

Global Small & Mid Cap Fund

Strategy Update
December 2025

Important Information: Fairlight Asset Management Disclaimer

Figures and graphs sourced from Mainstream BPO, Fairlight AM, Bloomberg, and FactSet Portfolio Analytics. This document has been prepared by Fairlight Asset Management Pty Ltd ACN 628 533 308 Corporate Authorised Representative No 001277649 of AFSL No 000247293, the investment manager of Fairlight Asset Management Global Small and Mid Cap Fund. This document may not be reproduced, used or given to any other person, in whole or in part, without Fairlight’s consent. It has been prepared to assist you and does not purport to be all-inclusive or contain all information that you require to decide on Fairlight products and services. Neither Fairlight, nor any of its directors, officers, employees or associates, make any representation or warranty as to the accuracy or completeness of the Information and none of them has liability for any loss or damage, whether direct, incidental or consequential, caused by reliance on or use of Information or representations (express or implied) in, or for omissions from, this document or other communications to you in the course of your evaluation of Fairlight products and services. All opinions and estimates constitute judgments of Fairlight and Perennial and are subject to change without notice. These statements should therefore not be relied upon as an accurate representation or prediction as to any future matters. The Product Disclosure Statement (PDS) contains all of the details of the offer. Before making any decision to make or hold any investment in the Fund you should consider the PDS in full. The information provided does not take into account your investment objectives, financial situation or particular needs. Investments in the Fund must be accompanied by an application form. The current relevant target market determination, product disclosure statement, reference guides and application form can be found on Fairlight’s website www.fairlightam.com.au or by contacting Fairlight Asset Management directly. Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall. The Trust Company (RE Services) Limited (ABN 45 003 278 831 AFS Licence 235150) is the Responsible Entity and issuer of units of Fairlight Global Small & Mid Cap Fund ARSN 629 066 913. All data in this presentation sourced from Factset or Fairlight unless otherwise stated.

Important Information: Lonsec Research Disclaimer

The ratings published on 04/2025 for Fairlight Global Small & Mid Cap Fund (APIR: PIM7802AU) and Fairlight Global Small & Mid Cap Fund (APIR: PIM0941AU) are issued by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec Research). Ratings are general advice only and have been prepared without taking account of investors’ objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The ratings are not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec Research assumes no obligation to update. Lonsec Research uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2025 Lonsec. All rights reserved.

Important Information: Zenith Investment Partners Disclaimer

The Zenith Investment Partners (ABN 27 103 132 672. AFS Licence 226872) ("Zenith") ratings (assigned November 2024 for PIM7802AU and PIM0941AU) referred to in this document is limited to "General Advice" (s766B Corporations Act 2007) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>.

Fairlight Small & Mid Cap Fund	Parameters
Stock numbers	30-40
Market capitalisation	US\$500m-\$40bn
Style	Long only quality
Investment horizon	5+ years
Objective	Benchmark +3-5%
Benchmark	MSCI World SMID AUD (Net)

Auditor



Administrator



Responsible Entity



Distribution



Rating



Rating





Nicholas Cregan

Nicholas is a Portfolio Manager of the Fairlight Global SMID Fund.

Investment Experience:
21 years

- E&P (2014 – 2017): Portfolio Manager. Awarded “Best Global Fund” in 2016 with top decile performance since inception
- Schroders (2006 – 2013): Senior Analyst of the US\$7bn Small Mid Cap Fund covering 25% of fund assets. Portfolio Manager AUS Micro Cap Equities (11% pa outperformance over five years)

Qualifications:

- Bachelor of Business (Accounting, Law)
- FINSIA Applied Valuation, UTS Fin Cert. Dip. Derivatives



Will Dowd, CFA

Will is a Portfolio Manager and responsible for investment analysis and database design.

Investment & Analytics Experience:
13 years

- E&P (2015 – 2017): Global Equity Analyst
- Ernst & Young (2011 – 2015): Senior Consultant (data analytics & advisory)

Qualifications:

- Bachelor of Business Systems
- Masters of Finance
- Chartered Financial Analyst



Alvis Peggion, CFA

Alvis is a Portfolio Manager and responsible for investment analysis.

Investment Experience:
12 years

- Forager Funds Management (2013 – 2019): Global Equity Analyst

Qualifications:

- Bachelor of Finance (1st Class Honours)
- Chartered Financial Analyst



Abbey Cook

Abbey is a Portfolio Manager and responsible for investment analysis.

Investment Experience:
21 years

- Magellan Financial Group (2019 – 2022): Investment Analyst
- Perpetual Limited (2014 – 2019): Global Consumer Analyst
- Wavestone Capital (2009 – 2013): Senior Investment Analyst.

Qualifications:

- Master of Commerce, Economics
- Bachelor of Commerce/ Bachelor of Liberal Studies



Hero Gunawan, CFA, FRM

Hero is a Quantitative Analyst and responsible for applying statistical models and quantitative techniques to produce insights from data.

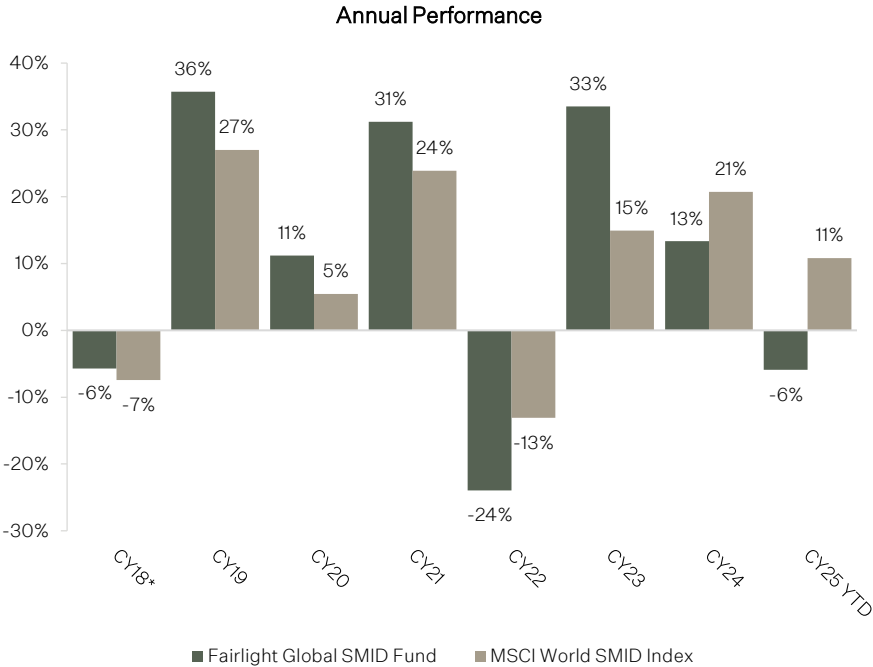
Investment & Analytics Experience:
6 years

- Foresight Analytics (2022 – 2023): Quantitative Consultant
- Glass Lewis & Co (2019 – 2022): Research Analyst

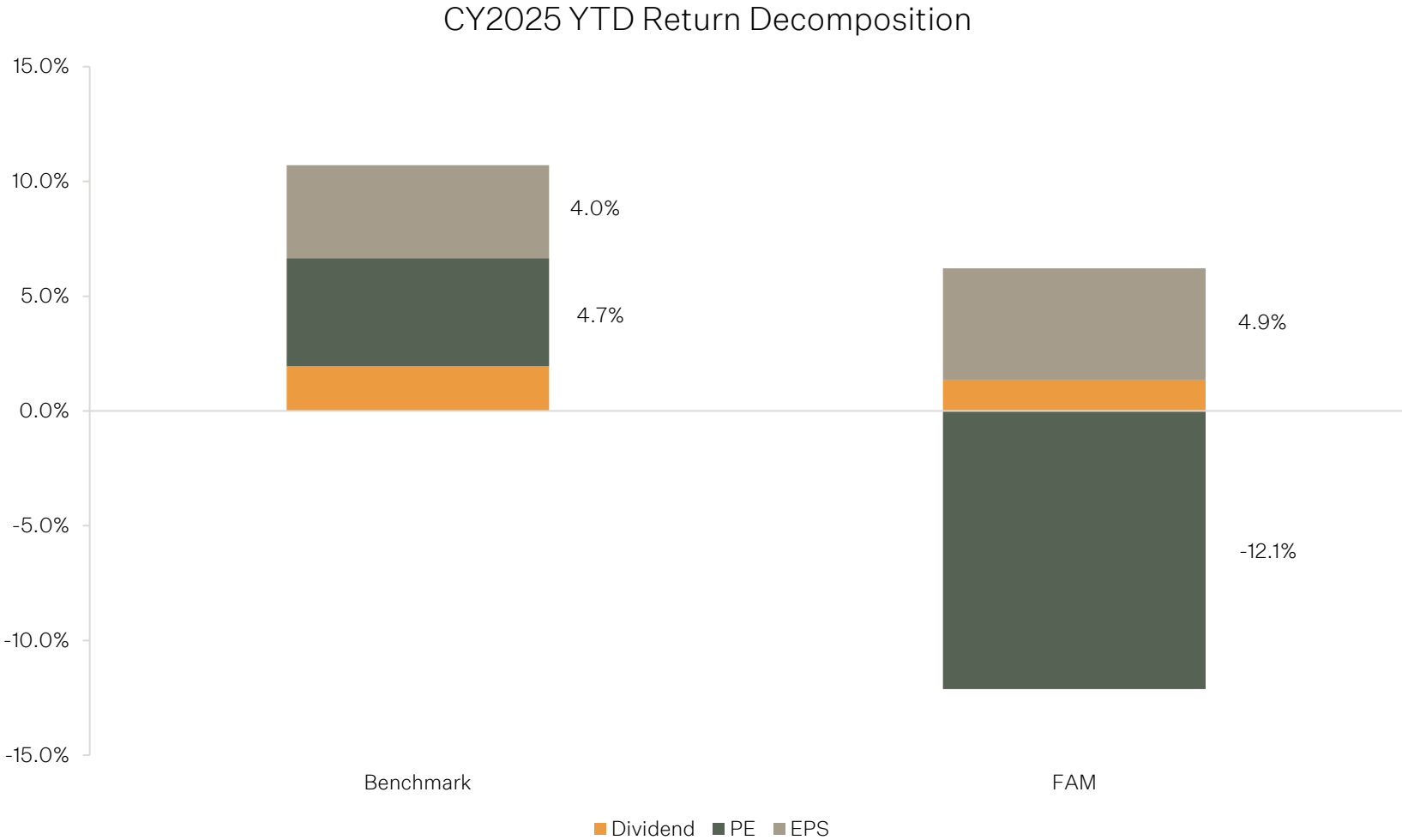
Qualifications:

- Bachelor of Business Administration
- Chartered Financial Analyst
- Financial Risk Manager

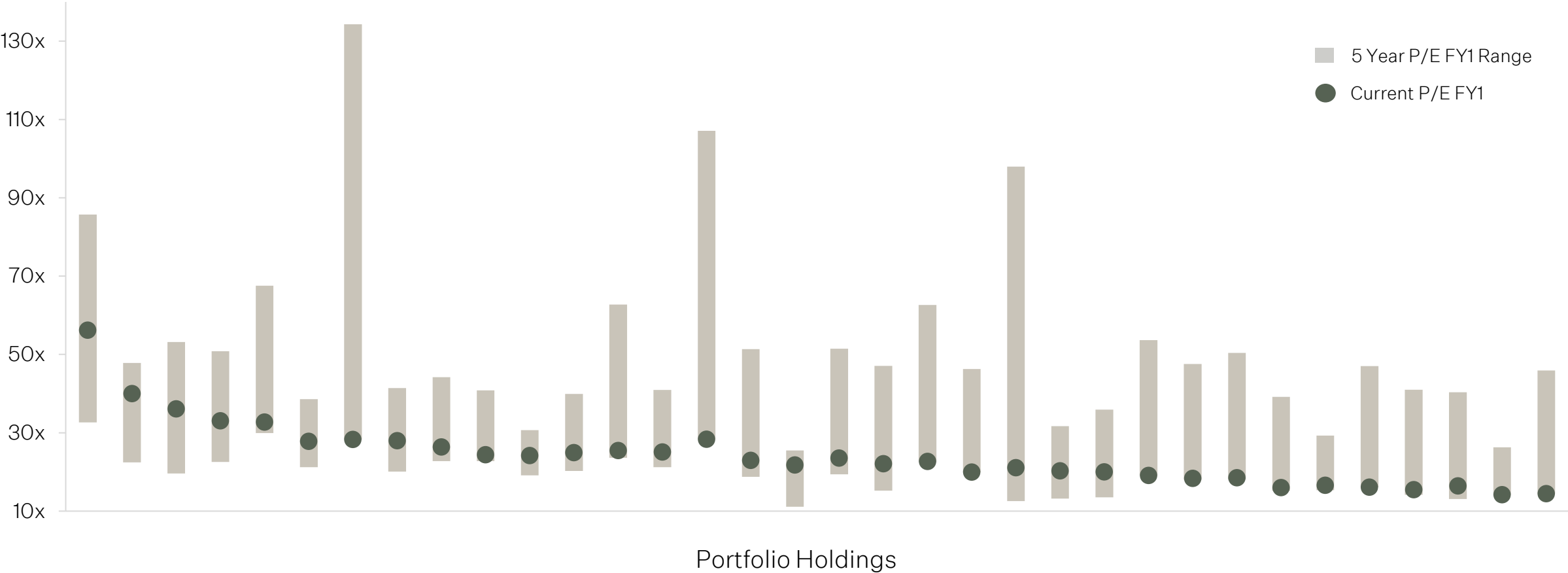
Performance to Nov-25	Since Inception	Since Inception p.a.	5 Years p.a.	3 Years p.a.	1 Year	3 Months	1 Month
Fairlight Global SMID Cap Fund	102.1%	10.4%	7.5%	10.6%	-6.0%	-7.4%	-3.5%
MSCI World SMID Cap Index	105.3%	10.7%	10.9%	13.7%	9.8%	2.4%	1.0%
Outperformance	-3.2%	-0.2%	-3.3%	-3.1%	-15.8%	-9.8%	-4.5%



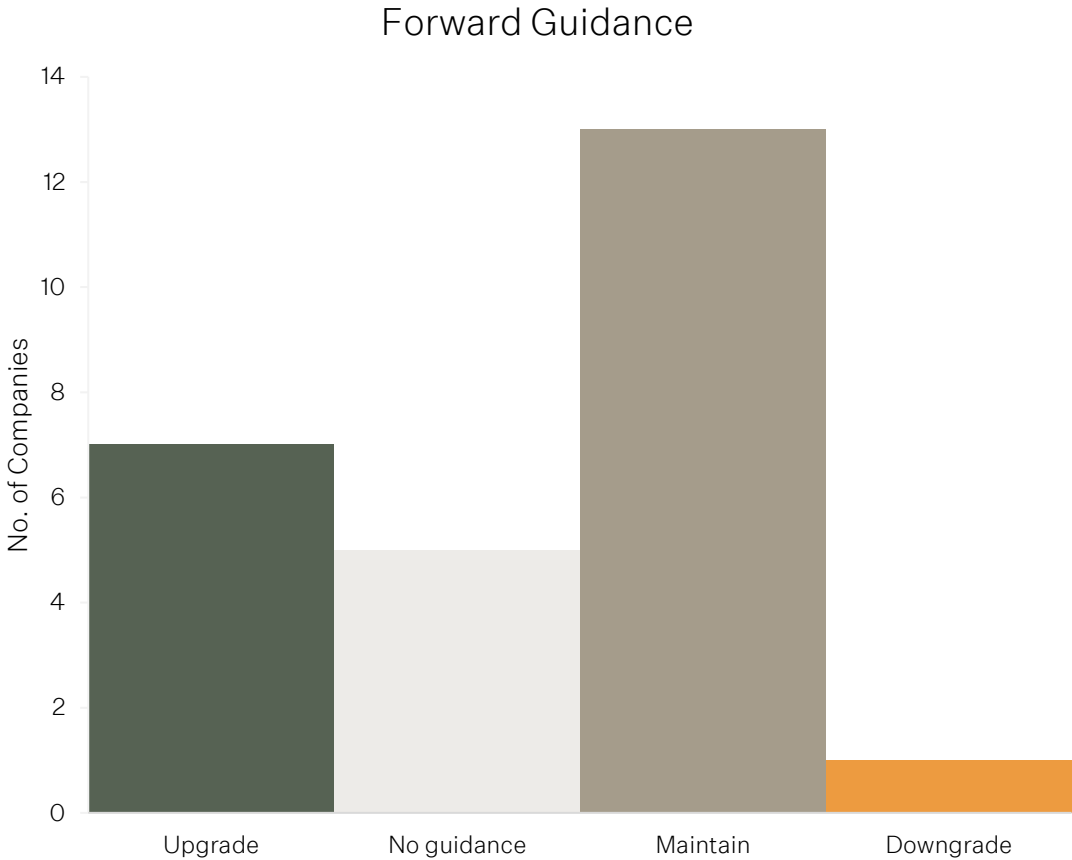
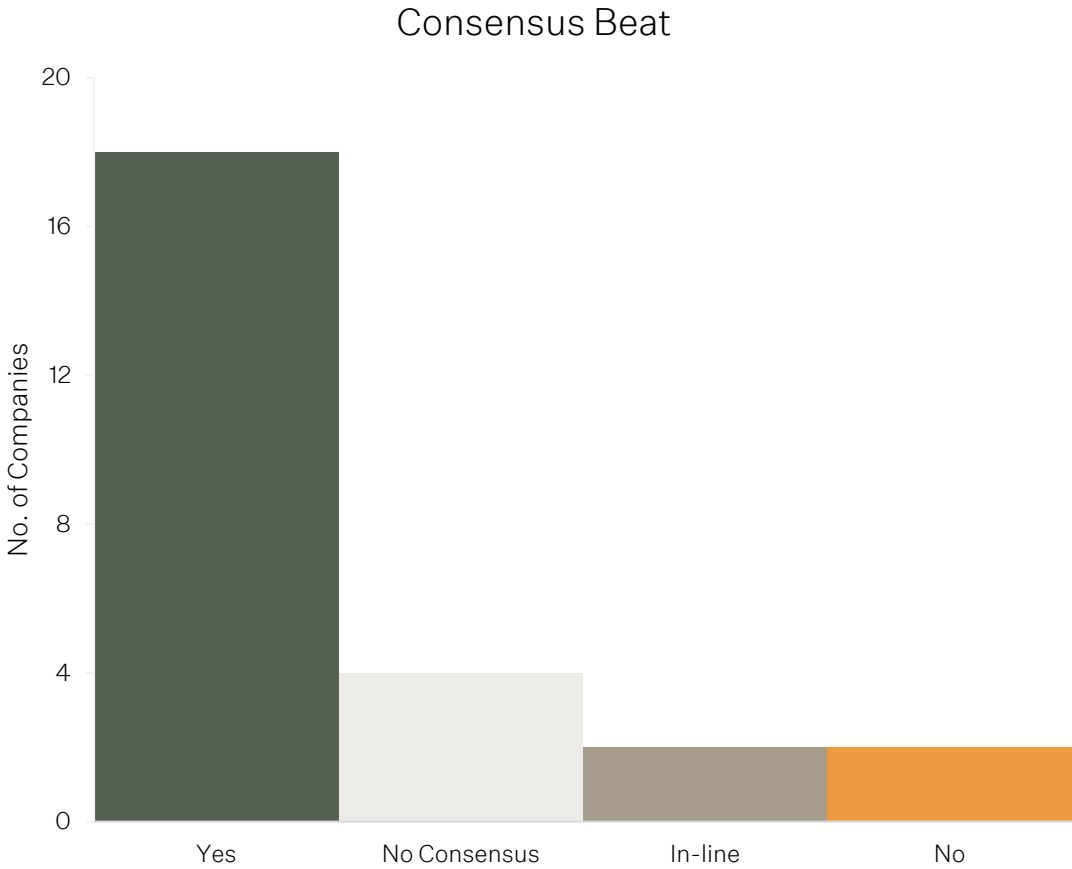
Performance is in AUD and net of all fees. Unit trust inception date is 1 November 2018. Since inception returns are on a per annum basis. Past performance is not a reliable indicator of future performance



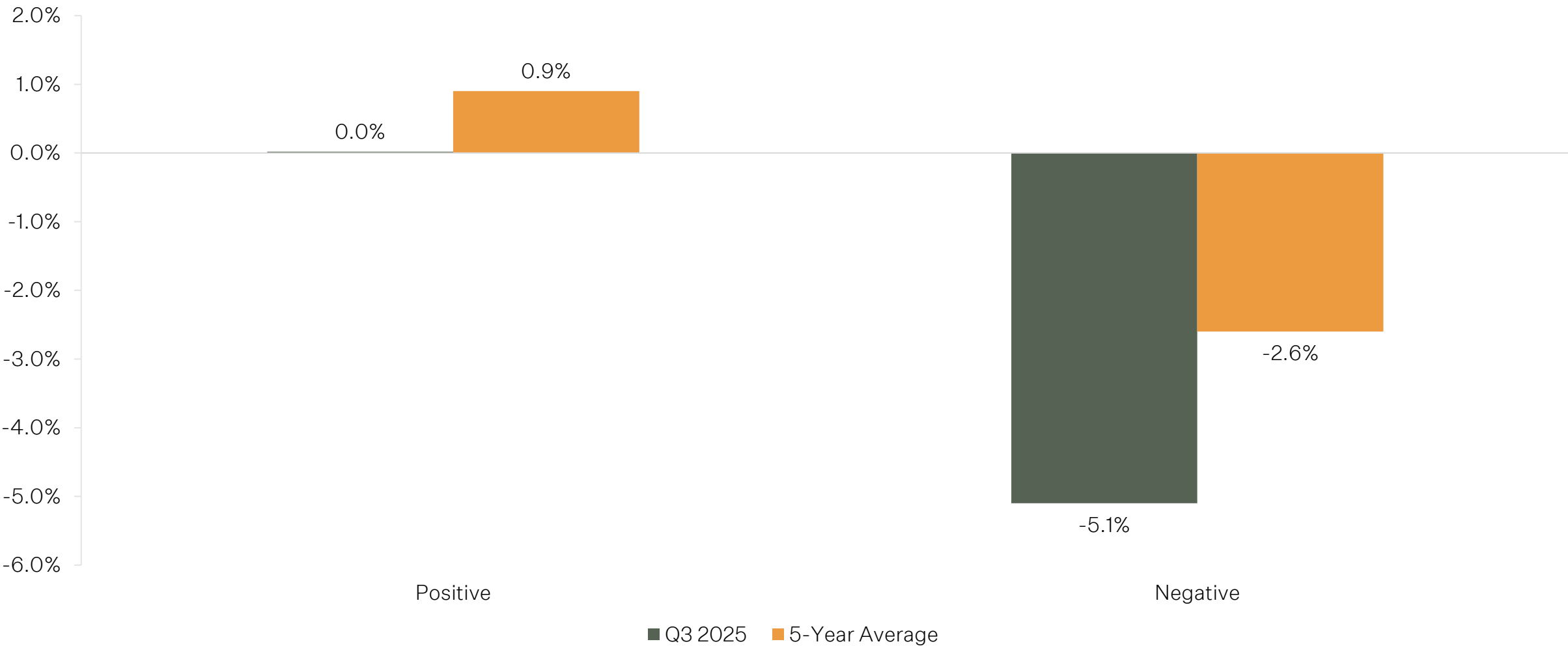
Sources: FactSet Portfolio Analytics, Fairlight. As of November 30, 2025.



Source: FactSet Consensus. Updated November 2025.



Sources: FactSet, Company filings. As of November 17, 2025.

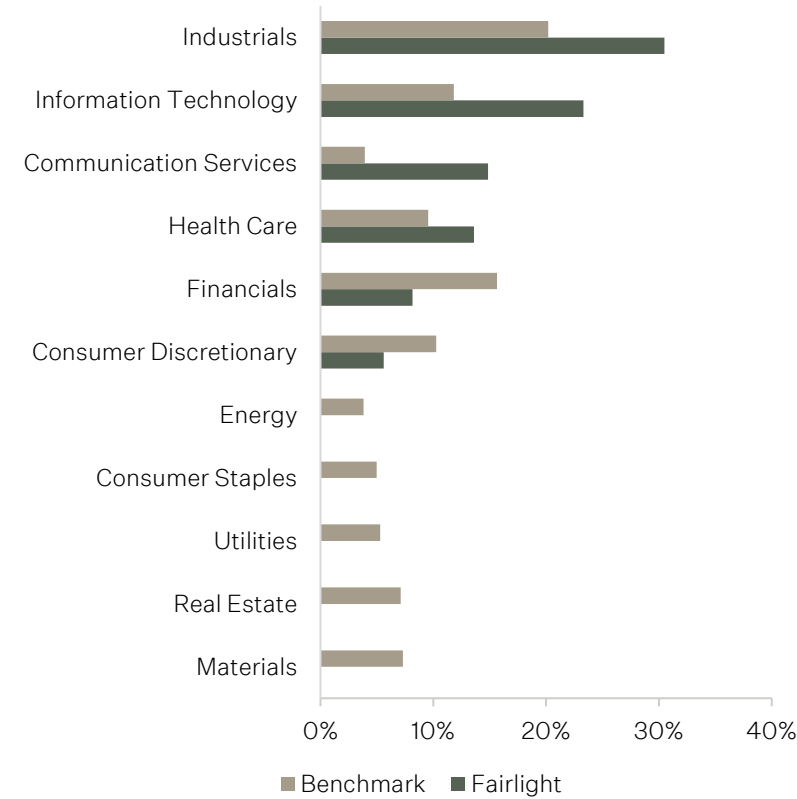


Source: FactSet Earnings Insights.

Fairlight Portfolio Characteristics

Quality		
EBITDA Margin	32%	
Operating Margin	29%	
CROCI	25%	
Cash Conversion	97%	
Net Debt/EBITDA	0.4x	
Growth		
2025E Revenue	+7%	
2025E EPS	+9%	
2026E Revenue	+9%	
2026E EPS	+13%	
Valuation		
Earnings Yield	4.6%	
PE	22x	
Dividend Yield	1.3%	
Market Cap (USD)	\$19.6b	

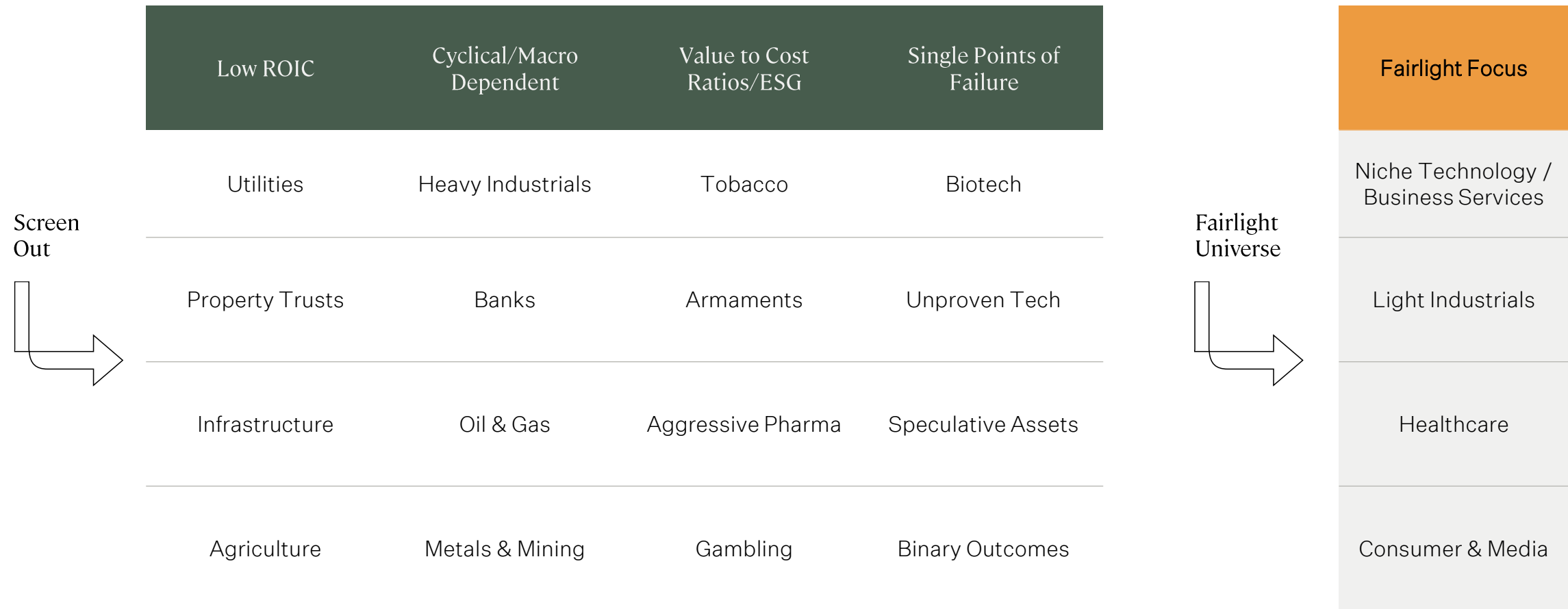
Sector Exposure

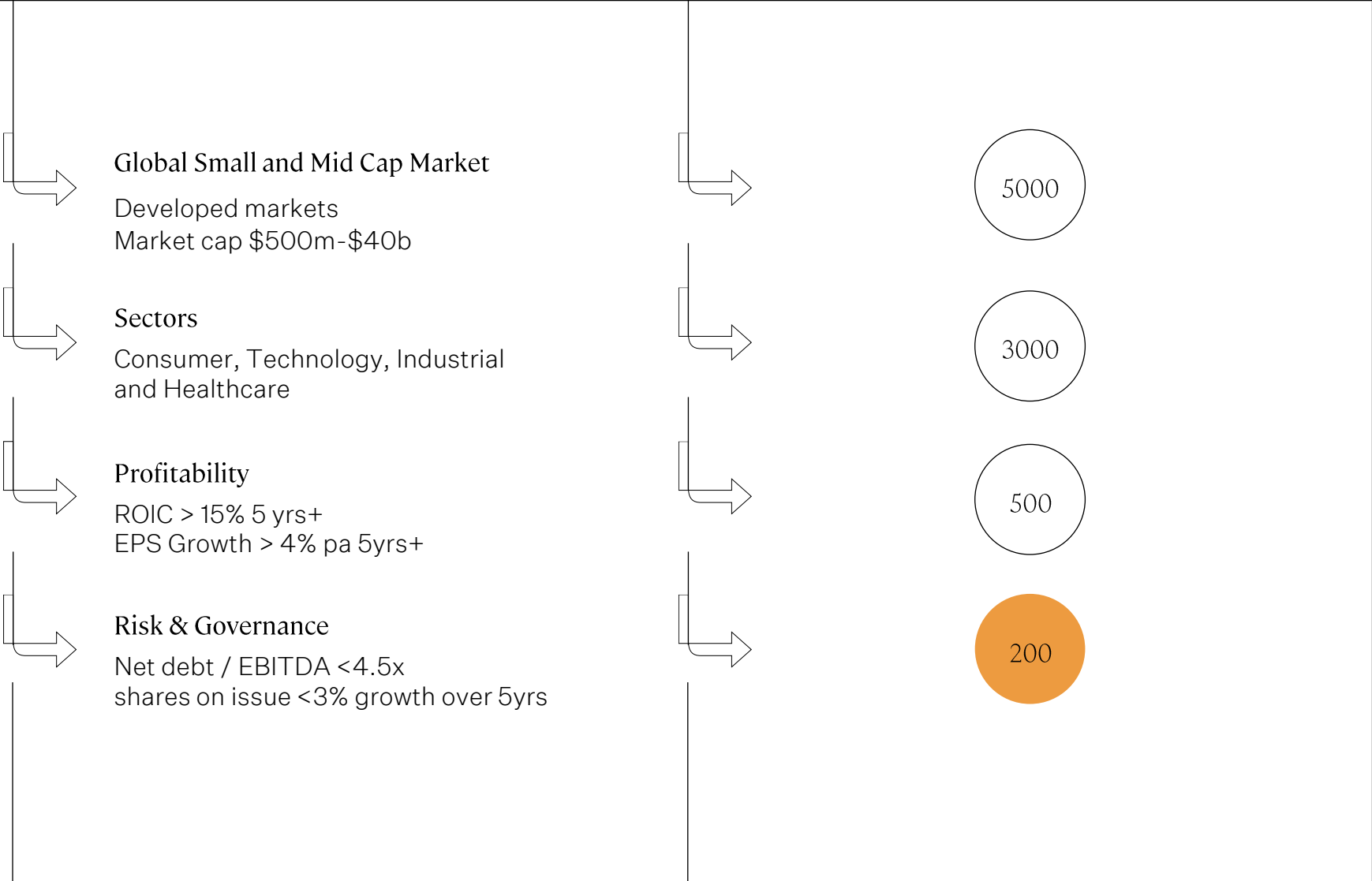


Top Contributor/Detractors (past quarter)

Top 5	
Medpace Holdings	1.09%
IDEXX Laboratories	0.65%
Ulta Beauty	0.46%
Diploma Plc	0.31%
Techtronic Industries	0.27%
Bottom 5	
Gartner	-1.25%
FactSet Research Systems	-1.11%
Reply S.p.A.	-0.81%
Bytes Technology Group	-0.49%
Scout24 SE	-0.47%

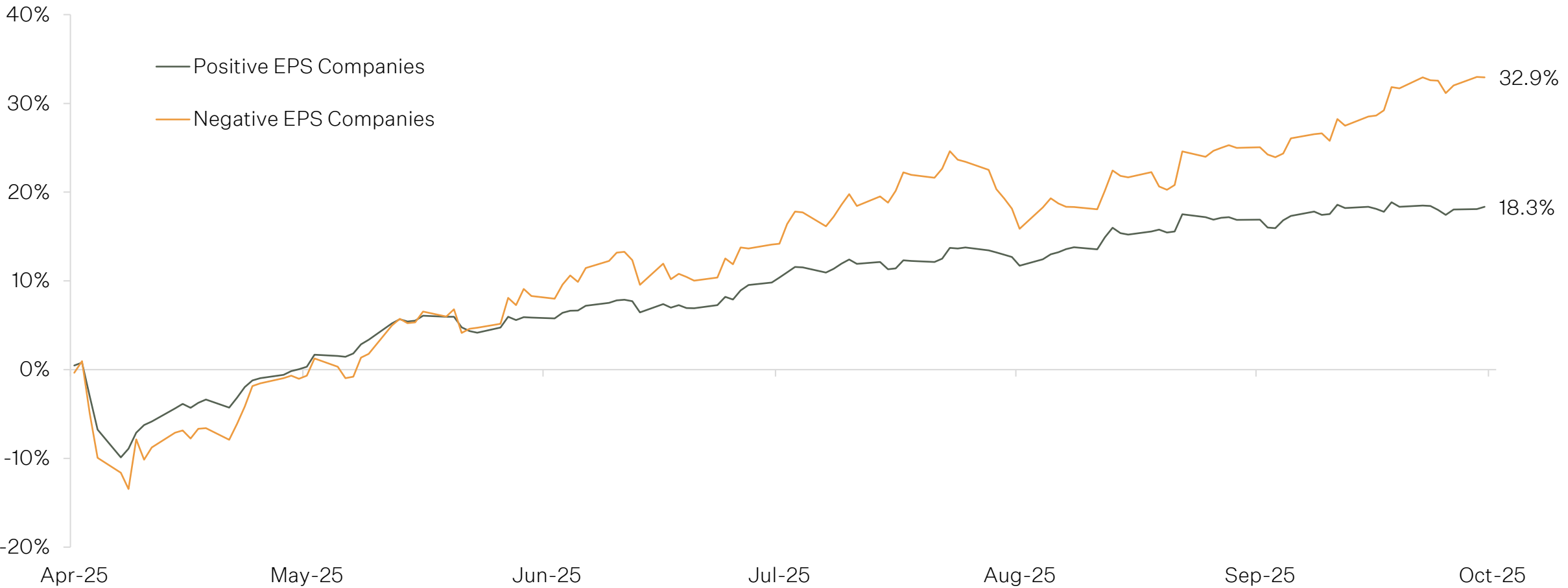
Source: Fairlight Estimates. FactSet



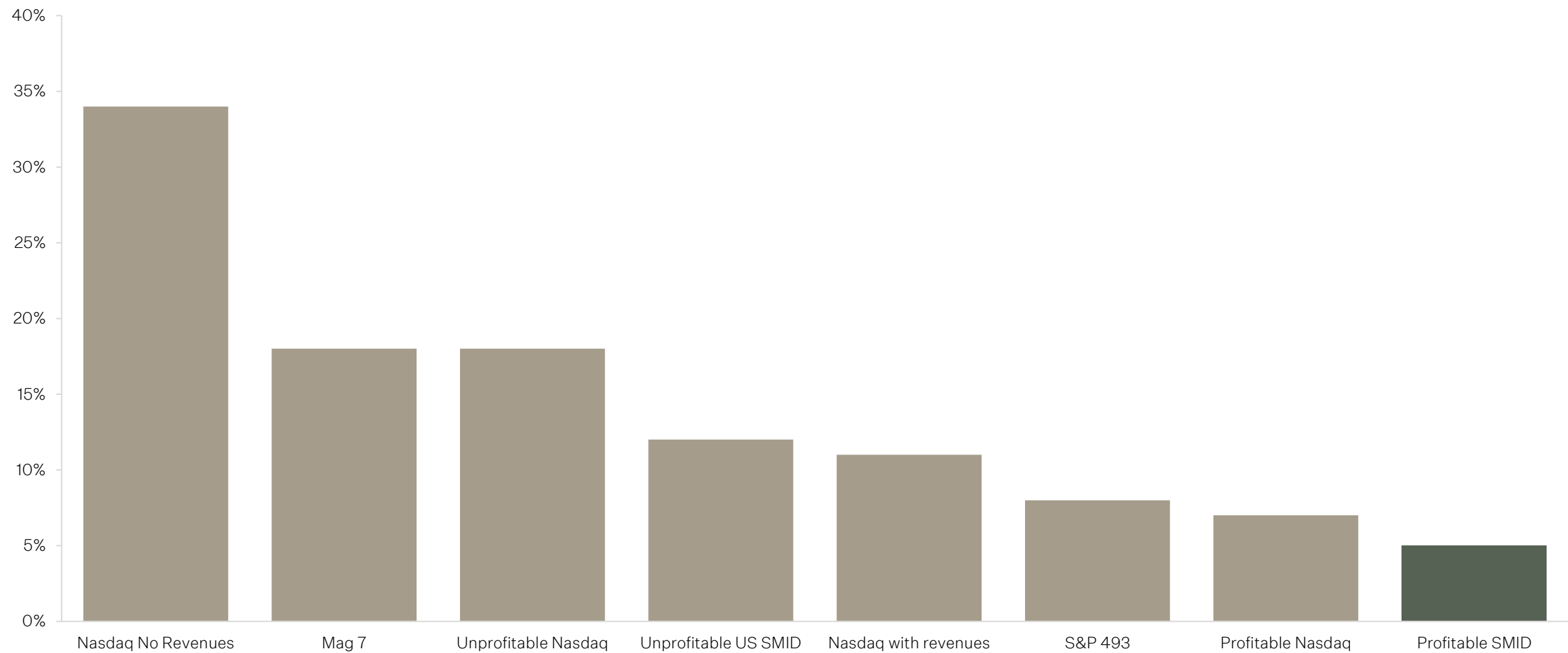


Name	Description
Rheinmetall AG	Defence - known for armored vehicles, ammunition, air defense & military
Robinhood Markets, Inc. Class A	Retail brokerage
Seagate Technology Holdings PLC	Internet infrastructure for cybersecurity
Western Digital Corporation	Leading maker of hard drives, SSDs, and storage
Roblox Corp. Class A	Online gaming and social platform
Howmet Aerospace Inc.	Metal component manufacturer
Celestica Inc.	Design and manufactures hardware for aerospace, defense, cloud, and communications
Warner Bros. Discovery, Inc. Series A	Film and television studio
Cloudflare Inc Class A	Security and networking company
Alnylam Pharmaceuticals, Inc	Pharmaceuticals
Insmed Incorporated	Biotech specializing in RNA interference for rare genetic diseases
Kinross Gold Corporation	Global gold mining company
Commerzbank AG	Major German retail bank
Vertiv Holdings Co. Class A	Power and cooling for data centers
Sandisk Corporation	Flash memory
Cardinal Health, Inc.	Pharmaceutical and medical supplies distributor
Quanta Services, Inc.	Contractor in the energy market
Carvana Co. Class A	Online used-car retailer
Comfort Systems USA, Inc.	Design and markets semiconductor-based power electronics and power management
IDEXX Laboratories, Inc.	Veterinary diagnostics, laboratory services, and software for veterinary clinics

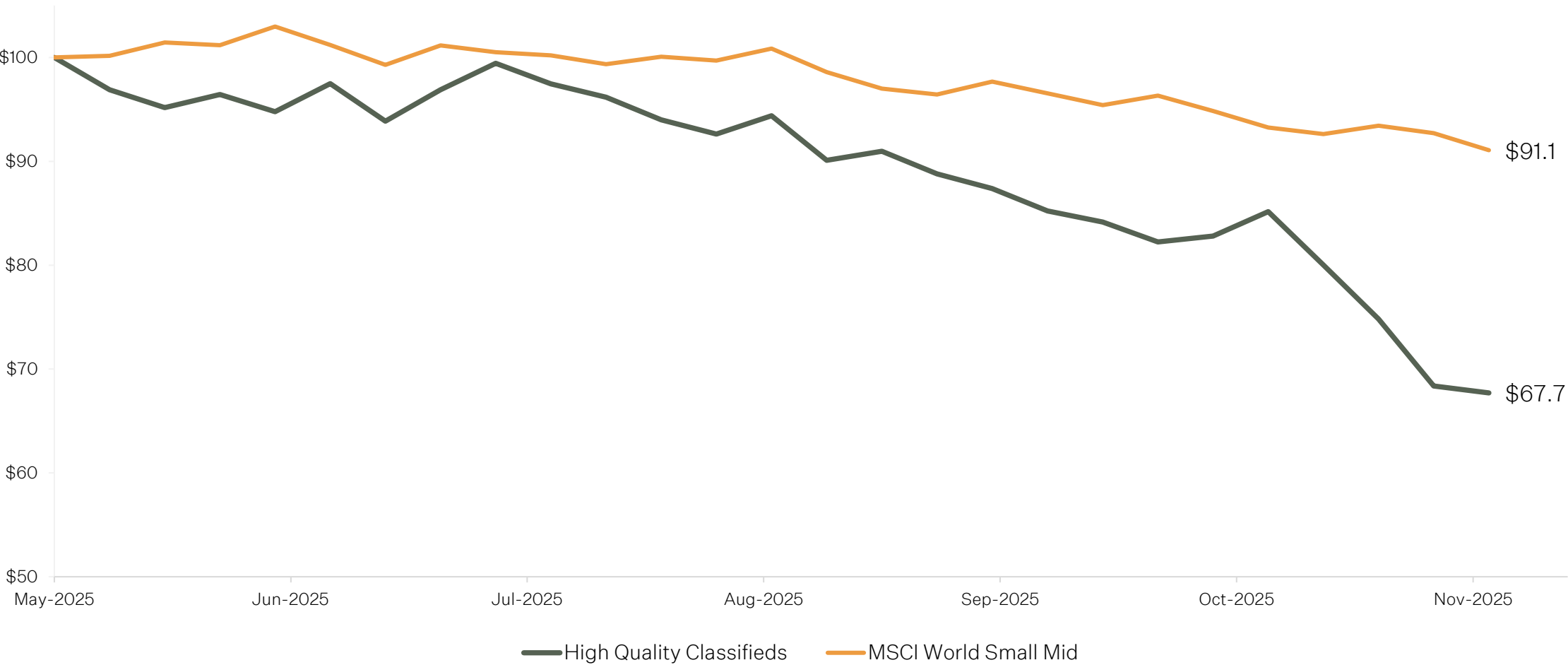
Sources: FactSet Portfolio Analytics, Fairlight. Top 20 as of November 30, 2025.



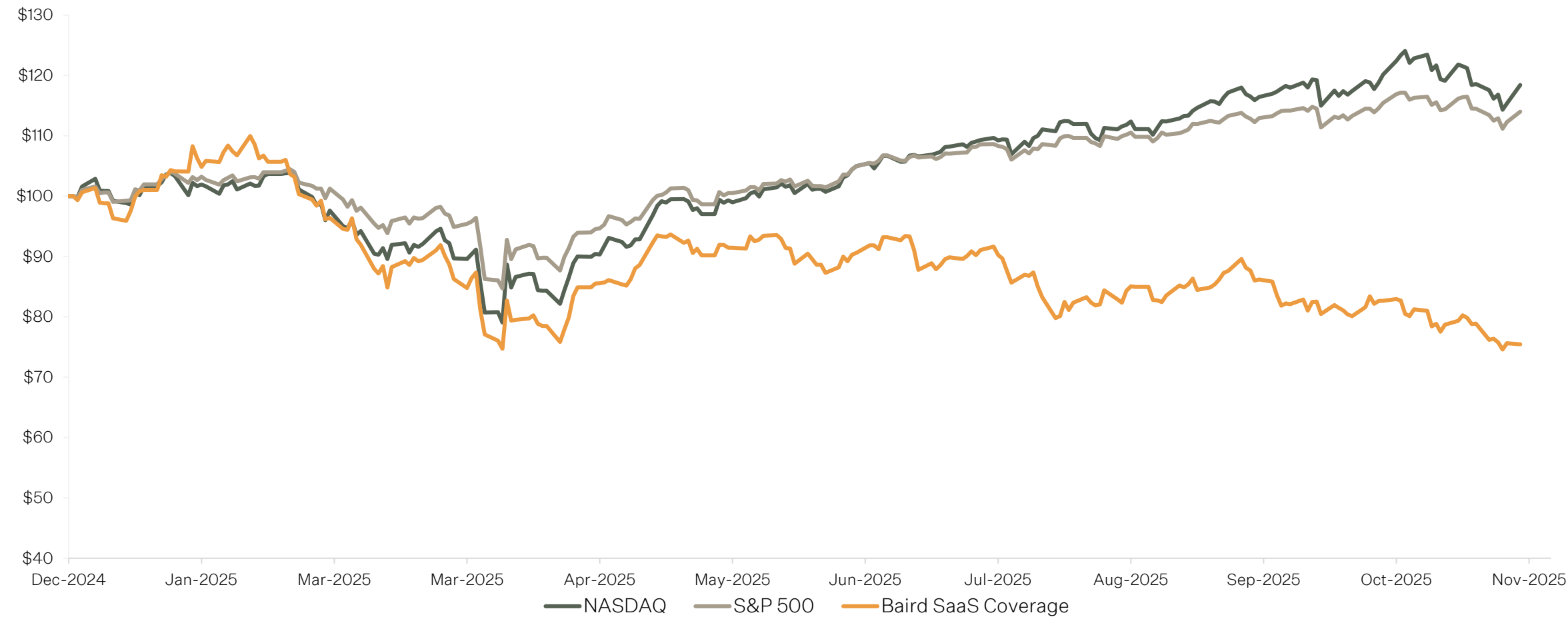
Source: MSCI, FactSet. Period of April 1, 2025 to September 30, 2025. Using MSCI World Small Mid constituents as of September 30, 2025 with trailing twelve month EPS. 3,764 companies have positive EPS, and 839 companies have negative EPS.



Source: Schroders. Data as of September 30, 2025. Year to date returns each category.

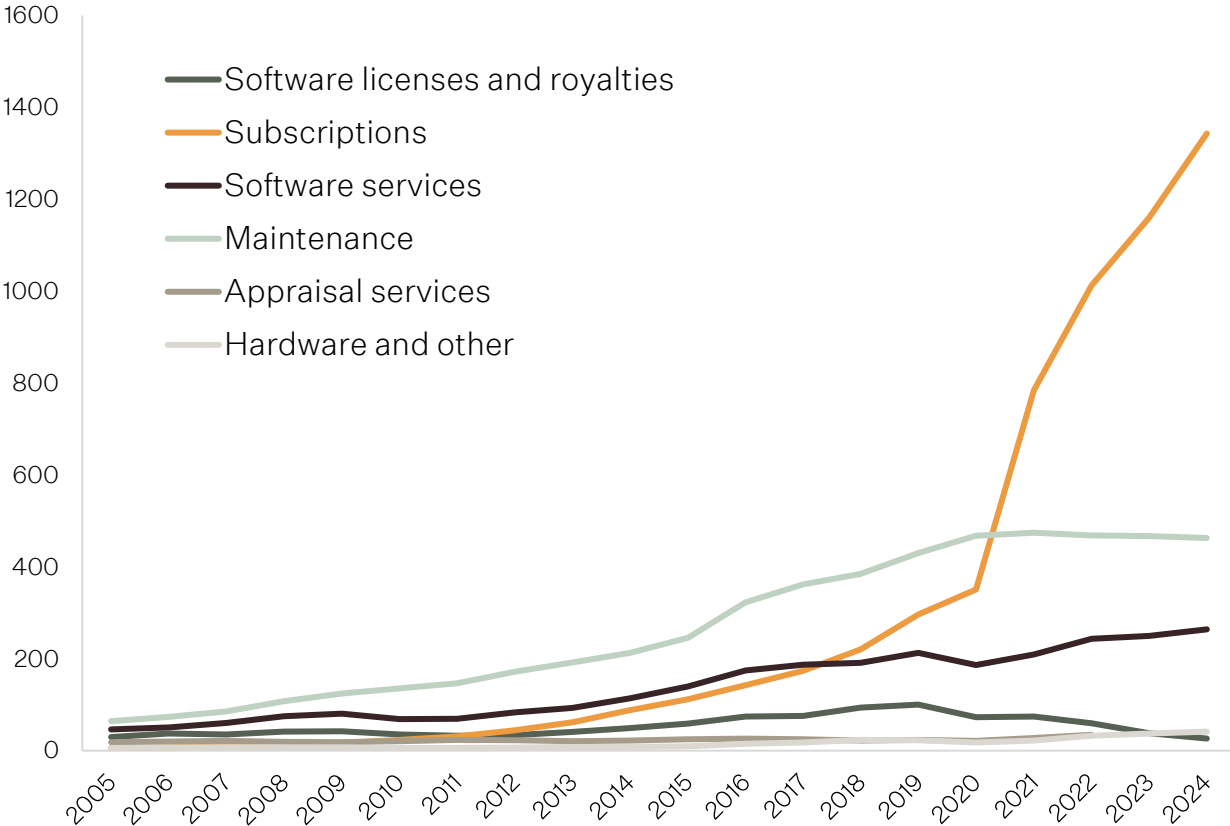


Source: MSCI, FactSet, As of November 21, 2025 (RMV, AUTO, G24, HEM, BCG) .

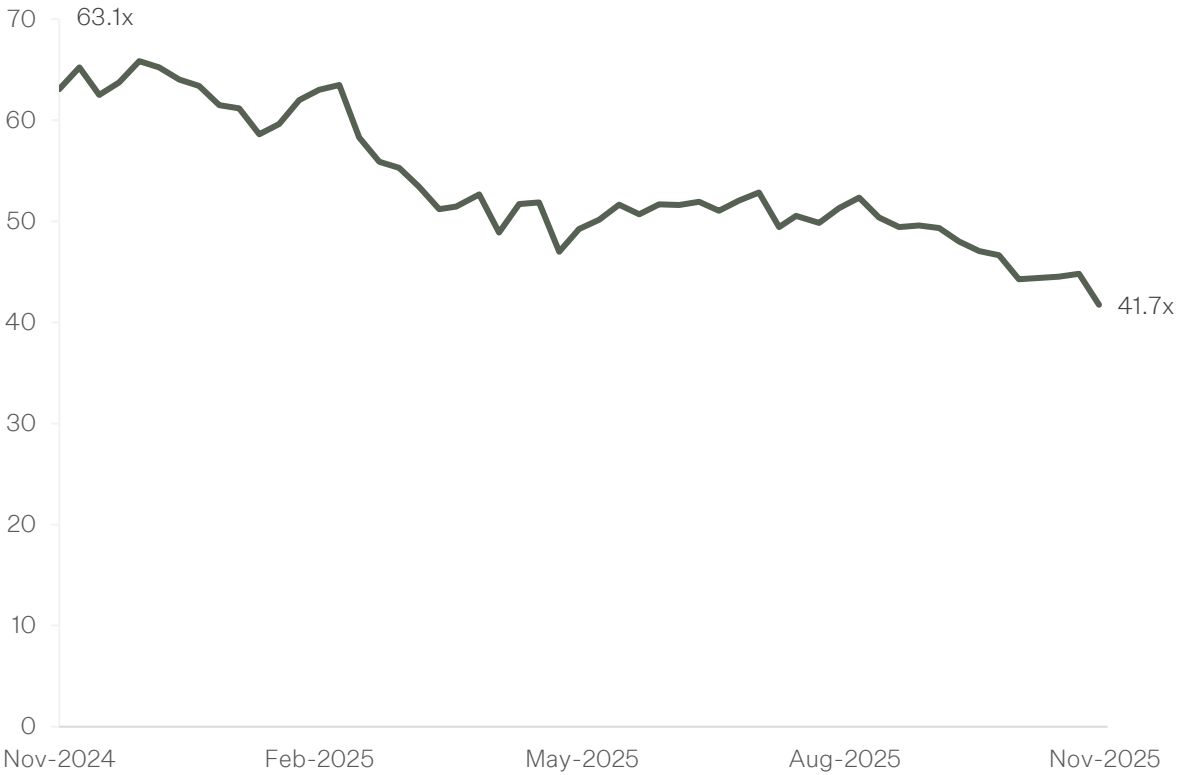


Source: Baird Research, Fairlight

Revenue Types (\$m)



Price-to-Earnings FY1



Source: Tyler Tech, Fairlight

AI's Triple Impact

MORE THAN JUST CHATBOTS



Decision Making

With real-time, accessible data analysis and insights, Tyler guides decision-makers to informed, evidence-based decisions.



Service Delivery

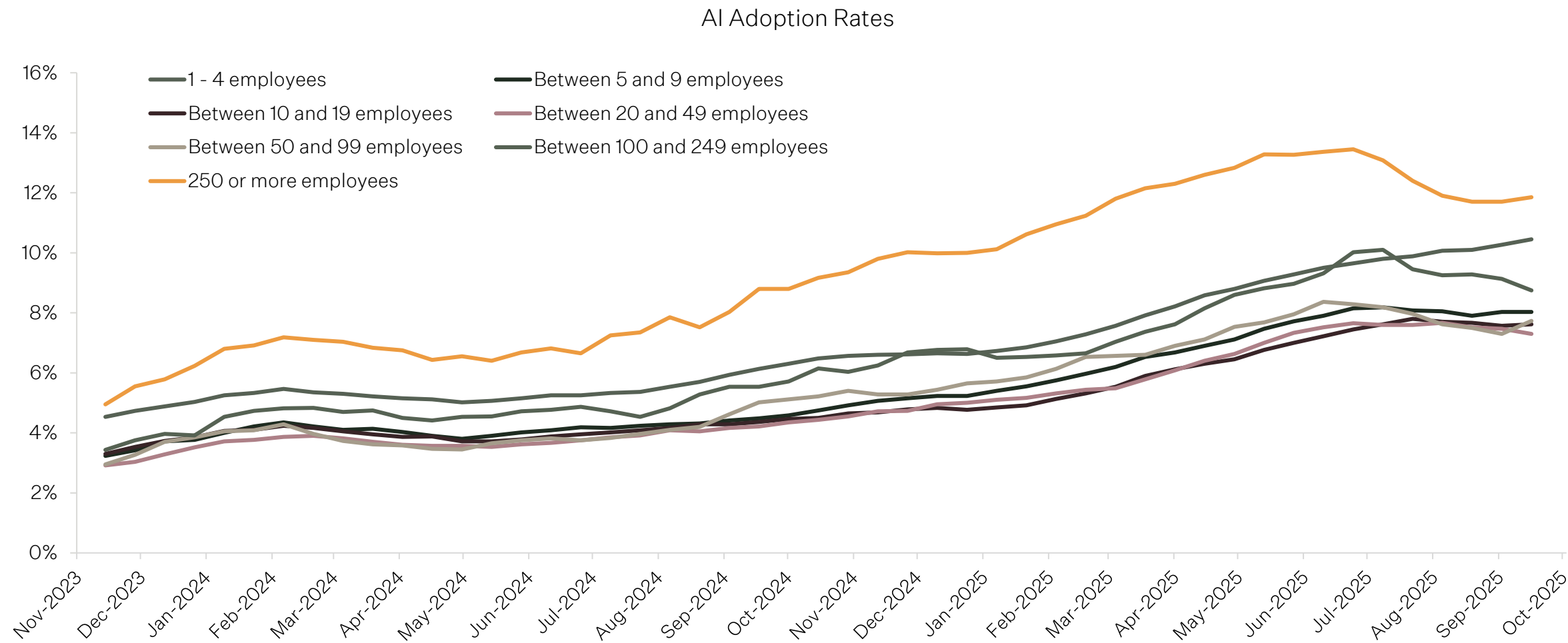
Tyler ensures that residents can easily navigate and utilize government services, improving equity and satisfaction.



Productivity

Tyler automates routine tasks, from data entry to information retrieval, freeing up staff to focus on more complex challenges.

Source: Tyler Tech, Fairlight



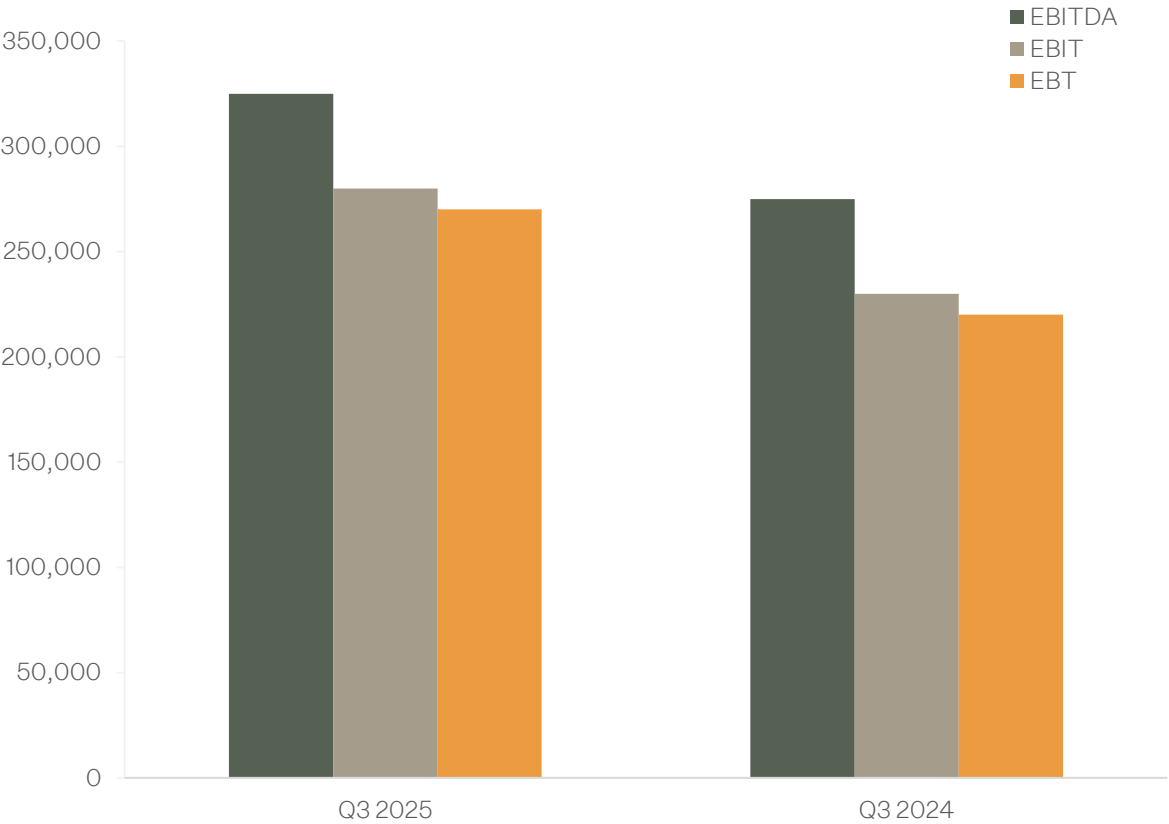
Source: US Census Bureau. Updated December 2025.

Our belief is not only to adopt new technologies but to be at the forefront of their development and practical application. In recent years, we have consistently invested in research and development, consolidating our offerings and expanding our portfolio of solutions, from machine learning to generative AI, and integrating artificial intelligence with the physical world through IoT, robotics, and spatial computing. We have now implemented these technologies in hundreds of projects, supporting leading companies in improving productivity, efficiency, and customer experience...

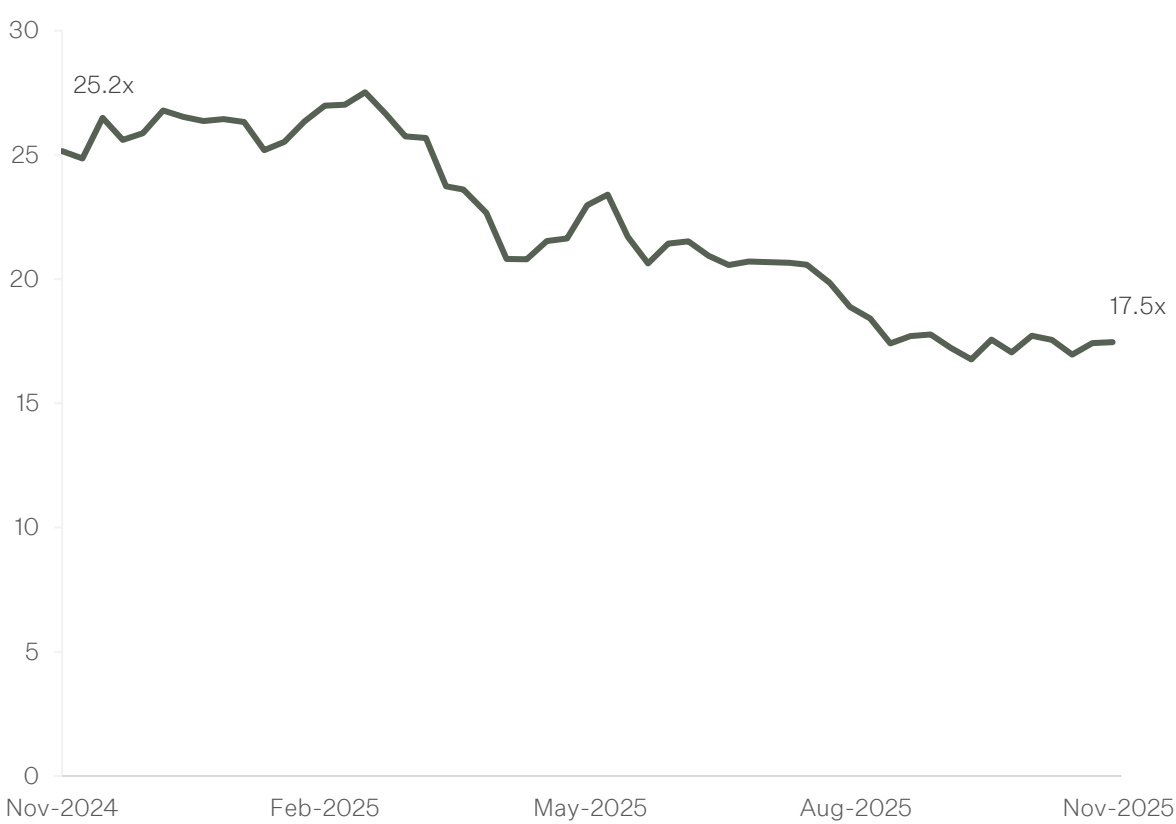
...we are now among the few capable of bringing a complete portfolio of expertise, solutions, and platforms in the AI field to market. For us, every client is a partner with whom we collaborate to co-create innovative solutions that address specific challenges. This approach allows us to go beyond the simple provision of services; we become an extension of their teams, working together to achieve ambitious results.

Source: Reply, Fairlight

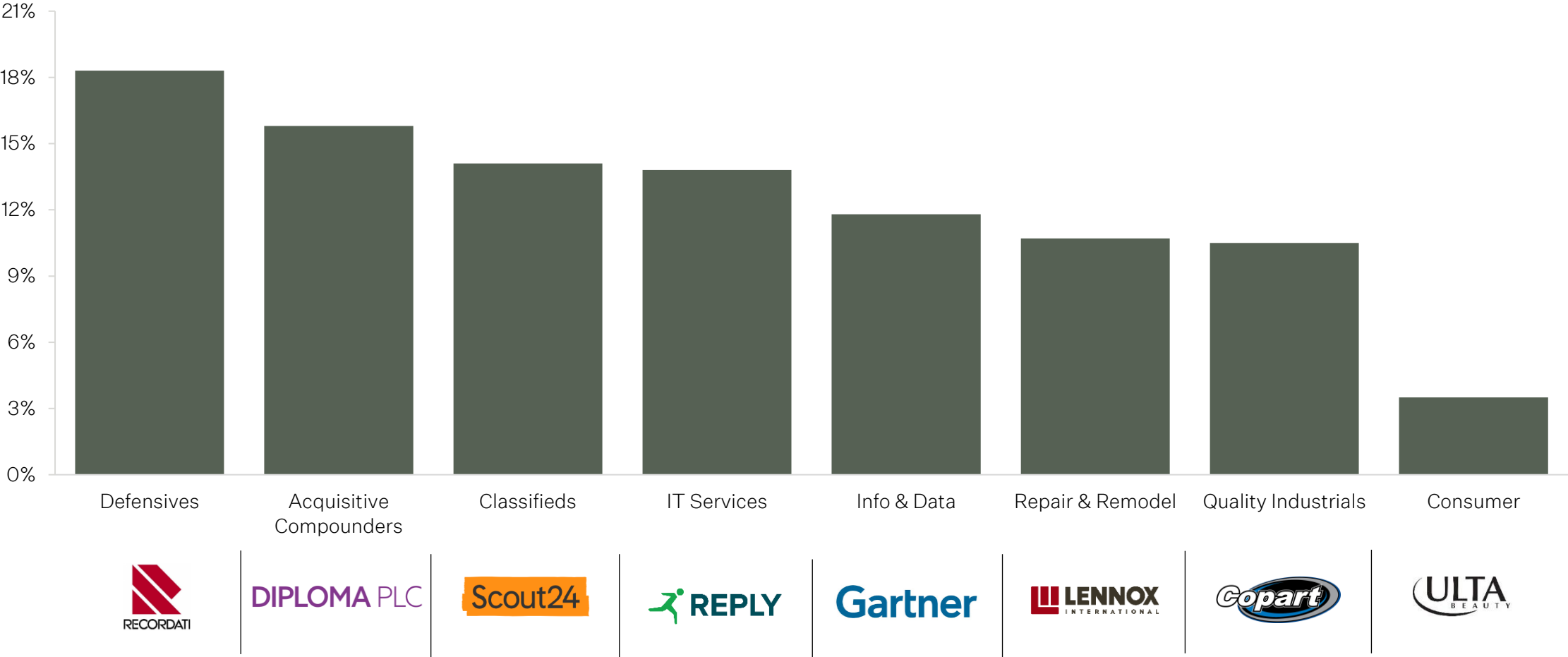
Reply's YoY Growth



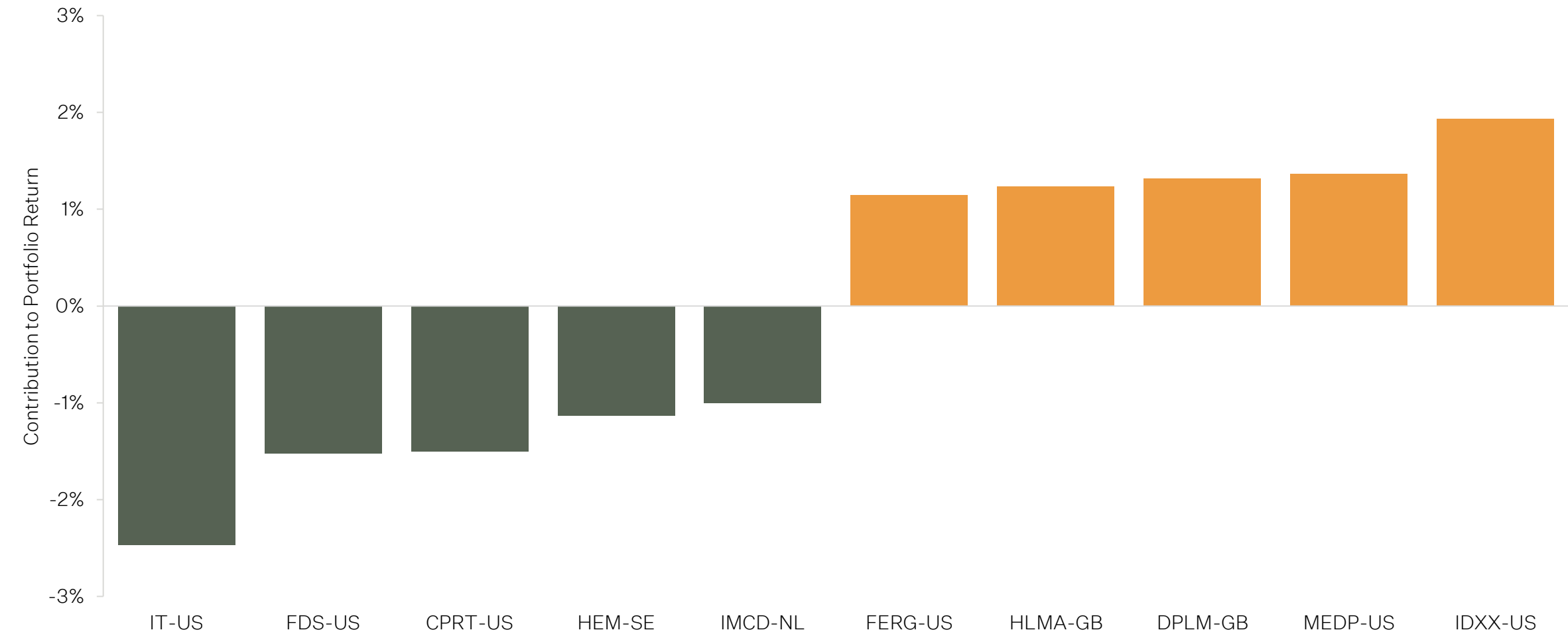
Price-to-Earnings FY1



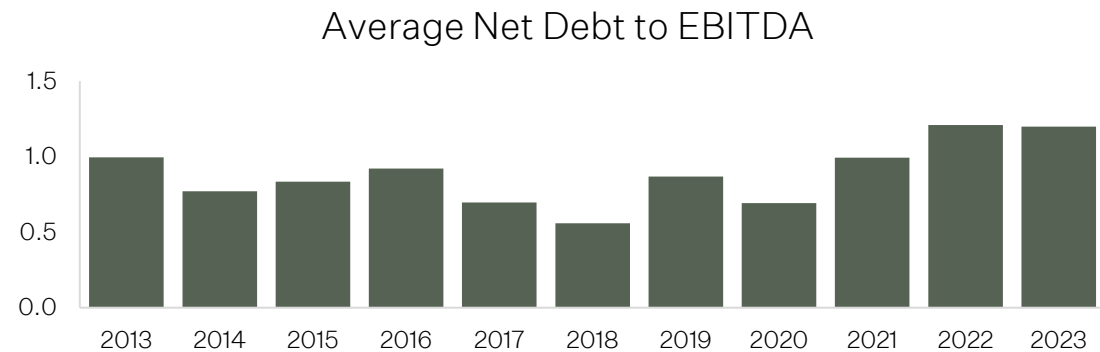
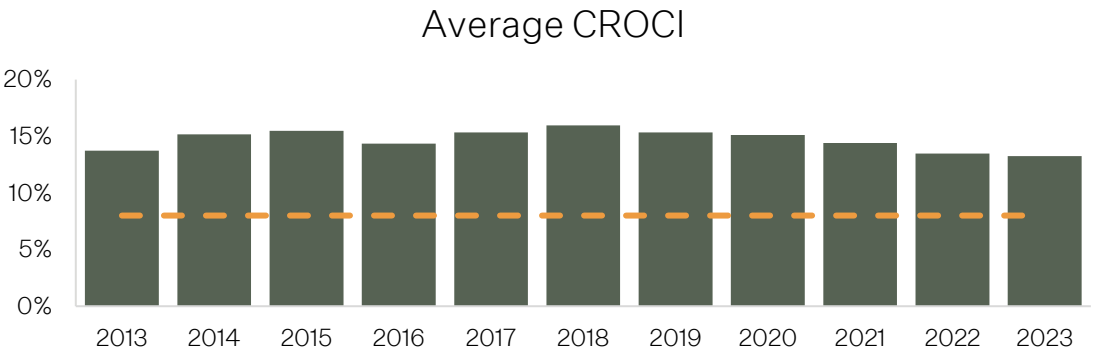
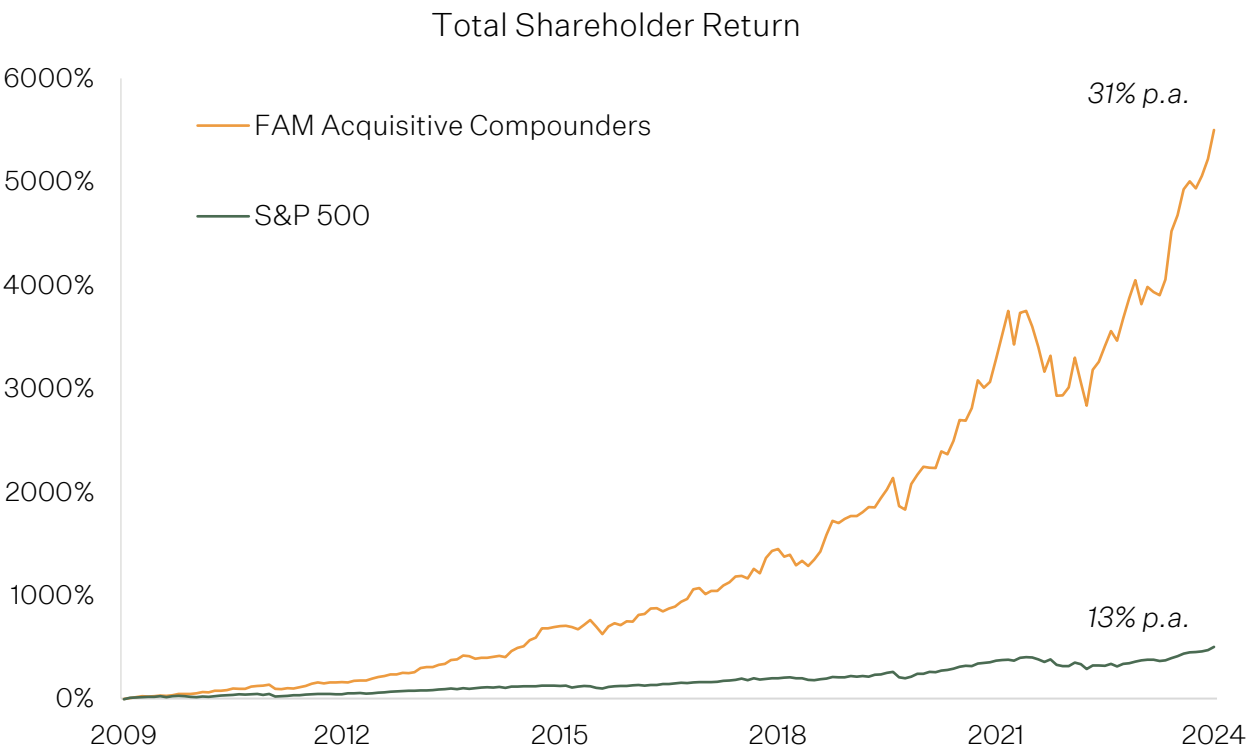
Source: FactSet, Company's fillings



Source: Fairlight classification. The logo represents examples of our holdings within the classification.



Source: FactSet Portfolio Analytics



Acquisitions as an operating model:

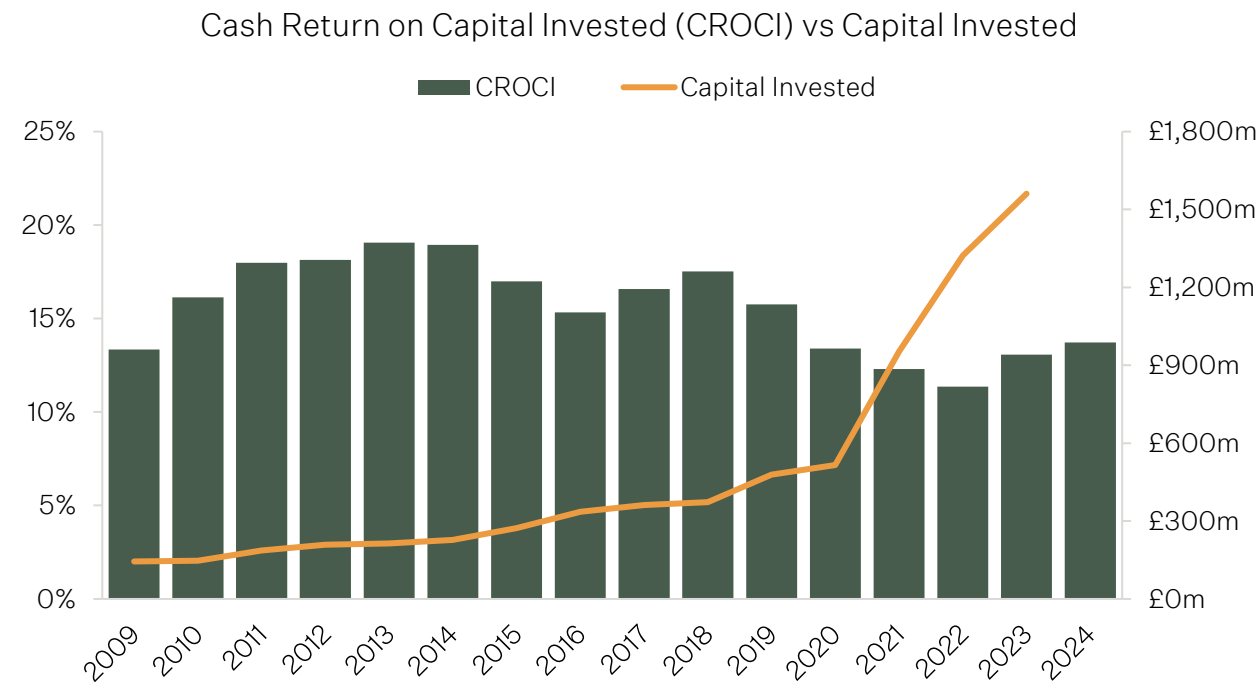
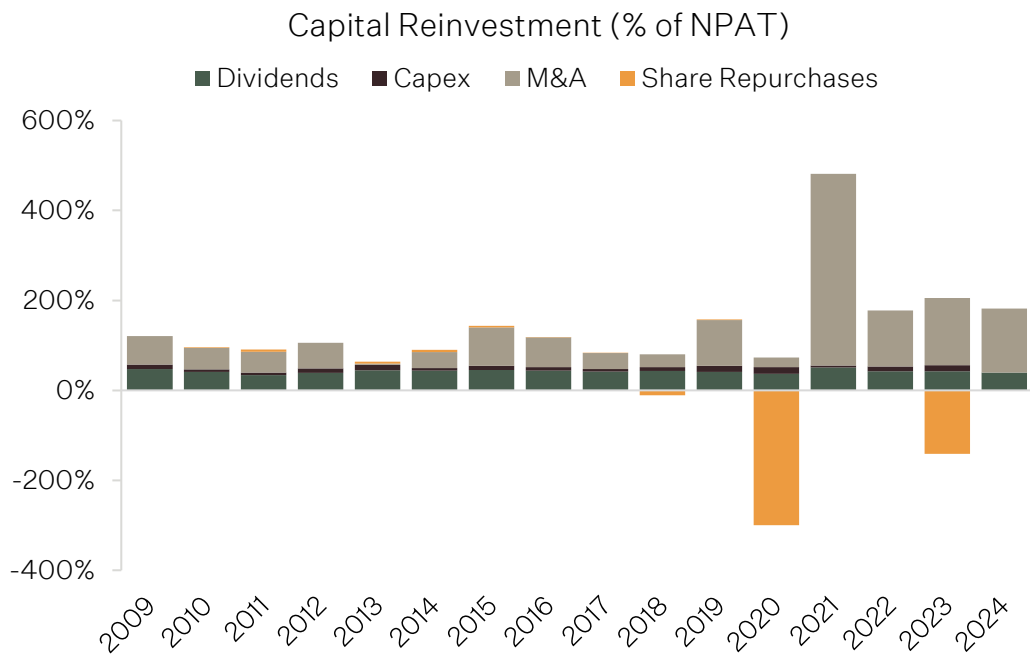
Core competency of the management team is making acquisitions. Their day job involves tracking hundreds of targets and have experience honed over decades of making deals.

High # of acquisitions:

Fairlight prefers companies to make many small acquisitions, as opposed to fewer, larger deals. This helps neutralize the role of luck in the investment process.

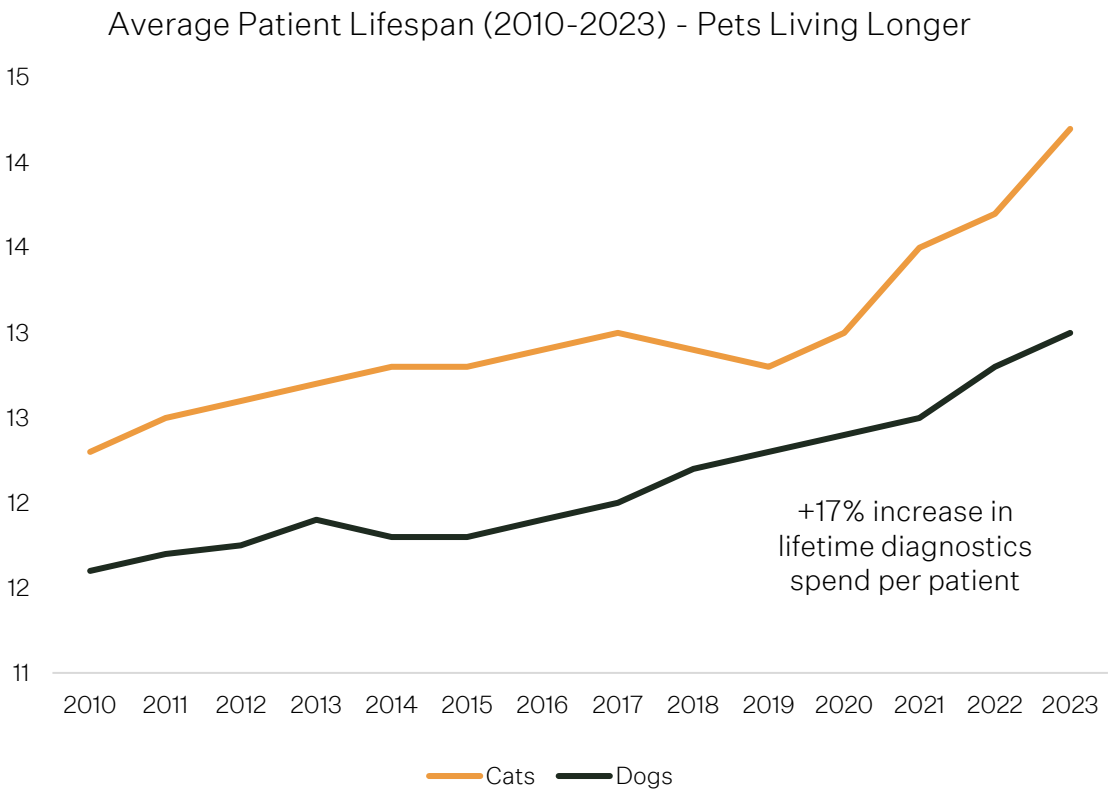
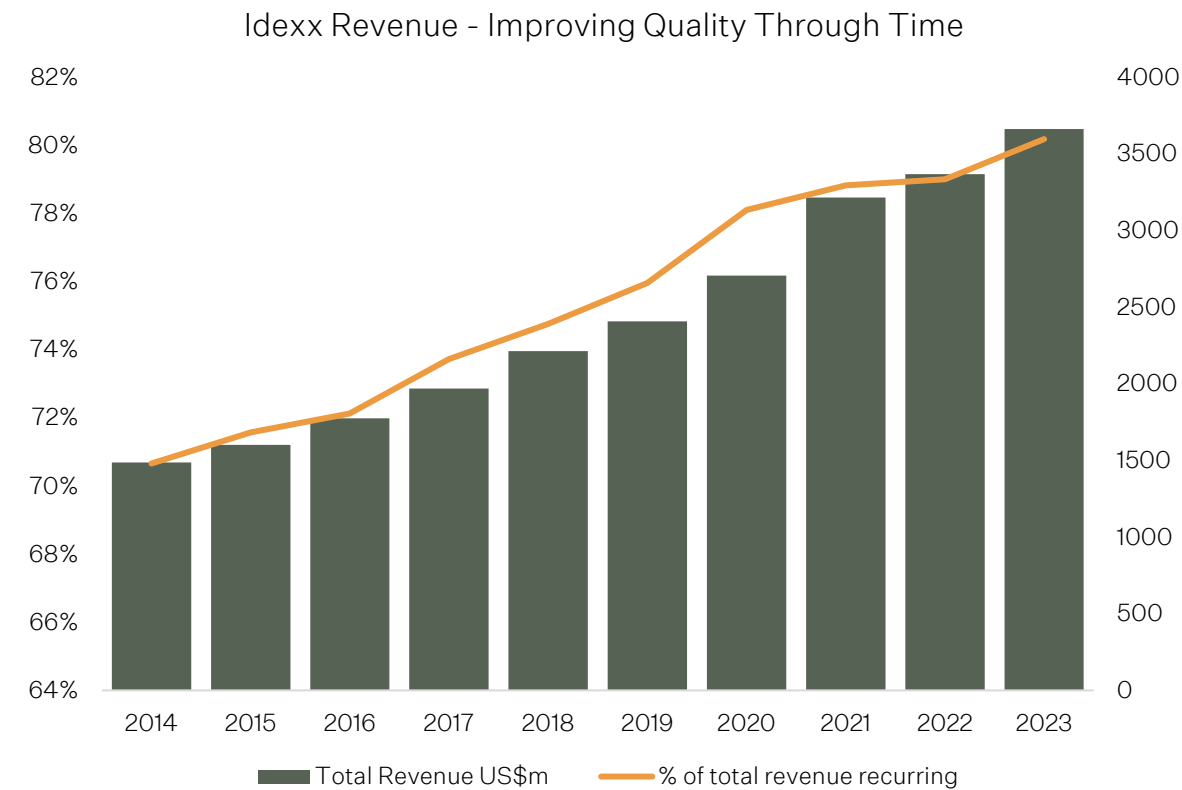
Acquirer of choice:

An intangible, but equally important factor is the culture of the business. Fairlight looks for acquirers with reputations built over decades as a good home for businesses.



- High quality distributor:**
Diploma operates in three niches: Seals, Controls and Life Sciences with a focus on recurring, opex revenue from products that are critical to customers.
- High cash conversion:**
Diploma's businesses generate significant cash (100% cash flow conversion), 40% of which is paid as dividends and the remainder reinvested into more acquisitions.
- Value add acquisition model:**
Diploma acquires small (usually family owned) businesses for \$10m - \$20m. Multiples paid are usually 5x – 8x EBIT, implying a 10% - 15% after tax CROCI.
- Decentralized model:**
Diploma operates a decentralized model, giving new acquisitions high autonomy. Cost synergies usually come from shared back-office functions or scale procurement.

Source: Fairlight, FactSet



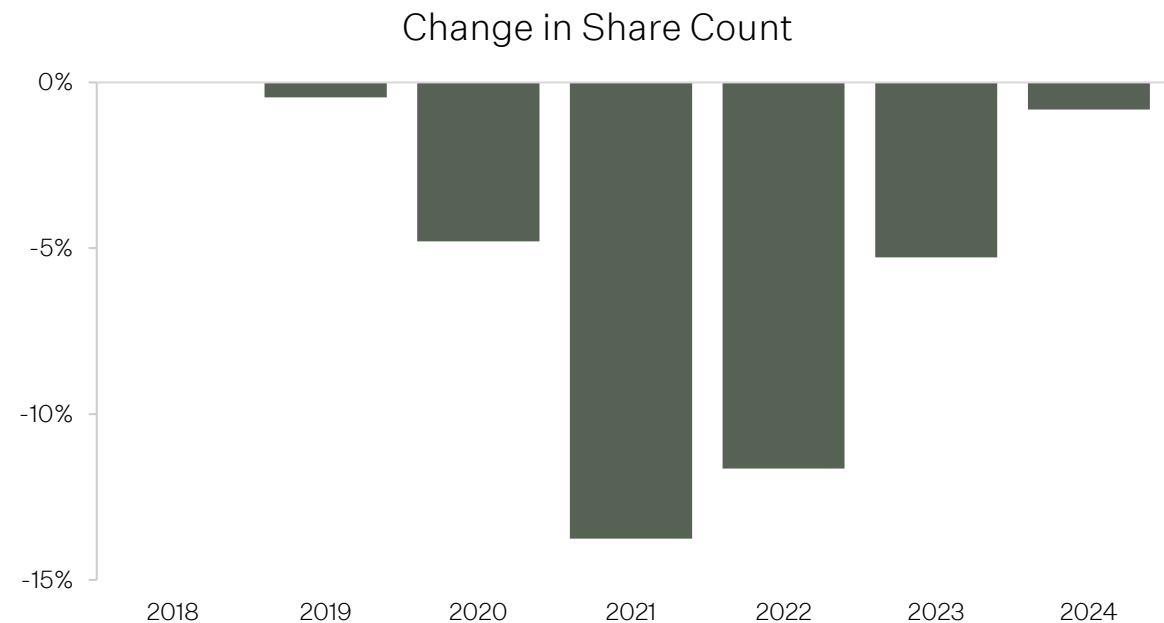
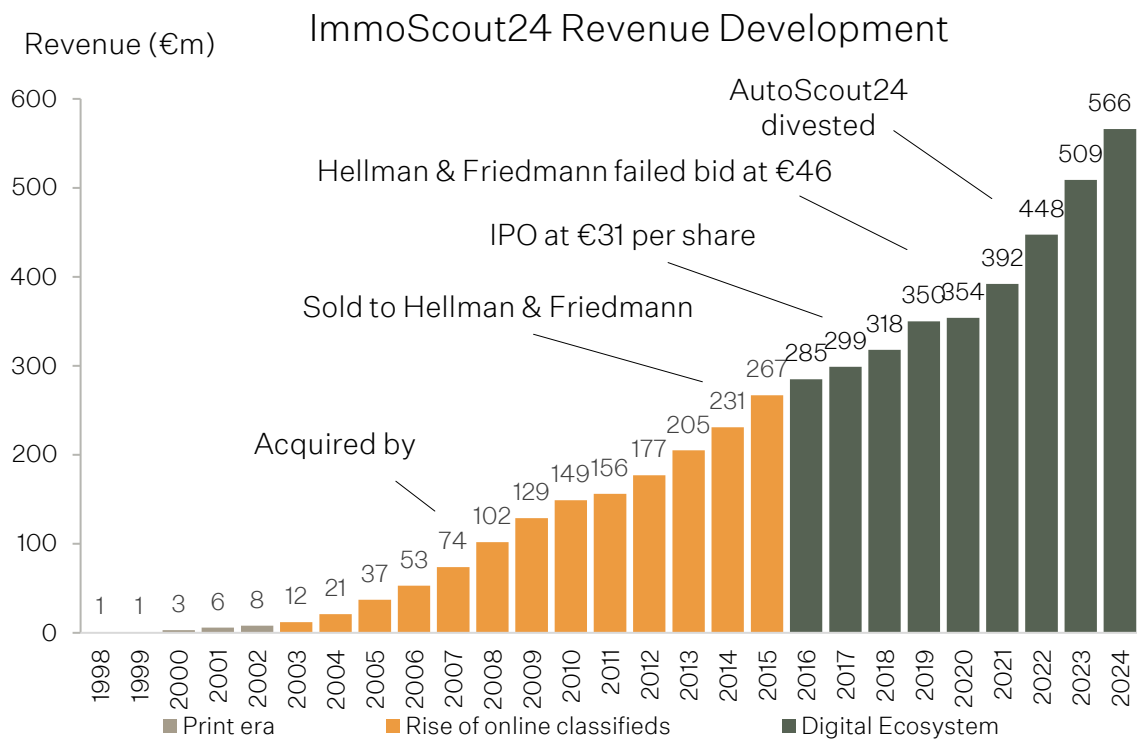
Industry leader:
#1 position in the industry with 65% share at point of care and 50% share for reference labs.

Razor/blade model:
Idexx sell equipment at modest margins to grow the installed base which generates consumables sales at attractive margins.

Long term industry growth drivers:
The propensity for pet ownership is growing and pets are living longer. R&D drives propensity to test in more detail for disease.

Exceptional financials:
Annual revenue and EPS growth of 10% and 19% respectively over the past decade. CROCI >38%.

Source: Fairlight, Idexx



Dominant competitive positioning:
Scout24 is the dominant player in the German online real estate classifieds market, with >60% market share and 2x – 3x the listings/traffic/users of its nearest competitor.

Defensive revenues, high cash conversion:
Scout’s high value add customer proposition and subscription based model means revenues are particularly resilient. Capital light business model and negative working capital results in excellent cash conversion.

Accounting obscures quality:
The IPO, AutoScout divestment and non-economic amortization in the P&L obscures the excellent track record and true cash generating power of the business.

Valuation and growth runway:
A combination of volume growth, price and membership upgrades provide a long runway of double digit organic growth. Adding operating leverage and the buyback offers the prospect of high teens earnings growth.

Source: Fairlight, FactSet

Distribution Contacts

Ed Reekie, Director of Distribution

+61 415 204 715 | ereekie@fairlightam.com.au

Cesar Farfan, Head of Distribution

+61 405 964 960 | cfarfan@perennial.net.au

Marjon Crandall, Head of Researcher & Consultant Relationships

+61 426 947 407 | mcrandall@perennial.net.au

Scott Curtis, Director - Private Wealth & Family Office

+61 422 993 458 | scurtis@perennial.net.au

Mark Tisdell, Senior Investment Specialist, Retail NSW/ACT

+61 404 066 293 | mtisdell@perennial.net.au

Sam Harris, Investment Specialist, NSW/ACT

+61 487 449 927 | sharris@perennial.net.au

Karl Linder, Regional Manager Southern States

+61 418 311 605 | klinder@perennial.net.au

Tom Richardson, Investment Specialist VIC/TAS/SA

+61 403 712 069 | trichardson@perennial.net.au

Vlad Laevsky, Investment Specialist QLD/NT

+61 423 400 304 | vlaevsky@perennial.net.au

Platform Availability



Direct Online Application

www.fairlightam.com.au

Research



FAIRLIGHT

Important Information: Fairlight Asset Management Disclaimer

Figures and graphs sourced from Mainstream BPO, Fairlight AM, Bloomberg, and FactSet Portfolio Analytics. This document has been prepared by Fairlight Asset Management Pty Ltd ACN 628 533 308 Corporate Authorised Representative No 001277649 of AFSL No 000247293, the investment manager of Fairlight Asset Management Global Small and Mid Cap Fund. This document may not be reproduced, used or given to any other person, in whole or in part, without Fairlight's consent. It has been prepared to assist you and does not purport to be all-inclusive or contain all information that you require to decide on Fairlight products and services. Neither Fairlight, nor any of its directors, officers, employees or associates, make any representation or warranty as to the accuracy or completeness of the Information and none of them has liability for any loss or damage, whether direct, incidental or consequential, caused by reliance on or use of Information or representations (express or implied) in, or for omissions from, this document or other communications to you in the course of your evaluation of Fairlight products and services. All opinions and estimates constitute judgments of Fairlight and Perennial and are subject to change without notice. These statements should therefore not be relied upon as an accurate representation or prediction as to any future matters. The Product Disclosure Statement (PDS) contains all of the details of the offer. Before making any decision to make or hold any investment in the Fund you should consider the PDS in full. The information provided does not take into account your investment objectives, financial situation or particular needs. Investments in the Fund must be accompanied by an application form. The current relevant target market determination, product disclosure statement, reference guides and application form can be found on Fairlight's website www.fairlightam.com.au or by contacting Fairlight Asset Management directly. Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall. The Trust Company (RE Services) Limited (ABN 45 003 278 831 AFS Licence 235150) is the Responsible Entity and issuer of units of Fairlight Global Small & Mid Cap Fund ARSN 629 066 913. All data in this presentation sourced from Factset or Fairlight unless otherwise stated.

Important Information: Lonsec Research Disclaimer

The ratings published on 04/2025 for Fairlight Global Small & Mid Cap Fund (APIR: PIM7802AU) and Fairlight Global Small & Mid Cap Fund (APIR: PIM0941AU) are issued by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec Research). Ratings are general advice only and have been prepared without taking account of investors' objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The ratings are not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec Research assumes no obligation to update. Lonsec Research uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2025 Lonsec. All rights reserved.

Important Information: Zenith Investment Partners Disclaimer

The Zenith Investment Partners (ABN 27 103 132 672. AFS Licence 226872) ("Zenith") ratings (assigned November 2024 for PIM7802AU and PIM0941AU) referred to in this document is limited to "General Advice" (s766B Corporations Act 2007) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>. cc