

Q2 2025 INVESTOR UPDATE

Langdon Global Smaller Companies Portfolio

| Performance | Q2-2025 | YTD | 1 Year | 2 Year | 3 Year | Since Inception ² |
|---|---------|-------|--------|--------|--------|------------------------------|
| Langdon Global Smaller Companies Portfolio ¹ | 10.5 | 10.5% | 23.6% | 18.9% | NA | 19.2% |

1 LEP 210 (Class F) – Performance is net of fees.

2 Since inception date of August 26, 2022.

Performance as at June 30, 2025

Returns greater than one year are annualized.

Past performance is not indicative of future performance. Please see the important information in the endnote below.

In the second quarter of 2025, the Langdon Global Smaller Companies Portfolio delivered a return of 10.5%, a result driven by broad-based strength across several key holdings and regions. While we are pleased with the result, we remain focused not on quarter-to-quarter performance, but on investing in businesses with enduring economics and intelligent management.

Portfolio Attribution

Performance this quarter was led by industrials, technology, and healthcare. From a geographic standpoint, the UK, Germany, and Canada were the largest contributors to the portfolio's return.

Industrials: Johns Lyng Group, a leading provider of insurance building restoration, commercial construction, and disaster recovery services, was a standout performer, but long-time readers will recall it had not been one of our better investments to date. Based in Australia, the company saw a material re-rating in its share price, climbing more than 40% over the quarter. We decided to increase our investment considerably in the quarter, and shortly after, they announced they were in discussion on a potential take-private situation. This was formalized after the end of the quarter, and we will have more to say on it between now and the shareholder vote in November. What appeared to be a materially negative contributor to fund returns at the end of the last quarter is now a meaningfully positive return since inception for the fund and nearly 100% return from our last material investment several months ago.

Technology: Agilysys, a software company serving the hospitality industry was the most significant contributor in the sector. They continue to benefit from a structural modernization trend across the hospitality sector. Their software platform is becoming mission-critical for hotels and casinos that are upgrading property management systems. We believe Agilysys is still in the early innings of capturing

wallet share globally. The combination of double-digit revenue growth and expanding margins is especially compelling given the predictable nature of its recurring revenue base.

Healthcare: In April, while Alex Simotas and Greg Dean were in Japan, **Andlauer Healthcare Group** announced its sale to UPS at a meaningful premium. The transaction reflected the strategic value of its healthcare logistics business and speaks to the quality of companies we look to originate from within Canada or any other region. UPS is a global healthcare logistics leader, and there was no way to build an Andlauer from scratch; the only way they could expand in Canada was to acquire them at a meaningful premium. The position made a meaningful contribution to fund performance during the quarter.

Portfolio holdings

We exited our position in **Auction Technology Group** (ATG) this quarter. ATG operates one of the world's leading marketplaces for online curated auctions, and while we continue to admire the company's niche platforms, growth has moderated, and it is no longer clear to us that this is a business taking volume share in its end markets. We hold ourselves accountable to find companies that can grow free cash flow per share 10–15% over the medium term, as it is not enough to simply invest in cheap companies.

We believe three years is sufficient time to evidence market share gains and meaningful market growth. While we have seen increases in ATG's take rate—driven more by pricing than volume through the adoption of seller services—we have not been able to prove to ourselves that the company is capturing a larger share of industry auction volumes. Our investment thesis relied on operating leverage and increased digitization in the art and antique auction space, both of which are now progressing at a more muted pace than we initially anticipated. After a period of underperformance, we determined that capital would be better deployed in management teams and businesses that are more clearly demonstrating their ability to take share when end markets are weak.

We continue to hold positions in **Topicus.com**, and **CHAPTERS Group AG**. These two companies are on similar missions at very different stages in their corporate lifecycles with Topicus many years if not decades further along. Both are building or running a decentralized, “buy-and-hold forever” model in the software industry and aiming to be strong homes for niche software businesses. Mansour Dia was in Germany right after quarter end to attend the CHAPTERS Group AGM and we will dive into more detail on this next quarter.

In our [2024 fourth quarter letter](#), we discussed **Fever-Tree** and how we felt the stock had dislocated from the fundamentals after several years of both the business and stock underperforming our expectations. Now, halfway through 2025, the stock is up 50% and is now delivering a pleasing return for our clients.

In our view, this is driven by their return to being an asset-lite brand owner, following their decision to complete a Joint Venture of their U.S. business with Molson Coors and hand over day-to-day operations to a much larger and more experienced company. Fever-Tree management can now focus their time and deploy shareholder capital toward higher-return areas such as new product development, point-of-sale activation, and brand marketing to drive long-term sell-through in the U.S. and globally.

Business owner mindset

We often say that our goal is not to “play the market,” but to own companies. That philosophy continues to serve us well. As prices fluctuate, we maintain the discipline to trim into strength and add where value presents itself, which, of late, has led to an increase in portfolio turnover. We believe not all turnover is bad and we have the tools and analytics to assess where turnover is adding value and when it is just driving up transaction costs and tax bills.

We currently see attractive opportunities in specialty insurance, industrial software, and asset-light services businesses in fragmented industries—particularly in continental Europe and the UK and are excited to continue to put capital to work.

Thank you for your continued support and trust.



Written by

Greg Dean

Founder and Lead Investor

Class F. These net performance figures covers the period from August 26, 2022 to June 30, 2025, and has been provided to Langdon Equity Partners Ltd. by State Street Trust Company Canada for the Canadian Portfolio (“LCSCP”). Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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