

Commentary

The Elvest Fund returned -1.2% for October, versus the Benchmark return of 1.9%. Since inception, the Fund has returned a total of 81.1% after fees, ahead of the benchmark return of 35.9%.

While not showing up in the performance figures, October was another productive month for the Fund. Following a number of positive quarterly and AGM updates, aggregate portfolio earnings forecasts were upgraded during the month, yet aggregate prices edged lower.

The Small Resources Index was again the driver of the Australian small cap market for the month. The ASX's Materials and Energy sectors produced returns of 4.3% and 3.7%, respectively. At the other end of the spectrum, the IT and Consumer Discretionary sectors fell -8.4% and -6.8%, respectively.

Domestically, a 1.0% QoQ rise in trimmed mean inflation negatively surprised, with the probability of further RBA rate cuts receding as a result.

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

NGI released an upbeat September quarter AUM update, with ownership-adjusted AUM up 4.5% to US\$29bn. Inflows and performance data were ahead of expectations, and though the stock has continued to rally, it remains attractively priced on a free cash flow yield of nearly 10%.

PNI delivered an exceptional Q1 update. Total affiliate FUM was up 10% to \$197.4bn, driven largely by inflows of \$13.3bn, with both figures well ahead of expectations.

The acquisition of an interest in a new Japanese affiliate, Advantage Partners (AP), was also announced. AP is the largest independent, multi-strategy private markets platform in Japan, and extends PNI's successful push into vastly deeper offshore markets.

CWP upgraded FY26 earnings during the month and now expects to deliver NPAT growth of 15%, following a strong Q1 result. Management noted record presales of more than \$763m at quarter end, up 36% on the pcp and 16% on 30 June 2025.

WTC fell on news of a potential ASIC investigation into trading of company shares by company executives. This, and a telegraphed 2H earnings skew in FY26, has seen the stock fall sharply in recent weeks. Nevertheless, WTC is an industry leader whose software has no churn, is launching innovative products into deep markets, and trades on a revenue multiple near historic lows.

ZIP reported a strong Q1 result, with US transaction volume growth of 47% driving cash EBTDA of A\$63m, up 98% on the pcp and well ahead of expectations. Based on past seasonal trading patterns, 1Q26 results point to FY26 earnings well above consensus.

ERD downgraded FY26 forecasts after a large US transport telematics customer decided not to renew their contract. Despite challenges in the US, the NZ division dominates its market and contributes the majority of ERD's earnings. Concurrently, ERD highlighted emerging opportunities in electronic road user charging (eRUC) in ANZ, with NZ soon to replace fuel excise tax with a national eRUC system.

November AGM season is now upon us, which we look forward to reporting on next month.

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	-1.2%	30.2%	20.7%	18.9%	81.1%
S&P/ASX Small Ords TR Index	1.9%	22.8%	13.8%	9.4%	35.9%
Relative Performance	-3.1%	7.4%	6.9%	9.5%	45.2%

* Inception date 1 June 2022. Performance after all fees & expenses. Cum distribution unit price (1/10/2025): MID (\$) 1.6173, ENTRY (\$) 1.6214, EXIT (\$) 1.6133.

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 outperformance of the Benchmark, subject to a high water mark.
Investment Timeframe	5 years+	Administration	Fundhost
APIR Code	FHT0540AU	Custodian	HSBC
Platform Availability	HUB24, Netwealth		

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