not liable for any indirect or consequential losses or expenses suffered by the Owner or any third party however caused, including but not limited to loss of turnover, profits, business or goodwill.

12. ENTIRE AGREEMENT These Terms and Conditions constitute the entire Agreement between the Trainer and Owner concerning the subject matter of the Agreement. All prior Agreements, discussions, representations, warranties and covenants are merged in the Agreement. There are no warranties, representations, covenants or Agreements, express or implied, between the parties except of those expressly set forth in these Terms. Any amendments of this Agreement shall be in writing and executed by the Owner and the Trainer. In entering into this Agreement, an Owner agrees to be bound by the Australian Rules of Racing as promulgated by the Australian Racing Board or by a relevant Principal Authority.

6. **Fees and Obligations:**

- (i) Anticipated Monthly Charges;
The seller estimates that the following should be budgeted based on upkeep of the horse, being approximately \$50k per year. This budget takes **upkeep & management fees** into account. To ensure transparency, **owners will be billed directly by suppliers** according to shareholding. Figures provided below are overestimated:

2.5% = \$40 per week over the course of the year
5% = \$80 per week over the course of the year
7.5% = \$120 per week over the course of the year
10% = \$160 per week over the course of the year

Due to the variability of periods of time in work, racing and spelling, the anticipated Monthly Budget is an approximate amount only for each Owner. Potential investors must be aware that the Anticipated Monthly Fee may vary at any time. Potential investors should also be aware that the Anticipated Monthly Fee does not include extraordinary costs such as veterinary fees relating to surgery or injury, major race acceptance fees & interstate float fees for which costs are payable by the Owners in proportion to their shareholding in the Syndicate. Some cost is subject to GST.

- (ii) Agistment or Spelling fees are approximately \$33 per day. Current training fees are covered in a confirmation letter submitted from the office of Portelli Racing (Part 35), which is included in this PDS.
- (iii) Auction house race series and Golden Slipper nominations are included in the share price and covered under the formation of expenses set out in this PDS.
- (iv) Should the horse be sold whilst under the management of Elite Thoroughbreds, a commission of 6% plus GST of selling price minus associated cost is payable. The manager will ensure owners are updated with the progress of the sale.
- (v) The horse was purchased by Elite Thoroughbreds Pty Ltd for \$88,000 (Inc. GST) from the 2026 Inglis Classic Yearling Sale from the MULLAGLASS draft. This yearling is BOBS eligible and will be paid up for the INGLIS Race Series.

7. **Prize Money:**

New South Wales divides up the proceeds of prize money in the following manner:

Jockey Welfare Fund and Horse Welfare Fund each receive [1%] of prizemoney, the Trainer [9.9%], Jockey [4.95%] and the stable hand [1.5%]. These deductions are directly paid out by the relevant Racing Authority before the remainder of the earnings is distributed to the Owners according to their shareholding in the syndicate.

8. **Ownership:**

Elite Thoroughbreds is the encumbered owner of the horse featured in this PDS. Upon formation of the Horse Racing Syndicate, under the Australian Rules of Racing, ASIC's Horse Schemes (Instrument) 2016/790, the Seller Elite Thoroughbreds Pty Ltd will transfer out of the Foal ownership once the Horse Racing Syndicate has been formed by lodging the Unnamed Horse Transfer of Ownership form with Racing Australia (Registrar of Racehorses) as required by the Australian Rules of Racing AR 14B when making application to Register the Scheme with the Lead Regulator, Racing NSW.

This horse is encumbered by William Inglis & Sons and they have their interest secured. Investors in the syndicate will receive unencumbered title upon registration of the Horse Racing Syndicate/Partnership. A vendor release statement will be provided on registration of the syndicate to the Lead Regulator, Racing New South Wales.

Any participant, regardless of shareholding, can request that the horse be tested for any banned substance. Depending on the situation, the owner whom requested such a test may be responsible for the cost.

9. Vet Report and Opinion:

A copy of a valid veterinary report is included in this PDS. Pre-sale x-rays and a physical inspection were also carried out by Dr. Brett Warren prior to purchase.

10. Insurance:

This horse is covered for mortality and theft for the purchase price plus GST under Gow-Gates Livestock Insurers until 8-2-2027. After the expiry date, it is then up to **the owner** to re-insure if they wish. Elite Thoroughbreds Pty Ltd will provide Gow-Gates with a list of owner details so that they can make contact regarding renewal of your policy. The certificate of currency with regards to current cover is included in this PDS.

11. Declaration of Interest:

There is no fact or occurrence known to the Promoter | Seller which renders any statement in either the veterinary certificate or the valuation materially inaccurate at the time of the issue of this PDS. Further, any veterinary certificate and valuation has been submitted by persons who will receive no additional benefits (financial or otherwise) from the Promoter or the Offeror or their associates, apart from the fees that such person would normally be entitled to. If any shares are retained by the promoter, the promoter will be billed the associated expenses for those shares in the same manner than any other shareholder with an interest is to be billed. No advantage, including reduced rates, are given to the promoter should an interest be retained.

- (i) Elite Thoroughbreds Pty Ltd or any of its associates declare we never held a financial or beneficial interest in or held any rights to the Sire of the Horse subject to this scheme, nor are entitled to a free service to the horse's sire.
- (ii) Elite Thoroughbreds Pty Ltd or any of its associates declare we never held a financial or beneficial interest in or held any rights to the Broodmare of the Horse subject to this scheme.
- (iii) Elite Thoroughbreds Pty Ltd or any of its associates declare we receive no benefit, financial or otherwise, which results from the sale of the horse subject to this scheme.

12. Cooling Off Period:

Applicants will have a right to forfeit their Share in the Syndicate and to have their share monies repaid in full at any time during the cooling off period. The cooling off last for fourteen (14) days, commencing on the earlier of;

- (i) The date on which the Owner receives written confirmation from the Promoter that he or she has acquired Share(s) in the Syndicate which confirmation must

contain details of the Owner's interest in the Syndicate and otherwise comply with the provisions of the Corporations Act 2001; and

- (ii) The end of the 5th (fifth) day on which the Share(s) in the Syndicate were issued to the Owner. An Applicant who desires to exercise this right must do so in writing to the Promoter | Offeror. In this case, the applicant will be entitled to a full refund of all monies paid for the Share(s).

13. **Promoters Obligations:**

If the Syndicate has not been fully subscribed within six (6) months from the date on which this PDS is approved by the Lead Regulator, the Promoter can issue a Supplementary PDS notifying Clients of a change. This will not affect the value of the animal and will allow Elite Thoroughbreds Pty Ltd to finalize the syndicate documents and disburse the funds to the Seller. The promoter must register the syndicate with Racing NSW within 45 days of the syndicate being fully subscribed.

Where the Syndicate has not been fully subscribed within six (6) months from the date on which this PDS is approved by the Lead Regulator, the Promoter will repay all money received from any person who applied to participate in the Syndicate, together with any interest which accrued in respect of that money, within ten (10) business days after the expiry of that six-month period. In this case, a supplementary PDS may be issued should the promoter wish to proceed with the promotion for another six months. Participants can either remain as a participant once a Supplementary PDS has been reviewed by the participant, or the participant can exercise their right to withdraw from the promotion and request a full refund of monies paid along with any accrued interest.

14. **Additional Prize Money:**

Note that Elite Thoroughbreds Pty Ltd **DOES NOT** take a percentage of prize money earned by the ownership group in any case. Elite Thoroughbreds receives no benefits from Portelli Racing or any other supplier. The only percentage of prize money payable are those otherwise noted in this PDS. E.g., Jockey, Trainer, etc.

15. **Trophies:**

All trophies won which are of noted value, will be auctioned amongst the owners. Owners who wish to participate in the auction process will have equal opportunity to bid for the trophy in question. The proceeds which result from the sale of the trophy, will then be dispersed amongst the ownership group according to shareholding. Details regarding the purchase of an exact replica, will also be made available to the group.

16. **Investment Risk:**

Thoroughbred Racing is a high-risk venture, and any investment should be treated as a speculative investment only. It is important to note;

- (i) Not all horses offered for syndication earn prize money.
- (ii) Not all horses offered for syndication go on to make the race track.
- (iii) Certain injuries may result in an extended rest period and additional expenses.
- (iv) Careers after racing are not guaranteed for every horse.

17. Naming of Horse:

The horse will be named by the partnership once the horse is fully subscribed. Suggestions will be submitted by the participants, and a vote will take place to decide which names will be submitted for consideration to Registrar of Racehorses.

18. Manager Duties:

Elite Thoroughbreds will manage all ownership aspects of the horse which include the following duties and responsibilities;

- (i) Liaising with the Trainer and keeping owners up to date with regards to the progress of the racehorse.
- (ii) Keeping a register noting the details of each Owner and the number of shares held by each, the date on which the Owner was entered in the Register of Racehorses and the date on which any person ceased to be an Owner.
- (iii) Keeping accounting records with regards to the partnership which explain any transaction that has taken place within the partnership
- (iv) Preparing and lodging the Accounts with the Lead Regulator within 90 days after the end of each financial year. In addition, lodging copies of the Accounts with ASIC in respect of the last preceding financial year within 14 days after receipt of a written request to do so by ASIC.
- (v) Opening and maintaining a separate bank account in respect of the Partnership which shall be used for the deposit and payment of all monies which relates to the operation of the Partnership.
- (vi) Notifying the Principal Racing Authority and Registrar of Racehorses in writing of every change in an Owner of the Partnership, every change in the percentage of an Owner's Share in the Partnership, and every change in an Owner's address within a period of fourteen (14) days of the change.
- (vii) Complying with the requirements of the Australian Rules of Racing, local Rules of Racing, the Principal Racing Authorities, The Registrar of Racehorses, ASIC and the Corporations Act 2001 in relation to the racehorse and the Partnership.
- (viii) The representation of owners at barrier draws, meetings, presentations and media conferences regarding the racehorse.
- (ix) Should Elite Thoroughbred wish to be removed as manager at any given time, this requires no less than thirty (30) days' notice in writing to the ownership group. At this time, a new manager shall be elected by the ownership group. By being removed as manager, all rights and obligations are forfeited.
- (x) The Owners may remove Elite Thoroughbreds as Manager by way of a group vote, where the majority decision shall rule.

19. Meetings and Decisions:

- (i) Each 2.5% shareholder is not guaranteed to have his | her name appear in the race book. If more than 20 individuals participate in the offer, then the 2.5% shareholders will be listed in a Racing NSW ordinary syndicate.
- (ii) Elite Thoroughbreds Pty Ltd, may at any time call a meeting of Owners. This will

- (iii) be to discuss relevant issues relating to the Horse. This may be done so via email or phone. All Owners must be given at least 14 days' notice of any meetings called by the manager or Ownership group.
- (iv) An Owner or Owners who own no less than 10% of the Shares in the Partnership may call a meeting of Owners or request the Manager, Elite Thoroughbreds, to do so by giving at least 14 days written notice to the Owners.
- (v) Decisions at such meetings shall be resolved by way of majority vote or decision.
- (vi) This clause may relate to a variety of decisions relating to the Horse which may include, for example, an impending sale of the Horse should that situation arise, the recommendation from the stable to geld the Horse or Rig and generally any issue warranting the decision or vote of the Owners.

20. **Variation of Fees:**

Owners acknowledge that training and spelling fees may vary. Notice will be given to the owners from the trainer or speller should a change in regular fees occur.

21. **Prize Money Payments:**

Owners will be paid prize money **directly** from the Racing Body to a nominated account If 5% or more is owned. Those who own 2.5%, will have prizemoney distributed by the Syndicate Manager. Owners must ensure that account details are kept up to date, so that there are no delays with regards to their portion of prize money being paid.

22. **Default and Indemnity:**

If any Owner fails to pay their monthly accounts (noted in part 6) within fourteen (14) days after statement issue date, the Trainer, speller or supplier may serve on the defaulting Owner a notice stating that unless the outstanding amount is paid within seven (7) days, the defaulting Owners shares shall first be offered to the current group of owners. Should such owners not take up this option, the horse will be sold via public online auction.

If payment is not received from the defaulting Owner within the prescribed period, his or her Share in the Partnership may be relinquished or offered for sale to offset the unpaid cost. He or she will not be entitled to receive any compensation for the relinquished interest, or to receive any further payment out of the assets or profits of the Partnership and the horse.

Each Owner hereby indemnifies, in accordance with his or her Share in the Partnership, the Manager in relation to all payments required in respect of the fees and expenses associated with any Horse owned by the Partnership.

23. **Termination of Syndicate:**

Upon termination of the syndicate, the manager shall pay proceeds from the sale of the horse or distribute expenses in relation to the sale of the horse according to the owners' shareholding in the horse. Should the sale of the horse take place, expenses associated with that sale will be deducted and the remaining funds will be distributed according to the owners' shareholding. Outstanding expenses such as training and spelling fees may also be deducted if the owner has unpaid accounts with suppliers.

24. Force Majeure:

No Owner shall be liable to any other, for any loss or damage which may be suffered by any other party due to any cause beyond the other party's reasonable control.

25. Dispute Resolution:

Elite Thoroughbreds Pty Ltd will endeavor to resolve any complaints in a timely and satisfactory manner. If the complaint is not resolved, the Promoter will refer any such complaint to the Financial Ombudsman Service (FOS). Elite Thoroughbreds Pty Ltd is a member of the Financial Ombudsman Service, membership number **41251**.

26. Privacy Policy:

Elite Thoroughbreds Pty Ltd will do all in its power to ensure that your private information provided is protected. Elite Thoroughbreds Pty Ltd bases this policy on the National Privacy Principles in the Privacy Act 1988 and subsequent Privacy Amendment Act 2001 in order to best protect personal information.

27. Nature of Advice:

Elite Thoroughbreds provides this PDS to potential investors of a share in the Horse as general financial product advice relevant to the promotion of this Syndicate only.

28. Product Disclosure Statement Lodgment:

A copy of this PDS has been lodged with Racing NSW as the Lead Regulator and this PDS has been approved by the Lead Regulator, pursuant to ASIC Corporations (Horse Schemes) Instrument 2016/790. No liability as to the contents of this PDS is taken by the Lead Regulator, its officers, employees or agents.

29. Discounted Shares:

Elite Thoroughbreds Pty Ltd may offer repeat clients a reduced share price if available. This will be subject to the number of shares purchased, and how many horses the owner currently has under management with Elite Thoroughbreds Pty Ltd.

30. Declaration:

I, Adrian Allan of Elite Thoroughbreds Pty Ltd, confirm that the statements in this Product Disclosure Statement are, to the best of my knowledge, accurate and true.

Adrian Allan



Managing Director
Elite Thoroughbreds Pty Ltd

31. Purchase Details:

To whom it may concern;

I, Adrian Allan of Elite Thoroughbreds Pty Ltd (**AFSL 503 402**), hereby confirm that the following yearling purchase details are correct and true.

Sale: 2026 Inglis Yearling Sale

Lot: 404

Vendor: MULLAGLASS Draft

Sire: Capitalist

Dam: Sensibility

I confirm that our current management fee is \$60 per month billed quarterly. A reduced rate of \$40 per month is offered to owners who currently have a horse(s) under management with Elite Thoroughbreds Pty Ltd. Elite Thoroughbreds takes no additional prize money from winnings and any trophies won are auctioned among owners and the funds from the sale are distributed accordingly.

I also confirm that Elite Thoroughbreds Pty Ltd, has no financial interest or financial gain in the above-mentioned sire, dam or vendor who offered and sold the yearling at sale.

Should you have any further questions, please do not hesitate to contact the undersigned on **02 9681 5002 | 0410 642 150**.

Kindest Regards



Adrian Allan
Managing Director
Elite Thoroughbreds Pty Ltd

32. **Formation of Expenses:**

Formation Of Expenses - SENSIBILITY		
PDS Vet Compliance, Horse & Operating Expenses		
Syndication Certificate Required For PDS	\$330	<i>Estimated</i>
Vet Reports - Physical, Written, Verbal Lot Assessments	\$2,200	<i>Est. Pro-Rata</i>
Scoping Fee After Final Purchase	\$330	<i>Actual</i>
Gow-Gates Insurance (Inc. Emergency Surgery Cover)	\$6,600	
Transport Cost (From Sale, Speller, Breaker, etc.)	\$660	<i>Estimated</i>
Breaking-In & Education Of Horse	\$4,400	<i>Estimated</i>
Sale Overheads & Expenses	\$0	<i>Estimated</i>
Average Holding Cost * (See Breakdown Below)	\$6,600	
Advertising, Website Upkeep & MiStable Fees ***	\$1,650	<i>Est. Pro-Rata</i>
Miscellaneous Cost (Unanticipated Expenses)	\$640	
AFSL Compliance Cost, Nominations & Margin		
Inglis Race Series Nominations	\$6,050	<i>Actual</i>
Golden Slipper & Golden Rose Nomination Fees	\$440	<i>Actual</i>
2 Ord. RNSW Syndicates, Horse Rego & Transfer Fees	\$750	<i>Actual</i>
Compulsory Professional Indemnity Insurance	\$1,650	<i>Est. Pro-Rata</i>
Syndicator Profit Margin On Promotion (Inc. GST)	\$6,500	
ASIC Compliance Cost, AFS License Fees & PDS Preparation	\$2,200	<i>Est. Pro-Rata</i>
Sub Total Inc. GST	\$41,000	
Purchase Price Inc. GST	\$88,000	
TOTAL COST of Promotion Inc. GST	\$129,000	
<i>Cost & Upkeep Paid & Included Until:</i>	June 1st 2026	
<i>Gow-Gates Insurance Cover Included Until:</i>	Feb 8th 2027	
* Average Holding Cost - Based On As Follows:		
30 Days Spelling @ \$38.50PD Inc. GST	\$1,155	
20 Days Pre Training Water Walker @ \$88PD Inc. GST	\$1,760	
10 Days In Work @ \$148.50 PD Inc. GST	\$1,485	
Horse Incidentals Allowance @ \$550 per month	\$2,200	
	\$6,600	

33. Catalogue Pedigree:

Barn G Stables 26-41,48,49
On Account of MULLAGLASS STUD, Scone, NSW

Lot 404

CHESTNUT COLT

(Branded ¹³/₄ nr sh. 27 off sh. Foaled 6th November 2024)

SIRE	Written Tycoon	Iglesia	by Last Tycoon (Ire)
CAPITALIST	Kitalpha (NZ)	Party Miss	by Kenmare (Fr)
		Fusaichi Pegasus (USA)	by Mr. Prospector
		Compulsion	by Danehill (USA)
DAM	Redoute's Choice	Danehill (USA)	by Danzig
SENSIBILITY		Shantha's Choice	by Canny Lad
2010	Fleeting Touch (USA)	Touch Gold	by Deputy Minister
		Fleet Lady	by Avenue of Flags

CAPITALIST (AUS) (Chestnut 2013-Stud 2017). 4 wins at 2, ATC Golden Slipper S., Gr.1. Sire of 611 mrs, 404 wns, 27 SW, inc. SW Reserve Bank (SAJC Goodwood H., Gr.1), Captivant, Comrade Rosa, Encap, Marine One, Hidden Motive, Lazzago, Cannonball, Kalashnikov, King of Roseau, Kaizad, Sebonack, Memo, Holmes a Court, King Kapa, I'mlovin'ya, Ka Bling, Sovereign Fund, Economics, Tycoon Humma, Alpha Sofie, Appin Girl, Profiteer, To Cap it All, etc.

1st Dam

Sensibility, by Redoute's Choice. **Winner** at 1227m, \$105,810, 2d ATC Flight S., Gr 1, 4th SAJC Morphetville Guineas, L. Sister to **INTRUSION - MISTER KAOPU** (Mac.), three-quarter-sister to **RUNNING TALL**, half-sister to **Ephemera** (dam of **JUST TOO FLY, COMMANDER**). This is her eighth living foal. Her seventh foal is a 2YO. Dam of 6 foals to race, **5 winners**-The Little Pumper (*g by Shalaa (Ire)*). **3 wins**-2 at 2-1250m to 1550m, \$282,045, ATC Inglis Race Series 2YO H., All Too Hard H., Bivouac at Darley 2YO H., 2d ATC Headwater H., 4th ATC Inglis Nursery, **RL**. Savvy Seven (*g by Sebring*). **Winner** at 1800m, \$253,310, HKJC Wang Tau Hom H., 2d HKJC Panasonic R32 Air-Conditioning H., D'Aguilar Peak H. Vinnie's Spirit (*g by I Am Invincible*). **4 wins**-1 at 2-1300m to 1600m, \$199,685, to 2025-26, MRC Thoroughbred Club Australia H., 2d ATC Agency Real Estate H.-twice, Ole Kirk First Yearlings H. Sabor (*g by Lonhro*). **5 wins** 1100m to 1300m, \$104,480. Sensitivity (*f by I Am Invincible*). **3 wins** at 1400m, 1500m. Dam of- Kaleo. **Winner** at 2 at 1400m, \$105,000, in 2024-25, MRC Remembering Margaret McDonald 2YO H. Sensitive Soul (*f by Castelvachio*). Placed at 2.

2nd Dam

FLEETING TOUCH (USA), by Touch Gold. Unraced. Three-quarter-sister to **FAST COOKIE** (dam of **FROSTED, INDULGENT**), half-sister to **MIDSHIPMAN, REGIA MARINA**. Dam of 9 foals, 8 to race, **all winners**, inc:-**RUNNING TALL** (*g Stratum*). **4 wins**-1 at 2-at 1200m, 1400m, \$475,532, VRC Sires' Produce S., **Gr 2**, 2d MRC Blue Diamond Prelude (c&g), **Gr 3**, 3d VRC Maribyrnong P., **Gr 3**, 4th MRC Caulfield Guineas Prelude, **Gr 3**. **INTRUSION - MISTER KAOPU** (Mac.) (*g Redoute's Choice*). **10 wins** 1100m to 1350m, \$521,807 in Aust and Macau, Macau Chairman's Challenge Cup, L, 2d Macau Sprint Trophy, L, 4th Macau Spring Trophy, L. **Sensibility** (*f Redoute's Choice*). **Winner**. See above. **Ephemera** (*f More Than Ready (USA)*). **2 wins**-1 at 2-at 1000m, SAJC Become a Member H., 3d MRC Quezette S., L. Dam of 3 winners-**JUST TOO FLY** (*c Justify (USA)*). **Winner** at 2 at 1400m in 2024-25, WATC WA Sires' Produce S., **Gr 3**, 2d WATC Karakatta P., **Gr 2**, Perth S., L. **COMMANDER** (*g Pierro*). **4 wins**-1 at 2-at 1550m, 1600m, \$300,045, SCTC The Phoenix S., L, ATC Moet & Chandon Grand Vintage H.

3rd Dam

FLEET LADY, by Avenue of Flags. **10 wins**-2 at 2-6f to 9f, \$631,190, Santa Anita La Canada S., **Gr 2**, El Encino S., **Gr 2**, Hollywood Park B Thoughtful H., L, Del Mar Fleet Treat S., L, Golden Gate Andestine H., L, 2d Hollywood Park Milady H., **Gr 1**. Dam of 11 foals, 8 to race, **6 winners**, inc:-**MIDSHIPMAN** (*c Unbridled's Song*). **Champion 2YO Colt in USA in 2008**. **5 wins**-3 at 2-1100m to 1700m, Breeders' Cup Juvenile, **Gr 1**. Sire.

34. Sale Invoice:

Inglis
Est 1867

WILLIAM INGLIS & SON LIMITED
ABN 75 000 011 307

Sydney
PO Box 388
Moorebank NSW 1875
Telephone +612 9399 7999
www.inglis.com.au

Mr Adrian Allan
Elite Thoroughbreds Pty Ltd
PO Box W113
PARRAMATTA WESTFIELD NSW 2150

2026 CLASSIC YEARLING SALE
MONDAY, 9 FEBRUARY 2026

TAX INVOICE
Date: 10-Feb-2026
Account: ALLAA
Invoice number: 30230808

Lot	Description	Sire/Dam	Sale Price	GST	Total
404	Ch. Colt	Capitalist (AUS)/Sensibility (AUS)			
	Purchase of Lot 404 at 2026 Classic Yearling Sale		80,000.00	8,000.00	88,000.00
	Scope Fee		250.00	25.00	275.00
	Race Series Nomination Fee		5,500.00	550.00	6,050.00
SUBTOTAL			\$85,750.00	\$8,575.00	\$94,325.00
TOTAL AMOUNT DUE					\$94,325.00



PAYMENT OPTIONS

EFT directly into our ANZ account:
William Inglis & Son Ltd - Bloodstock Sales
BSB: 012-003
Account: 8379-29209
SWIFT Code: ANZ BAU 3M
Please email your remittance to
accounts@inglis.com.au

Cheque:
Please attach this slip to your cheque and send to:
William Inglis & Son Limited
PO Box 388 Moorebank NSW 1875

Credit card / Debit Card:
We accept VISA, Mastercard, Amex and Diners.

pay.thoroughbredpayments.com.au/inglis



Inglis
Est 1867

Account ALLAA
Reference 30230808
Amount Due \$94,325.00

35. Trainer Letter:

PORTELLI RACING STABLES
ABN 27 248 792 802
7 Manning Street, Warwick Farm NSW 2170
P: 02 9601 8612 | F: 02 9602 6224 | E: portelliracing@iprimus.com.au
portelliracing.com.au

11.02.2026

RE: Capitalist x Sensibility

To Whom It May Concern,

I am happy to have been selected as the trainer of the abovementioned horse purchased as lot 404 from the 2026 Inglis Classic Sale.

My training rates are \$144.55 plus GST per day.

I offer this letter for inclusion with Elite Thoroughbreds Racing Product Disclosure Statement.

Please refer to the Australian Trainers Association for my terms and conditions.

Should you have any further questions please don't hesitate to contact me or my office,

Kind Regards

Gary Portelli

Portelli Racing Pty Ltd
7 Manning Street
Warwick Farm 2170
New South Wales

36. Insurance Details:

USE	Rearing/Training		
HORSE #2 – Added WEF 9/2/26			
NAME	UNNAMED – LOT 404	SUM INSURED	\$80,000
BREED	Thoroughbred	INTEREST	100%
SIRE	Capitalist	DAM	Sensibility
SEX	Colt	DATE OF BIRTH	2024
USE	Rearing/Training		
HORSE #3 – Added WEF 9/2/26			
NAME	UNNAMED – LOT 502	SUM INSURED	\$40,000
BREED	Thoroughbred	INTEREST	100%
SIRE	Hellbent	DAM	Tender Mercies
SEX	Filly	DATE OF BIRTH	2024
USE	Rearing/Training		
HORSE #4 – Added WEF 10/2/26			
NAME	UNNAMED – LOT 747	SUM INSURED	\$40,000
BREED	Thoroughbred	INTEREST	100%
SIRE	Trapeze Artist	DAM	Deep Expectation
SEX	Colt	DATE OF BIRTH	2024
USE	Rearing/Training		
POLICY WORDING	LE Australia LMA3159A		

In accordance with the LE Australia LMA3159A wording and the following Clauses, Conditions, Endorsements and Exclusions:

- Surgical Operations Extension Endorsement LMA5229A
- Wobbler Syndrome Endorsement LMA5247A
- Strike, Riot, Civil Commotion and Malicious Acts Exclusion LMA5553
- Full annual premium if loss clause
- Equine Twelve-Month Extension Clause LMA5246A
- Equine Consumer Policy - Life Saving Surgical Fees Endorsement (Australia) Limit of AUD 10,000 per horse in the annual aggregate.
- Code Complaints Service of Suit LMA5544

GOW-GATES INSURANCE BROKERS PTY LTD
ABN: 12 000 837 785 | AFSL: 245432

Level 8, 491 Kent Street, SYDNEY NSW 2000 | Please address all mail to: GPO Box 4731, SYDNEY NSW 2001
Phone: 02 8267 9999 Fax: 02 8267 9998 | Website: gowgates.com.au

37. Vet Report:

Central Coast Equine Practice BRETT WARREN

Veterinarian in equine practice;

E-Mail: brettvet@ozemail.com.au
Mobile: 0428.21 5599

Bell Farm, 14 Bell Road,
Mangrove Mountain NSW 2250

VETERINARY EXAMINATION – **Based on criteria for Racehorse Syndication** **- Suitability for Purchase for Racing Syndication**

Name: un-named Dam: SENSIBILITY
Sire: CAPITALIST
Colour: chestnut Sex: colt DOB: 6/11/'24 Age: 1yo

Person requesting exam: Adrian Allan of Elite Thoroughbreds

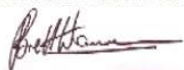
Markings: as per Inglis 2026 Classic Yearling Sale Catalogue Lot # 404
and the Australian Studbook - Microchip: 985100012240476
Vendor: Mullaglass Stud
Brands: ns: ARC OVER MG os: 27 over 4

On 8th February, 2025, the above-described colt was examined by me at the Inglis Riverside Sale Complex, Warwick Farm, NSW

- A nice balanced light/medium body and framed colt with medium girth, chest and good feet and will mature to athletic-rangey type.
- He walked well, hand-held on the lead in the parade area on the sale complex with action within normal limits.
- He was subject to normal passive flexion tests with no abnormality noted.
- Joints and tendons are tight to palpation.
- All conformation and clinical parameters were within normal limits.
- Repository X-Rays viewed presale and considered as: - Low risk
- Repository scope viewed presale and considered to be: - Grade 1

This examination is within the limits of examining an unbroken yearling, at hand, in the paddock/sale ground environment and is limited to the conformation and clinical inspections noted herein.

Conclusion: At the time of this examination, the colt "Sensibility / Capitalist 2024" is, in so far as can be determined from the examination conducted, suitable for syndication for racing and as such is furthermore suitable for all risk mortality insurance cover.



Brett Warren BVSc

SIGNATURE : (electronic)

Veterinary Surgeon: (N3779, AVA#1086)

Date: 11 / 02 / 2026

*This report is valid for 14 days and only for the use of the person requesting the examination.
The issuer has no financial interest in the above animal and no contract with any third party.*

38. Subscription Form:

Application & Subscriber ID Form for **Chestnut colt by CAPITALIST X SENSIBILITY**

First name: **Surname:**

D.O.B:

Residential Address:

Postal Address:

Telephone Home: **Mobile:**

Email Address:

ID Type & State Of Issue (E.g. Drivers License):

ID Number: **Expiry Date:**

I **agree** to become apart of this partnership on the basis that I will purchase _____ share(s)

By signing this agreement, I agree with the follwing;

- (i) I have understood and will be bound by the terms and conditions stated in this Product Disclosure Statement, as well as the Australian Rules of Racing.
- (ii) I am not currently disqualified under the Australian Rules of Racing.
- (iii) I am over the age of eighteen (18) years.
- (iv) I am not bankrupt.
- (v) I have had the opportunity to seek legal or finaincial advise should I feel the need.
- (vi) I agree to have my details passed onto the suppliers for billing purposes.

Name:

Sign: **Dated:**

- **Please note** that if your share purchase exceeds \$10,000, that a form of verified ID will be required to accompany this subscription form.