



Quarterly Report

For the period ending
31 March 2026

248 Emerging Companies Fund

> Market Update

As in previous years, the March quarter was characterised by a complex set of challenges for capital markets. March saw what many are now calling the ‘Saasocalypse’, following the release of Claude's new AI tools and the associated fear of what this means for the significant private credit exposure to the sector. The ‘Saasocalypse’ represents a fundamental repricing of the software sector. The combination of AI-driven efficiency, which has drastically reduced the cost of software development, and a corporate-wide move away from seat-based licensing has hit valuations meaningfully. Rule of 40 calculations are being squeezed as investors question the high growth rates, low discount rates and strong profit margins of a sector once known for its high-quality investable characteristics.

In our view there are few if any companies that don't have both an opportunity and a threat associated with AI. Across both funds we have very limited exposure to traditional pure Saas (and very little company debt). But each is working hard to figure out how AI should be integrated into workflows across every part of the organisation. In the quarterly reports, we will touch on specific portfolio company exposure to current market turmoil where relevant.

Compounding this was the escalation of the geopolitical situation in the Middle East resulting in oil prices surging, reigniting inflation fears - just as we thought we were entering a period of rate stability. We are yet to see any direct impact of these factors in our portfolio company financials, but all are looking closely at their logistics and cost exposure.

> The Market for Emerging Companies

Against the odds we finally saw some movement in the microcap IPO market, with Barrenjoey getting home delivery mattress company Koala to IPO. It was positive to see the company and brokers hold their nerve in another tricky first quarter backdrop. As the saying goes, one swallow does not a summer make. At the moment, it's still just a strong pipeline. But the successful Koala IPO and subsequent trading strength is a positive signal for liquidity in private markets.

> Update of Fund Activities During the Quarter

During the quarter, unitholders received communications regarding the end of the second extension period on 1 May 2026. From this date, the Trustee's obligation is to realise the remaining assets and wind-up the Fund as soon as practicable. Winding up is a process rather than a single event, and the timing of realisations and distributions will depend on when assets can be realised.

Both the Trustee and us, the Manager, consider that it is in the best interests of all unitholders to realise assets in an orderly manner and at appropriate values. To date, six investments have been realised in full and ~75% of committed capital has been returned to unitholders. Eight investments remain.

Our focus is on the orderly realisation of the remaining assets of the Fund, and we will keep unitholders informed of progress via periodic status reports. Quarterly reports for Fund I will shift to have a specific focus on liquidity, outlining key activities being undertaken to realise the investment and potential liquidity risks. In addition to the regular quarterly updates, unitholders will be invited to attend Portfolio Review Calls. These calls offer unitholders and their advisers the opportunity to hear directly from us about the status of each portfolio company held by the Fund. We encourage unitholders to contact us directly if they have any queries or concerns about the extension or what happens next.

While the timing of realisations is difficult to predict, it is important to reiterate that overall, we are very positive about the performance of the portfolio companies and the prospects for strong realisations.

Looking to the activities for our portfolio companies over the quarter, we note:

- **Bellroy:** Bellroy continues to deliver strong top line performance, with high double-digit growth for the year to date. The new carry-on luggage products launched in 2025 have been very successful, delivering well over initial forecasts. This month they are launching the new range of check-in luggage and we expect similar success, with luggage becoming a major category and growth lever. Bellroy paid a dividend during the quarter and retains a very strong financial position.
- **Cleanspace:** 1H, FY26 performance for Cleanspace was well flagged at the AGM however the growth forecast for the 2H was outlined in the 1H result which outlined a much stronger 2H. Whilst the 1H result was softer than we'd expected (and this has been reflected in the share price performance), the balance sheet is strong and the outlook remains positive. We also are expecting a new product launch in the coming months which will grow the company's product offering.
- **Deep Blue:** DBC is back to double digit top-line growth and is now delivering maintainable profitability on a monthly basis as they continue focus on service delivery efficiencies. DBC continues to explore partnership-led lead generation opportunities. We like the opportunity for DBC to gain market share, and the company is considering inorganic growth opportunities.
- **Orbx:** The prospectus for Orbx has been largely completed but global instability has meant that the IPO opportunity is temporarily paused. We anticipate Orbx will recommence the listing process when market volatility is reduced.
- **Moneytech:** Moneytech has strong momentum as a business with a record loan book and strong earnings momentum. The Company has now undertaken a share buyback and paid two dividends in less than 12 months. We are mindful of bad debts, and this is a key focus for the Board and management.
- **Monoova:** Monoova continues to trade strongly with strong double digit revenue growth year-on-year and profitability well above budget. Monoova, with its strong balance sheet and cash generation, is the clear leader in the Australian market for real-time payment service providers.
- **Studiosity:** Studiosity has completed the acquisition of Norvalid and is working toward trialling its enhanced authorship validation among Studiosity's strong university customer base. The majority of Studiosity's customers have now transitioned to the AI module and the company continues to win new logos.

> Fund Activity, Performance and Outlook

Of the initial \$44.8 million (\$1.80 per unit) Fund committed capital, \$32.7 million (\$1.313 per unit) has been realised and distributed to unitholders. All return information is net of fees and uses holding valuations at the time of reporting.

The fund NTA was down 4.79% for the quarter, due to a decline in the Cleanspace Limited (CSX:ASX) share price over the quarter.

As at 31 March 2026	Value (m)	Per Unit	Return (%)
Committed capital	\$44.8m	\$1.800	
Distributions	\$32.7m	\$1.313	
Net Asset Value as at 31 March 2026	\$32.9m	\$1.322	
Distributions plus Net Asset Value as at 31 March 2026	\$65.6m	\$2.636	
Fund Net Profit based on NAV	\$20.8m	\$0.836	
3-month performance (net of fees) ^			(4.79%)
Since inception (net of fees) ^^			+46.43%
Since inception (net of fees) ^^* per annum (IRR)			+10.65%

^ Adjusted and inclusive of all capital calls for a total of \$1.80/unit and distributions paid or declared of \$1.31/unit. Calculated as the monthly return inclusive of distributions, compounded for the relevant period.

^^ Internal rate of return inclusive of all capital calls, distributions paid and current NTA, net of all fees and costs, calculated using the time of inflows and outflows. * Fund inception date 1 May 2019.

The Fund has made 16 separate investments across 13 portfolio companies since its launch in May 2019. Six investments have now been fully realised (Portt, Lendi, DesignCrowd, Airtasker, Swoop and Ai-Media). Cleanspace Holdings Ltd (CSX.ASX) has had a partial realisation. Following the Moneytech/Monoova demerger, there are now eight investments remaining in the portfolio, one is listed and seven are unlisted. Of those unlisted companies, one continues to be held at cost. We remain focussed on realising remaining assets at the highest possible value.

> Investments

Remaining Investments



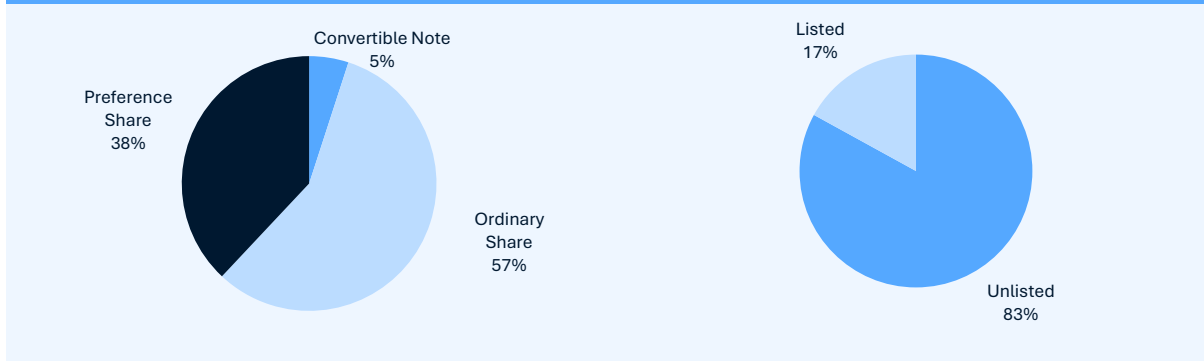
Deep Blue Company



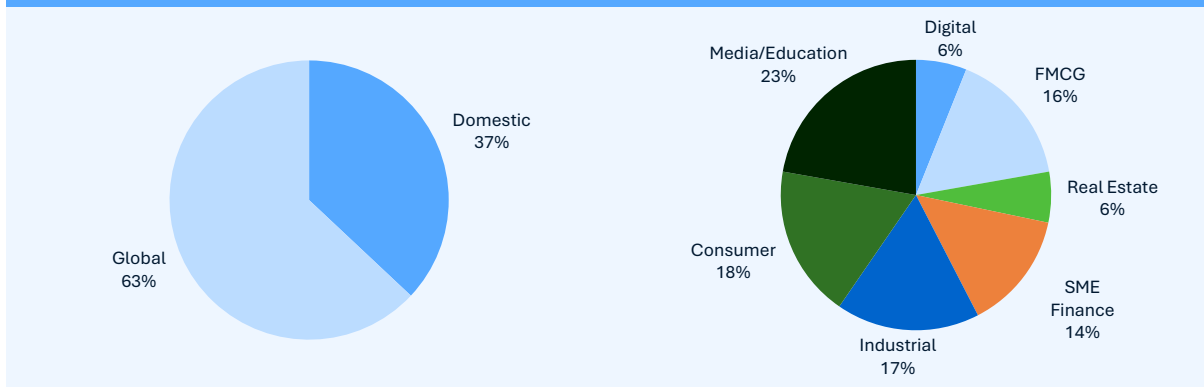
* The Fund also has an investment in a food manufacturing business which remains subject to confidentiality restrictions.

> Portfolio Characteristics

Security Structure (by Capital Deployed) Listed vs Unlisted (by Capital Deployed)



Business (by Capital Deployed) Primary Business Sector (by Capital Deployed)



Fund Details

Investment Vehicle

Unlisted wholesale unit trust.

Fund Term

Intended to be five years, with the option to extend for two consecutive one-year periods.

Portfolio Composition

Targeted portfolio composition of 15-25 companies. At the time of investment, a maximum weighting of 15% to any one investment.

Investor Eligibility

Wholesale investors only.

Redemptions

Fund subject to lock-up period. All redemptions are at the sole discretion of the Trustee and Investment Manager. Transfers can be facilitated by the Trustee.

Other Fees and Costs

Expense recovery for audit, legal, Trustee & custodian fees, administration, registry, tax and external investment due diligence advice. Overall Expense Ratio is capped at 2.50% (plus GST, excluding performance fees).

Management Fee

1.75% p.a. on committed capital during Investment Period and on invested capital thereafter (plus GST and before accrued fees).

Performance Fee

20% p.a. (plus GST) subject to an 8.0% per annum cumulative (non-compounded) pre-tax preferred return.

Investment Team



CHRISTIAN JENSEN

Portfolio Manager

Ecjensen@248partners.com



JONATHAN PEARCE

Portfolio Manager

Ejpearce@248partners.com



ETHAN GILL

Investment Analyst

Egill@248partners.com

248 Growth Partners is the trading name of 248 GP Managers Pty Limited (ACN 644 213 221, Australian Financial Services Licence 541681). The Investment Manager of the 248 Emerging Companies Fund is CVC Emerging Companies IM Pty Ltd (ACN 631 673 740, CAR 1274 220) a joint venture entity of CVC Limited (ACN 002 700 361), and E&P Funds Group Pty Limited (ACN 159 902 066), a division of E&P Financial Group Limited (ACN 609 913 457).

One Fund Services Ltd (OFSL) (ACN 615 523 003)(AFSL 493421) is the trustee of the 248 Emerging Companies Fund. The information contained in this document was not prepared by OFSL but was prepared by 248 Growth Partners.

While OFSL has no reason to believe that the information is inaccurate, the truth or accuracy of the information in this document cannot be warranted or guaranteed. Anyone reading this presentation must obtain and rely upon their own independent advice and inquiries. Investors should consider the Information Memorandum (IM) relevant to the Funds before making any decision to acquire, continue to hold or dispose of units in the Funds. You should also consult a licensed financial adviser before making an investment decision in relation to the Funds.

This document may contain general advice. Any general advice provided has been prepared without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider the appropriateness of the advice with regard to your objectives, financial situation and needs.

Past performance is not a reliable indicator of future performance. This announcement may contain statements, opinions, projections, forecasts and other material (forward-looking statements), based on various assumptions. Those assumptions may or may not prove to be correct. The Investment Manager and its advisers (including all of the past performance is not a reliable indicator of future performance. This announcement may contain statements, opinions, projections, forecasts and other material (forward-looking statements), based on various assumptions.

Those assumptions may or may not prove to be correct. The Investment Manager and its advisers (including all of their respective directors, consultants and/or employees, related bodies corporate and the directors, shareholders, managers, employees or agents of any of them) (Parties) do not make any representation as to the accuracy or likelihood of fulfilment of the forward-looking statements or any of the assumptions upon which they are based.

Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward looking statements and the Parties assume no obligation to update that information.

CleanSpace refers to CleanSpace Holdings Ltd; Deep Blue refers to Deep Blue Company Pty Ltd; Bellroy refers to Bellroy Pty Ltd; Moneytech refers to Moneytech Group Ltd; Auscred Ltd is trading as Lendi; Orbx refers to Orbx Investments Ltd; Studiosity refers to Studiosity Pty Ltd.