Emerging Companies Fund

Monthly Update: October 2025

Dear Fellow Investors,

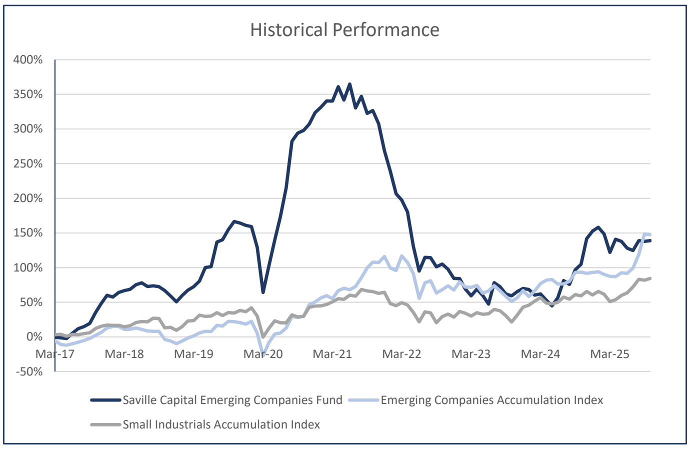
Our Emerging Companies Fund was up +0.4%* in October vs -0.4% for the Emerging Companies Accumulation Index (XECAI) and +1.4% for the Small Industrials Accumulation Index (XSIAI). Since inception, the Fund has generated +10.5%* p.a. and a total return of +138.9%* (or +166.0%* if distributions have not been reinvested) vs +147.5% for the XECAI and +84.4% for the XSIAI.

Pleasingly, for us at least, the recent surge in small resources came to an abrupt halt by the middle of October (at that point the XEC was a staggering +8.0% for the month and the XSR was +9.8%), which helped stem the selling pressure we had been seeing in micro industrials. Having attended three separate micro/small cap conferences during the month, what was notable from our various discussions with a range of companies and peers in the funds management industry was the shared positivity around the outlook for micro-cap industrials. Given the strong levels of attendance at each conference, it is clear these companies are now attracting significantly more attention from institutional fund managers than even just 12 months ago. While we have seen definitive evidence of this through the increased institutional participation in recent capital raisings, we are yet to see it in on-market buying. While the former is a welcome development that improves the quality of the share registers in our stocks, it is the latter that then drives up share prices. No period is ever the same, but 2025 is feeling a lot like 2018 to us, so we are hopeful that 2026 at least rhymes with the conditions and performance we experienced in 2019.

Performance summary*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	3M	12M
2017		-3.2%	+2.6%	-0.6%	-1.0%	+7.6%	+6.4%	+2.7%	+4.0%	+13.2%	+9.5%	+8.1%	+60.1%		
2018	-1.6%	+4.2%	+1.6%	+1.1%	+4.1%	+1.6%	-3.1%	+0.7%	-0.8%	-3.2%	-4.8%	-5.2%	-5.9%		
2019	+6.0%	+4.8%	+3.1%	+4.7%	+10.8%	+0.6%	+17.6%	+1.4%	+6.1%	+4.6%	-0.8%	-1.3%	+73.2%		
2020	-0.6%	-11.7%	-28.4%	+23.3%	+18.4%	+14.1%	+16.0%	+20.7%	+3.1%	+1.0%	+2.3%	+4.0%	+62.3%		
2021	+1.9%	+2.1%	-0.1%	+5.0%	-4.4%	+5.5%	-8.0%	+4.3%	-5.5%	+1.0%	-4.5%	-9.6%	-13.0%		
2022	-7.9%	-9.6%	-3.0%	-5.8%	-17.6%	-15.5%	+10.1%	-0.3%	-6.1%	+2.0%	-3.8%	-6.7%	-49.9%		
2023	-0.2%	-8.1%	-6.1%	+6.1%	-5.4%	-7.8%	+21.2%	-3.7%	-5.6%	-1.8%	+3.9%	+2.6%	-8.1%		
2024	-0.9%	-4.8%	+1.1%	-5.6%	-5.4%	+8.1%	+15.9%	-3.1%	+12.0%	+4.0%	+18.2%	+9.0%	+55.1%		
2025	+2.2%	-3.7%	-10.8%	+8.7%	-1.3%	-4.2%	-1.4%	+6.3%	-0.4%	+0.4%			-5.5%	+6.3%	+21.8%

Returns are based on the Main Series only, net of all base fees, performance fees and expenses of the Fund



Performance commentary

The key positive contributors during October were Wrkr (WRK, +31%), Vysarn (VYS, +15%) and Imricor (IMR, +1%). The key negative contributors were Airtasker (ART, -10%), Pentanet (5GG, -10%) and Medical Developments (MVP, -2%).

MCA delivered sales growth of +45% on pcp in 1Q FY26, supported by higher processed fish volumes and expanding customer demand. While the result demonstrates both increased production capacity and improved market access, MCA is "aiming to significantly increase this revenue growth in coming quarters". Sales for the quarter were also affected by timing differences between harvest and invoicing. A major harvest was physically completed and processed before quarter-end on 30 September, but invoiced on 1 October, therefore missing the quarterly sales figures. We understand that this harvest represented around 28% of the total tonnes sold in September, meaning underlying activity was much stronger than the reported figures suggest. Nonetheless, this quarter signals a positive transition from the Company's biomass-building phase towards sustained revenue generation, as more stock reaches saleable size.

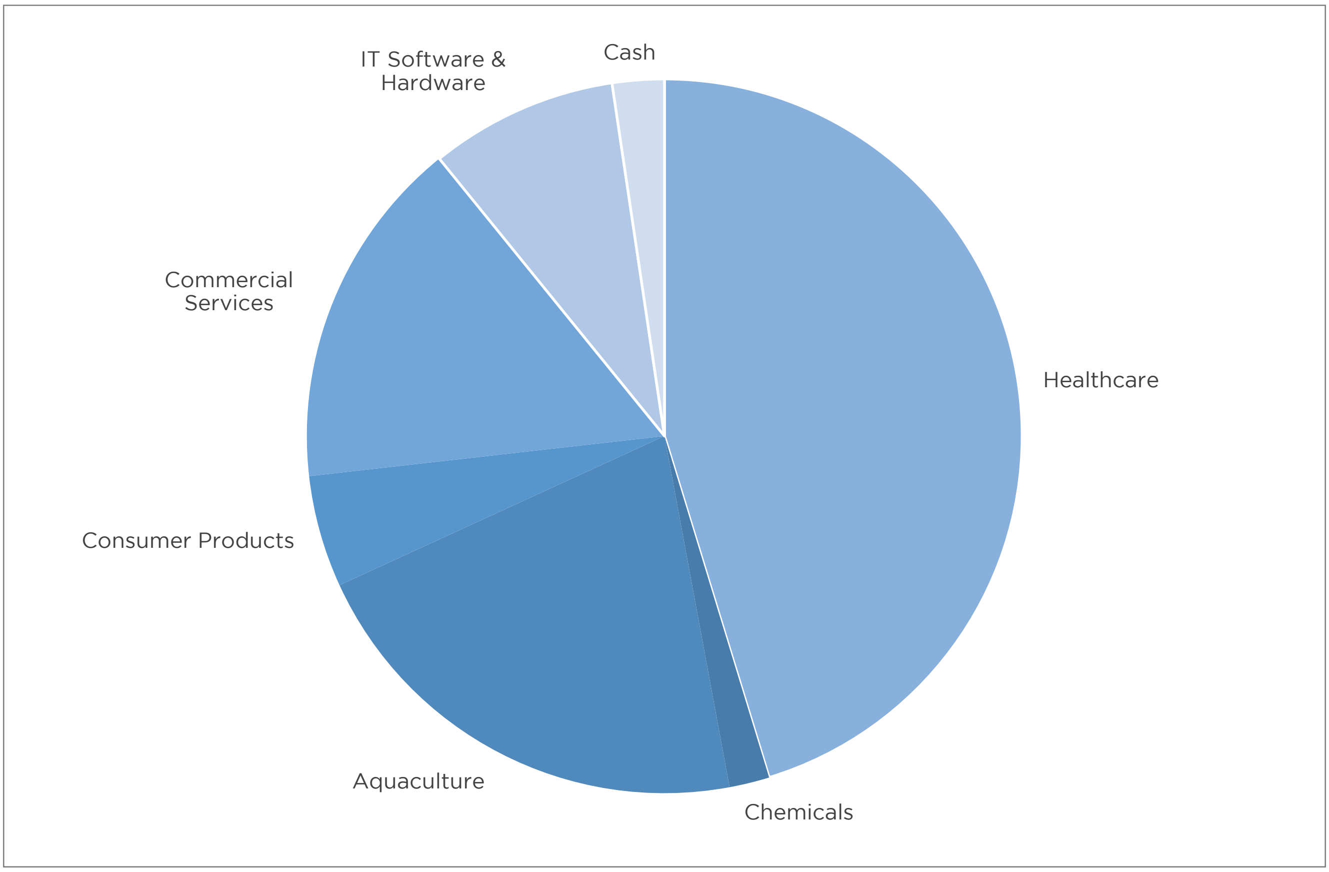
To that end, a retail expansion with Woolworths was implemented during October, increasing from 67 to 134 selected stores across NSW and Victoria, the evidence of which we have already seen through its recent appearance in several stores across Melbourne. This expansion reflects the strong performance of existing stores and growing consumer demand for Aquna Murray Cod. The expansion forms the foundation for further growth through Woolworths' premium seafood category as production capacity continues to rise. Distribution via PFD Foods also recently commenced, providing the logistical platform to support daily store replenishment across the expanded Woolworths network, as well as other retail channels. PFD's national infrastructure offers an efficient and scalable pathway for future growth as production volumes increase, enabling consistent delivery to major supermarket distribution centres and select retail customers, strengthening MCA's ability to maintain shelf presence and expand retail throughput. We understand that discussions continue with additional domestic distributors and retailers to secure longer-term offtake arrangements and ensure consistent supply across markets.

IMR announced the completion of the first Pulsed Field Ablation (PFA) ever performed under real-time MRI guidance in an iCMR lab, validating the Company's proprietary technology for integrating PFA energy with real-time MRI visualisation. Pulsed Field Ablation has emerged as a promising new energy source for the treatment of atrial fibrillation (AF). While clinical data to date does not yet demonstrate superior efficacy over conventional radiofrequency (RF) ablation, PFA has shown important efficiency and safety advantages. As most of our investors will know, IMR's technology enables real-time MRI-guided cardiac ablation, allowing physicians to perform procedures with real-time visualisation of cardiac tissue and eliminating exposure to ionising radiation. This provides physicians and medical staff access to the gold-standard soft tissue imaging modality to plan, execute, and validate each procedure while the patient remains on the table. Atrial fibrillation ablations represent approximately 65–70% of all cardiac ablation procedures worldwide, and industry estimates suggest PFA could eventually account for 50–60% of this market. So, while RF ablation will continue to play a key role, IMR remains committed to enabling MRI-guided procedures regardless of energy source, ensuring that physicians and patients benefit from the unique advantages of MRI-guided electrophysiology.

ART announced that Channel Four (UK) has completed a follow-on media capital investment of £2.5 million (A$5.1 million) in media inventory in Airtasker UK to further accelerate growth in that market. This third round of funding comes as Airtasker UK hit a GMV annualised run rate of over $21 million in June 2025, up ~90% on pcp. Despite continuing to deliver strong results and attractive strategic partnerships in each of its key markets, ART is still trading on <2.5x FY26 EV/Revenue. It not only has a highly profitable Australian business that is generating solid double-digit growth, but this is now being used to help fund a well-executed and very promising growth strategy in the US/UK.

Portfolio characteristics

We currently have ~98% of our capital invested in 11 stocks.



Please get in touch should you have any queries regarding the above. Thanks again for your interest and support and I look forward to providing another update in early December on our performance during November.

Kind regards,

Jonathan Collett

Principal

Saville Capital

+61 3 9769 1789

jcollett@savillecapital.com