

Commentary

The Elvest Fund returned -1.8% for December, versus the Benchmark return of 1.4%. Since inception, the Fund has returned a total of 69.3% after fees, ahead of the benchmark return of 35.8%.

December ended 2026 on-theme, with the Small Resources Accumulation Index returning 8.8% for the month and pushing the Small Ordinaries into positive territory.

Santa bypassed Elvest's favoured investable universe, the Small Industrials Accumulation Index, which fell -2.0%. Monthly losses were again led by the Information Technology sector, which delivered a -8.7% monthly return, taking quarterly losses for the sector to -26%.

We are philosophical about the relative lag in performance over 2025. The Fund returned a respectable 21.3%, ahead of the Small Industrials Accumulation Index at 8.8%. The Small Resources Index surged to deliver 73% for the year.

Outside of a macro economic shock, we expect Fund holdings to continue taking share and compounding earnings at attractive annual rates.

The key contributors for the month were Maas Group (MGH) and Artrya (AYA). The main detractor was Life360 (360).

MGH announced a significant new development, with subsidiary JLE Group securing a ~\$200m agreement with Firmus Technologies to provide electrical infrastructure for a 100MW AI Factory in Tasmania, with potential for a further 500MW expansion through 2028.

The deal extends the business beyond its core building materials and equipment hire divisions. MGH reiterated FY26 guidance of \$240-275m EBITDA (+17%), with revenues from the Firmus contract to contribute more meaningfully in FY27.

AYA, a cardiology imaging disruptor, rallied strongly on the release of several positive updates during the month.

AYA converted the remaining two of its three foundation partner hospitals in the US into multi-year commercial customers, and generated initial revenues from its (fully reimbursed) artery plaque assessment module.

During 2026 AYA is conducting a clinical study (SAPPHIRE) with 6-8 partner hospitals to demonstrate the effectiveness of its Salix platform in the rapid assessment of heart attack risks.

The opportunity is immense, with full conversion of SAPPHIRE participants alone (~10% of US volumes) equating to ~A\$500m in annual revenue.

360 sold off after S&P reclassified it as a Foreign Domiciled company resulting in a downward adjustment of its index weight by approximately one quarter of its prior weight. With days of passive selling out of the way, we look forward to what we believe will be a strong year ahead as the company accelerates monetisation via its new pet tracking and advertising products.

As attention turns to 2026, we are excited about the year ahead. Most notable to us is the emerging value in quality stocks, which lagged traditional indices by a historically significant margin in 2025. At a portfolio level, we aim to blend a sound mix of quality, growth and value, which is reflected in attractive aggregate metrics for The Fund as we enter the new year.

Top Holdings (alphabetical order)

360	Life360
NGI	Navigator Global Investments
NWS	News Corporation
PNI	Pinnacle Investment Management
ZIP	Zip Co

Performance	1 Month	1 Year	3 Years p.a.	Since Inception p.a.*	Since Inception*
The Elvest Fund	-1.8%	21.3%	18.2%	15.8%	69.3%
S&P/ASX Small Ords TR Index	1.4%	25.0%	13.4%	8.9%	35.8%
Relative Performance	-3.2%	-3.7%	4.8%	6.9%	33.5%

* Inception date 1 June 2022. Performance after all fees & expenses. Cum distribution unit price (1/1/2026): MID (\$) 1.5131, ENTRY (\$) 1.5169, EXIT (\$) 1.5093.

This information refers to investments in The Elvest Fund (The Fund). Any person wishing to invest in the Fund should review the Information Memorandum and seek legal, financial and taxation advice. The trustee of the Fund is Fundhost Limited (ABN 69 092 517 087, AFSL No. 233 045). Elvest Co Pty Limited (ABN 65 657 018 614, AFSL 547262) is manager of The Fund. Only investors who are wholesale clients (as defined in s761G and s761GA of the Corporations Act 2001 (Cth)) may invest in the Fund. An investment may achieve a lower than expected return and investors risk losing some or all of their principal investment. Past performance is no indication of future performance.

The Manager

Elvest Co is a boutique investment manager specialising in small and mid cap Australian equities. Independently owned and operated by managers with a strong track record, Elvest Co is the investment manager of The Elvest Fund.



Adrian Ezquerro
Principal & Portfolio Manager

Adrian is a Portfolio Manager of the Elvest Fund, and a co-founder of investment management company Elvest Co Pty Limited. Adrian has over 15 years' experience in financial markets, with prior roles including Analyst, Senior Analyst, Portfolio Manager and Head of Investments.



Jonathan Wilson CFA
Principal & Portfolio Manager

Jonathan is a Portfolio Manager of the Elvest Fund, and a co-founder of investment management company Elvest Co Pty Limited. Jonathan has over 10 years' experience in financial markets, with prior roles including Analyst, Senior Analyst and Portfolio Manager.

Investment Approach

Our bottom-up research and company visitation program results in an actively managed portfolio of high-quality Australian businesses offering dynamic growth. We seek to own a part share of established emerging leaders that are still relatively early in their life cycle. We therefore expect to benefit from the earnings and dividend growth that often follows. We target companies that have emerging industry leadership, a strong balance sheet, healthy cash generation, aligned management teams and large opportunity sets.

About The Fund

The Elvest Fund is a long-only Australian equities fund. The Fund invests in 20-40 companies that are typically outside of the S&P/ASX 100 at the time of initial inclusion. The objective is to provide strong absolute returns to investors, while also outperforming its Benchmark over the long term.

Fund Information

Name	The Elvest Fund	Investment Eligibility	Wholesale only
Structure	Wholesale Unit Trust	Minimum Investment	\$250,000 (unless otherwise agreed)
Investment Universe	ASX-Listed small and mid caps	Liquidity	Monthly
Benchmark	S&P/ASX Small Ords Accum. Index	Distributions	Annually
Number of Holdings	20 to 40 securities	Fees	1.28% (incl. GST, net of RITC) 20.5% (incl. GST, net of RITC) of outperformance of the Benchmark, subject to a high water mark.
Stock Limit	10% at cost	Administration	Fundhost
Investment Timeframe	5 years+	Custodian	HSBC
APIR Code	FHT0540AU		
Platform Availability	HUB24, Netwealth, Mason Stevens		

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