

Dear Lakehouse Investor,

Global equity markets were volatile throughout November as enthusiasm for Generative AI continued to dominate the market. As discussed in our recent webinar, our quality-growth style of investing has been out of favour over the last 12 months relative to more “risk-on” areas of the market – specifically AI-driven sectors, such as semiconductors. Clearly such periods of underperformance are never desirable, however, it's important to remember they are a natural part of long-term investing.

Notably, whilst the market value of the portfolio has declined over the last year, fundamental growth has remained healthy. As of the most recent quarter, our underlying businesses continued to collectively grow their revenue and earnings at a rate of 20%-plus. This fundamental growth combined with flat or declining share prices has led to significant multiple compression across the portfolio with several of our portfolio companies now trading at all-time-low valuations. As we look forward to 2026, we remain confident in the portfolio’s ability to perform and believe the current setup is compelling.

The Fund returned -7.5% net of fees and expenses for the month compared to -0.2% for its benchmark. Since its inception at the start of December 2017, the Fund has returned 208.5% compared to 163.8% for its benchmark. In annualised terms, the Fund has returned 15.1% since inception compared to 12.9% for its benchmark.

Fund Metrics	
Fund Net Asset Value	\$315.1 million
Net Asset Value per Unit (mid)	\$2.1693
Cash Allocation	7.2%
Top 10 Portfolio Holdings	67.0%
Companies Held	17
Benchmark	MSCI All Country World Index Net Total Returns (AUD)

	1 Month	1 Year	3 Year (p.a.)	5 Year (p.a.)	Inception (p.a.)
Lakehouse Global Growth Fund	-7.5%	-3.9%	21.0%	8.4%	15.1%
Benchmark	-0.2%	17.4%	19.5%	14.6%	12.9%
Excess Return	-7.3%	-21.3%	1.5%	-6.2%	2.2%

**Performance calculations are based on exit price with distributions reinvested, after fees and expenses, since inception on 30 November 2017. Returns greater than one year are annualised. Benchmark: MSCI All Country World Index net total returns (AUD). Past performance is not indicative of future returns.*

The Fund held 17 positions as of the end of the month, the ten largest of which are listed below:

Company	Headquarters	Strategic Advantage
MercadoLibre	Argentina	Networks, Loyalty, IP
Sansan	Japan	Loyalty, Networks
Workiva	USA	Loyalty, IP
Pinterest	USA	Networks, Loyalty, IP
Kinaxis	Canada	IP, Loyalty
Adyen	Netherlands	Loyalty, IP
Amazon	USA	Networks, Loyalty, IP
Tradeweb Markets	USA	Networks, IP
Constellation Software	Canada	Loyalty, IP
SEA Group	Singapore	Networks, IP

The Fund has good global diversification with 54.8% of the revenue of portfolio companies coming from outside the U.S. and holdings headquartered in Argentina, Canada, Israel, Japan, the Netherlands and Singapore.

Portfolio News

At the portfolio level, the biggest contributor this month was [Alphabet](#) (+13.4%), which performed well after delivering a strong 3Q result – see last month's letter [here](#) for our thoughts on that. Meanwhile, the largest detractor was [Wix.com](#) (-34.4%), which delivered a solid quarterly result but was sold off due to management's decision to reinvest some incremental profits back into the business. More on that result below.

Visual search and discovery platform, [Pinterest](#), posted a solid quarterly result that was largely in line with expectations. Revenue grew 17% (16% constant currency) to \$1.05 billion and adjusted EBITDA grew 24% to \$306 million. Pleasingly, Pinterest's revenue continues to be driven by a healthy mix of volume and price. The company's monthly user count grew 12% to 600 million (the highest level of sequential growth in four years), while the firm's average revenue per user increased 5% to \$1.78. Pinterest also continues to make

headway with its user shopping experience, and importantly monetising that experience, as the number of unique shopping SKUs with a paid ad impression more than doubled year-on-year.

Despite providing what we believed was a solid update, Pinterest's stock sold off approximately 20% as management struck a cautious tone for 4Q guidance. Specifically, they noted they are seeing some “pockets of weakness” in North American ad spend as some of the largest retailers pulled back spend on tariff-related margin pressure. In our view, these small “pockets of weakness” will prove to be temporary headwinds and we take comfort in management reiterating confidence in their mid-term targets – i.e. mid-teens revenue growth and 30-34% EBITDA margins.

Big picture, we still view Pinterest as a differentiated, scaled platform with significant commercial intent that is well placed to capture incremental share of advertising budgets in the years ahead. Coupled with an attractive valuation of 14x earnings and over 12% of its market capitalisation in cash, we think the risk/reward is attractive.

Kinaxis delivered a solid quarter highlighting the continued progress with its SaaS transition, evidenced by new business bookings doubling year-over-year and a 17% increase in Annual Recurring Revenue (ARR). This momentum is further bolstered by positive early traction for recently launched AI tools, which are driving increased customer productivity and unlocking new, higher margin revenue streams. Simultaneously, the company is successfully widening its addressable market by breaking into new verticals, notably securing a strategic win with global energy company Repsol. Reflecting this operational strength, management has upgraded its full-year guidance for both SaaS revenue and adjusted EBITDA margins.

Wix delivered another strong and consistent quarter, with bookings and revenue in constant currency both accelerating 13% year-over-year to \$515 million and \$504 million. Growth was supported not only by new users but also by higher quality customers coming through Wix's partner network who show stronger commercial intent, adopting higher subscription tiers and using more value-adding services such as payments. Underlying operating profit was broadly flat on the prior year as management reinvested in scaling the recently acquired Base44 business. Even with the reinvestment, free cash flow margins excluding acquisition-related transaction costs expanded 3 percentage points year-over-year to 32%, leaving the business comfortably above the Rule of 40 and trading at an attractive ~10 times 2026 free cash flow.

With the core business performing well, attention this quarter shifted to Base44, Wix's newly acquired visual coding platform that enables users with limited or no coding experience to build standalone applications. Although visual coding has at times been flagged as a potential disruptor to website development tools like Wix, adoption to date has largely centred on application development rather than websites. In our view, the acquisition broadens Wix's reach into the adjacent no-code application development category, complementing its core website-building offering.

Early traction has been encouraging. In less than six months under Wix's ownership, Base44's user base has grown sevenfold to more than 2 million users, and its annual recurring revenue has increased more than tenfold, with expectations of reaching about \$50 million by the end of 2025. The product is already emerging as a category leader with more than 10% of audience traffic, and management has increased investment in marketing and AI compute capacity to support this momentum. This rapid uptake creates a short-term drag on margins, as users are mostly billed monthly while new cohorts consume more compute resources early in their usage cycle. While this may weigh on margins through 2026, investment levels remain within management's control, and as Base44 scales alongside continued growth in Wix's core business, we believe the company is well placed to return to margin expansion over time.

Workiva has recently become a top five position in our portfolio, reflecting our conviction in its role as the global standard for complex corporate reporting. The company has successfully expanded from its roots in SEC compliance to become a comprehensive, multi-category SaaS platform spanning financial reporting, ESG, and Governance, Risk, and Compliance (GRC). This critical function is evidenced by its dominance among the world's largest enterprises, counting 95% of the Fortune 100 and 89% of the Fortune 500 as customers. Workiva's solution is deeply embedded in these large enterprises due to the strictly regulated nature of the work, resulting in a highly sticky product with a 97% gross retention rate and a net revenue retention rate of 114%. Despite this traction, the runway for growth remains substantial; the company has a 2.5% penetration of the US\$35 billion total addressable market, which continues to grow as the global demand for transparent, audit-ready reporting standards continues to rise.

We see a path for Workiva to compound value through both continued growth and significant margin expansion. Management has actively invested in improving their go-to-market motion, refining pricing packages to capture more value, and expanding relationships with ecosystem partners to drive multi-product adoption. The company is successfully leveraging its incumbent position in finance to cross-sell its broader suite of solutions, a strategy validated by a 42% increase in customers with an Annual Contract Value (ACV) of over US\$500k in the latest quarter. These initiatives are beginning to bear fruit, yet the stock remains attractively valued at just 5.1x forward EV/Revenue. With management guiding for operating margins to roughly double to 18% over the next two years, we believe the current valuation underestimates the company's potential for profitable growth.

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.

Nick, Erwin and Donny.

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