

ELVEST

The Elvest Fund

Monthly Report - June 2025

Commentary

The Elvest Fund returned 3.7% for June, versus the Benchmark return of 0.8%. Since inception, the Fund has returned a total of 48.7% after fees, ahead of the benchmark return of 15.7%.

An eventful June, headlined by escalating conflict in the Middle East, capped off a volatile financial year for equities. Though small cap returns were solid in FY25, the Small Resources sector (+20.3%) was the main driver.

Domestically, inflation continues to track lower. Headline inflation slowed in May with YoY growth dropping to 2.1% from 2.4% in April.

Annual trimmed mean inflation, a measure that reduces the impact of irregular or temporary price changes, was 2.4% in May, down from 2.8% in April. These datapoints continue to support forecasts for between 50 and 100bps of further rate cuts over the coming 12 months.

Key contributors for the month were Zip Co (ZIP), Navigator Global Investments (NGI), Pinnacle Investment Management (PNI), and Cedar Woods Properties (CWP). The main detractors were EROAD (ERD) and RPMGlobal (RUL).

ZIP delivered its second upgrade in 3 months, and now expects to deliver cash EBTDA of at least \$160m in FY25, well over double the \$69m achieved in FY24.

Management continues to execute well, with YoY TTV growth being maintained above 40% in the US. The company also noted no material changes to credit loss performance since the 3Q25 result across both markets.

NGI rose on no news, with investors perhaps better appreciating the upgrade announced in May. The leading alternative asset manager expects to deliver EBITDA of between US\$106-\$110m for FY25, representing growth of 17-22% on the pc. Continued execution from here places potential index inclusion on the horizon.

PNI's partial recovery from April lows has reflected the equity market bounce. The company starts the new financial year with operational momentum and a robust growth pipeline, which underpins our forecast for earnings growth of above 20% per annum over the next 3 years.

CWP announced the acquisition of a landmark site in Melbourne during the month, continuing its strategy of more assertively building out its land bank.

Looking ahead, the group is well positioned to sell good quality, affordable housing products into a market benefitting from an interest rate cutting cycle, and suffering from widespread housing shortages. Despite the rally, CWP continues to trade at less than 11x FY26 earnings, and a discount to its historical NTA premium.

Both ERD and RUL fell on no material news. ERD took a breather after a strong rally in the prior month, driven by a healthy earnings beat and optimism about the outlook for vastly improved free cash flow generation.

While FY25 delivered modest returns, we enter FY26 optimistic about the Fund's prospects. The portfolio is constructed with an emphasis on quality compounders offering growth well in excess of market averages. On the basis that equity prices ultimately follow earnings growth and value creation, we anticipate the delivery of sound medium to long term outcomes for investors.

Top Holdings (alphabetical order)

360	Life360
NGI	Navigator Global Investments
PNI	Pinnacle Investment Management
RUL	RPMGlobal
ZIP	Zip Co

Performance	1 Month	1 Year	2 Years p.a.	Since Inception p.a.*	Since Inception*
The Elvest Fund	3.7%	3.9%	15.1%	13.7%	48.7%
S&P/ASX Small Ords TR Index	0.8%	12.3%	10.8%	4.8%	15.7%
Relative Performance	2.9%	-8.4%	4.3%	8.9%	33.0%

* Inception date 1 June 2022. Performance after all fees & expenses. **Cum distribution unit price** (1/7/2025): MID (\$) 1.3370, ENTRY (\$) 1.3404, EXIT (\$) 1.3337.

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)
Stock Limit	10% at cost		20.5% (incl. GST, net of RITC) of
Investment Timeframe	5 years+		outperformance of the Benchmark, subject to a high water mark.
APIR Code	FHT0540AU	Administration	Fundhost
Platform Availability	HUB24, Netwealth	Custodian	HSBC

Contact

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