

# LAKEHOUSE SMALL COMPANIES FUND

## MONTHLY LETTER

### 30 November 2025



Dear Lakehouse Investor,

November was a volatile month for equity markets. At a fund level – and as discussed in our recent webinar – we were busier than usual in the portfolio, exiting the Fund’s entire 9.5% stake in RPM Global as the discount to the offer price tightened, and also exiting the remaining stub in Netwealth. We redeployed the majority of proceeds into topping up existing holdings and initiating two new positions in businesses that operate in large global markets.

Of the ‘new’ positions, one saw us buy back into a business we exited over five years ago as its market dynamics have now markedly improved, and the other is an entirely new holding that the

team have been following for some time. As we are still building out our stakes in these businesses, we will disclose the positions in due course. Looking forward, we remain confident in the collection of businesses we have assembled for the years ahead and believe the current setup is attractive.

The Fund declined -5.2% (after fees and expenses) in November compared to -1.5% for the benchmark. Since inception in mid-November 2016 – which is over 9 years ago after passing another birthday during the month – the Fund has produced a net total return of 233.5% compared to 107.8% for the benchmark. On an annualised basis, the Fund has returned 14.2% per year (net of fees and expenses), compared to 8.4% per year for the benchmark.

Fund Metrics	
Companies Held	20
Cash Allocation	6.1%
Top 5 Portfolio Holdings	41.3%
Fund Net Asset Value (NAV)	\$281.9 million
NAV per Unit (mid)	\$2.0980
Benchmark	S&P/ASX Small Ordinaries Accumulation Index

	1 Month	1 Year	3 Year (p.a.)	5 Year (p.a.)	Inception (p.a.)
Lakehouse Small Companies Fund*	-5.2%	10.2%	21.9%	5.6%	14.2%
Benchmark**	-1.5%	19.4%	11.5%	7.1%	8.4%
Excess Return	-3.7%	-9.2%	10.4%	-1.5%	5.8%

\* Performance calculations are based on exit price with distributions reinvested, after fees and expenses, since inception in mid-November 2016. Returns greater than one year are annualised. Past performance is not indicative of future returns.

\*\*Benchmark: S&P/ASX Small Ordinaries Accumulation Index.

## Company News

At the portfolio level, the Fund's five largest holdings at month end accounted for 41.3% of the portfolio and are named in order of allocation: [SiteMinder](#), [Catapult](#), [Fineos](#), [Cogstate](#) and [Objective Corporation Limited](#).

The Fund's most significant contributor to performance during the month was [Gentrack](#) (+20.2%) and Catapult (-20.1%) was the biggest detractor.

This is the first time discussing our investment in Auckland-headquartered Gentrack, so we'll outline some of the elements underpinning our investment thesis. At a high level, Gentrack provides mission critical billing software to energy and water utilities, while its smaller Veovo business provides operational and analytics software to airports, globally.

The global energy sector is undergoing significant change, creating increasing opportunity for Gentrack. The combination of increased intermittent generation from growth in wind and solar, two-way-flow for billing from rooftop solar, shorter pricing intervals, and more dynamic pricing structures, has increased the complexity, data volume and sophistication required of billing software. Meanwhile, utility customers typically move cautiously when replacing core systems, this same dynamic creates a long adoption runway, and once implemented, embeds the software deeply within the day-to-day operations. This stickiness underpins durable customer relationships and supports a growing base of high-quality recurring revenue as customer wins accumulate.

Legacy systems lack the flexibility required to meet changes across the utility industry, pushing them toward their end of life. Meanwhile, Gentrack's more modern software stack – particularly the recently launched G2, which integrates deeply with Salesforce -- positions the business to compete for water and energy utility contracts, in a mix of customer tiers, and across multiple geographies. G2 has the potential to be a meaningful utility billing platform, globally.

Turning to Gentrack's most recent full year, which ended on 30 September, where group revenue grew 8% and recurring revenue increased 13%. Importantly, the company achieved the strategic milestone with the first customer going live on their much anticipated, cloud-native billing platform G2. The company provided insight into the G2 pipeline, which now comprises 10 opportunities covering approximately 30 million meter points across multiple jurisdictions. We see this as an encouraging sign for the demand for modular billing capabilities that integrate seamlessly with an existing Salesforce CRM environment. The recent successful go-live provides an important reference point for future contract discussions.

Since the G2 launch, Gentrack has secured two additional contracts with water and energy utilities. Meanwhile, the Veovo segment continues to execute well, delivering 15% revenue growth while operating at a rule of 40, reflecting healthy balance of growth and profitability. As the company continues to land new contracts and broaden adoption of G2, we believe it is well positioned to accelerate revenue growth, increase the shift towards predictable recurring revenue and unlock margin expansion over time.

Moving to Catapult, which delivered another pleasing result in its first half of fiscal 2026 characterised by strong annual contract revenue (ACV) growth and continued progress on margin expansion. ACV rose 19% in constant currency to US\$115.8 million and revenue increased 17% to US\$67.6 million, underpinned by broad-based strength across its two core verticals. Performance & Health ACV grew 21% as Catapult continued to win new teams in global soccer and across other sports in North America, while Tactics & Coaching increased 16% following the release of new video products that resonated well with American football teams. Growth in these areas was supported by new customers joining the platform, existing customers expanding their product usage, and teams remaining highly loyal to Catapult's solutions, with pro teams up 12% to 3,878, multi-vertical teams rising 26% to 836, and underlying churn remaining low at 3.8% after adjusting for the strategic exit from Russia.

Strong topline momentum accelerated profitability, with underlying operating profit rising 56% to US\$9.7 million and margins lifting to 14%. During the period, the company incurred a one-off US\$2 million payroll tax expense linked to prior share price appreciation of staff incentive shares, yet incremental margins remained healthy at 36% and would have exceeded 50% on an adjusted basis. Importantly, this increase in profitability also improved free cash flow, which rose 71% to US\$8.2 million excluding transaction costs for the [recent acquisitions](#). This improvement allowed Catapult to fully repay its remaining debt facility and finish the period in a net cash position following the [recent capital raise](#).

While we viewed this as a strong set of results, the market response suggested others didn't share the same view. With full-year guidance reaffirmed, we think the underlying fundamentals remain firmly intact, if not improving further. Momentum across the business continues to be strong, with ample runway for Catapult to grow its pro-team customer base toward 5,000 and to lift ACV per team from the current US\$28,300 toward its longer-term target of US\$100,000 through cross- and up-sell. A maturing pipeline in video and newer video modules, together with the additions of Perch and IMPECT, broadens Catapult's product suite and gives the company more to sell into an already highly engaged customer base, driving continued operating leverage as it progresses toward its long-term margin aspirations of 30%-plus. Following the negative share price reaction, which left Catapult trading at roughly 5.5x forward sales, we saw an attractive opportunity to increase our position, and the company continues to remain among the Fund's top five holdings.

## Thank You

This will be our last investor letter published in 2025. The letter for the month ending 31 December will be out towards the middle of January. Beyond that, we're planning to hold another webinar in the first half of 2026, and the team is always around for a conversation if investors have any questions.

We wish you and your loved ones an enjoyable and relaxing break over the holiday period and look forward to a prosperous 2026.

As always, thanks to all our investors for your time, trust, and support.

Best regards,

Donny, Erwin, Nick, and the Lakehouse Team.

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