# ELVEST

The Elvest Fund

**Monthly Report - July 2026**

## Commentary

The Elvest Fund returned -9.0% for July, versus the Benchmark return of -3.2%. Since inception, the Fund has returned a total of 45.0%, versus the Benchmark return of 21.1%.

July returns were largely driven by a mix of sentiment, macroeconomic, and geopolitical factors. Most holdings fell on no stock-specific news.

The renewal of hostilities in the Middle East drove the oil price up 22% in July, in turn lifting inflation and interest rate expectations. Bond yields rose, with the US 10yr up 26bps to 4.73%, whilst the Australian 10yr increased 21bps to 4.93%. This volatility dominated the mid-month narrative, though sentiment has since improved.

Globally, AI related businesses came under selling pressure. The unwind came despite ongoing increases in hyperscaler capex and Q2 CY26 results that, in aggregate, landed well ahead of expectations. Those updates arrived in late July and early August and have spurred a strong rebound in recent days.

Domestically, small caps were led by energy (+7.0%), while most sectors favoured by Elvest's industrials-focused strategy fell. The most notable of these were the small cap technology (-12.0%) and industrial sectors (-7.4%).

Key contributors for the month were Energy One (EOL) and Generation Development Group (GDG). Key detractors were Zip Co (ZIP), Megaport (MP1), Objective Corporation (OCL), and Southern Cross Electrical Engineering (SXE).

EOL rallied after receiving a $17 non-binding indicative proposal from PE-backed Volue AS, a Norwegian technology company.

The bid was a 57% premium to the undisturbed price, but the Board rejected it as opportunistic and we agree. The offer sits well short of both our assessment of fair value and the CEO performance rights hurdles, which vest between $20 and $30.

GDG rose following the release of an encouraging June quarterly update. Managed Accounts quarterly net inflows of $3.5bn exceeded expectations. Momentum continues to build in GDG's investment bonds division, which delivered $622m of FUM growth in the quarter, up 38% on the pcp.

As discussed previously, most stocks declined on no news in July, including ZIP, MP1, and SXE.

OCL sold off after losing its information governance contract with the Australian Department of Defence, the last major customer yet to migrate to its SaaS platform, Objective Nexus. While FY26 ARR will be effectively flat year-on-year, the broader thesis remains intact. Core demand is resilient across its government and regulated industry customers.

Meanwhile, the Australian rollout of its NZ-dominant Build product carries significant upside. Backed by $100m in net cash and $120m in ARR, OCL is well-positioned to look past this temporary setback.

We enter the August reporting season with a constructive view on the future return potential embedded within the portfolio. At a portfolio level, FY27 and FY28 P/Es of 16x and 13x compare favourably with a forecast earnings annual growth rate of 18%+ over the next two years. We look forward to updating investors on investee company full year results in the next monthly report.

## Top Holdings (alphabetical order)

| | |
|---|---|
| **360** | Life360 |
| **MP1** | Megaport |
| **NGI** | Navigator Global Investments |
| **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** | **-9.0%** | **-11.1%** | **7.5%** | **9.3%** | **45.0%** |
| **S&P/ASX Small Industrials TR** | **-2.9%** | **-8.6%** | **4.1%** | **3.7%** | **16.4%** |
| **S&P/ASX Small Ordinaries TR** | **-3.2%** | **1.8%** | **7.5%** | **4.7%** | **21.1%** |

* Inception date 1 June 2022. Performance after all fees & expenses. Ex distribution unit price (1/8/2026): MID ($) 1.2878, ENTRY ($) 1.2910, EXIT ($) 1.2846.

## 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)<br>20.5% (incl. GST, net of RITC) of outperformance of the Benchmark, subject to a high water mark. |
| **Stock Limit** | 10% at cost | | |
| **Investment Timeframe** | 5 years+ | | |
| **APIR Code** | FHT0540AU | **Administration** | Fundhost |
| **Platform Availability** | HUB24, Netwealth, Mason Stevens | **Custodian** | HSBC |

## Contact


Elvest email: info@elvest.com.au Phone: (02) 9093 0609
Fundhost email: admin@fundhost.com.au Phone: (02) 8223 5400