

ELVEST

The Elvest Fund

Monthly Report - March 2026

Commentary

March was another difficult month for The Fund, returning -11.2%, versus the Benchmark return of -11.0%. Since inception, the Fund has returned a total of 25.3%, versus the benchmark return of 21.1%.

The US-Iran war's impact on energy prices is driving various adverse consequences - to economic activity, inflation, and interest rates - making this a difficult period for the broader equity market.

The war follows a highly volatile reporting season due to heightened uncertainty around the implications of rapidly advancing AI, and a sharp increase in the risk-free rate.

Elvest's investment process and portfolio composition remain centred around well-capitalised, capital-light businesses taking share in their niche. On this front, we believe revenues and earnings will prove relatively resilient against macroeconomic risks.

Despite solid February results, with portfolio constituents delivering median revenue growth of 15% and earnings growth of 20%, significant PE compression has left many companies trading at a substantial discount to their intrinsic value. Boards appear to agree, with over 50% of the Fund's holdings either buying back stock or seeing Director purchases over the past month.

The dislocation we see within our universe, primarily the S&P/ASX Small Industrials, is supported by headline multiples, which currently sit at a 10-year low and more than 2 standard deviations below the median.

10Y Statistic	EV/EBITDA
+2 Std Dev	11.6
Median	9.5
-2 Std Dev	7.8
30 March 2026	7.6

ASX Small Industrials ex Fins & REITs EV/EBITDA 12MF, Source: Barrenjoey

Performance	1 Month	1 Year	3 Years p.a.	Since Inception p.a.*	Since Inception*
The Elvest Fund	-11.2%	-1.1%	5.9%	6.1%	25.3%
S&P/ASX Small Industrials TR	-8.4%	-0.8%	4.7%	2.7%	10.6%
S&P/ASX Small Ordinaries TR	-11.0%	13.7%	8.5%	5.1%	21.1%

* Inception date 1 June 2022. Performance after all fees & expenses. Cum distribution unit price (1/4/2026): MID (\$) 1.1194, ENTRY (\$) 1.1222, EXIT (\$) 1.1166.

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.

Key contributors for the month were News Corporation (NWS) and Nanosonics (NAN). There were a broad number of detractors, mainly reflecting macroeconomic concerns, including Life360 (360) and Energy One (EOL).

NWS held its Dow Jones investor day with management providing a better-than-expected medium-term EBITDA target of over US\$1bn. NAN recovered from its 52-week lows seen in February, yet still trades at 16 times Trophon earnings, with new product CORIS coming for free.

360 fell with other technology stocks presumably on AI-related fears. Despite this, app download data is surging globally and we believe the significant monetisation potential of advertising is not priced in.

EOL also declined with the tech basket. Longer term, we believe it will be a key enabler of electrification through its leading energy trading and management software.

While exogenous factors related to the war and its ramifications may heavily influence the near term outlook, portfolio fundamentals remain sound, strong aggregate net cash balance sheets provide staying power, and discounts to value are deepening to historically significant levels. The combination of these factors bodes well for medium to long term returns.

Top Holdings (alphabetical order)

360	Life360
ABB	Aussie Broadband
NWS	News Corporation
PNI	Pinnacle Investment Management
ZIP	Zip Co

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		
Investment Timeframe	5 years+		
APIR Code	FHT0540AU	Administration	Fundhost
Platform Availability	HUB24, Netwealth, Mason Stevens	Custodian	HSBC

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