



langdon

EQUITY PARTNERS

April 2025

Who is Langdon Equity Partners?

- Launched in 2022
- 10- year plus track record in Global Small-Caps
- Global Firm: Headquartered in Toronto, Canada
- Funds Under Management (FUM) ~ AUD \$500M
- Global Fund: 25-40 Holdings
- Target Market Capital Range: \$500M to \$5B

Collection of Non-Obvious Compounders

LANGDON'S COMPOUNDER CRITERIA	STRONG
Returns on Invested Capital (ROIC)	<input checked="" type="checkbox"/>
Cash Conversion	<input checked="" type="checkbox"/>
Reinvestment Rate	<input checked="" type="checkbox"/>
Free Cash Flow Margins	<input checked="" type="checkbox"/>
Net Debt/EBITDA	<input checked="" type="checkbox"/>
Is Management proven and stable?	<input checked="" type="checkbox"/>

*Need to have a **belief about the business**
that is not widely held by others*

Challenge of Complacency

- 16-year annualized return for the S&P 500 of 16.4%
 - March 1, 2009 until Feb 28, 2025
- 16-year annualized return for the S&P 500 of 15.2%
 - April 5, 2009 until April 4, 2025
- Paying more for less
 - 1/3 less growth for 50% more in valuation

We need a belief about the business not widely held by others

In-depth Portfolio Analysis: December 2024

- Understanding the drivers of stock performance
- Review the levers for valuation creation
- Is this a management team we trust?

In-depth Portfolio Analysis: April 2025

- Impacts on cash flow
- Review value creation drivers
- Is this management team acting as expected?

People, People, People



1,265

**meetings with
management**



688

**unique
companies**



83

cities



19

countries

These statistics are sourced from Langdon's own internal tracking logs and are relevant since inception up to March 17, 2025. All noted meetings were live and interactive.

Non-obvious Compounder

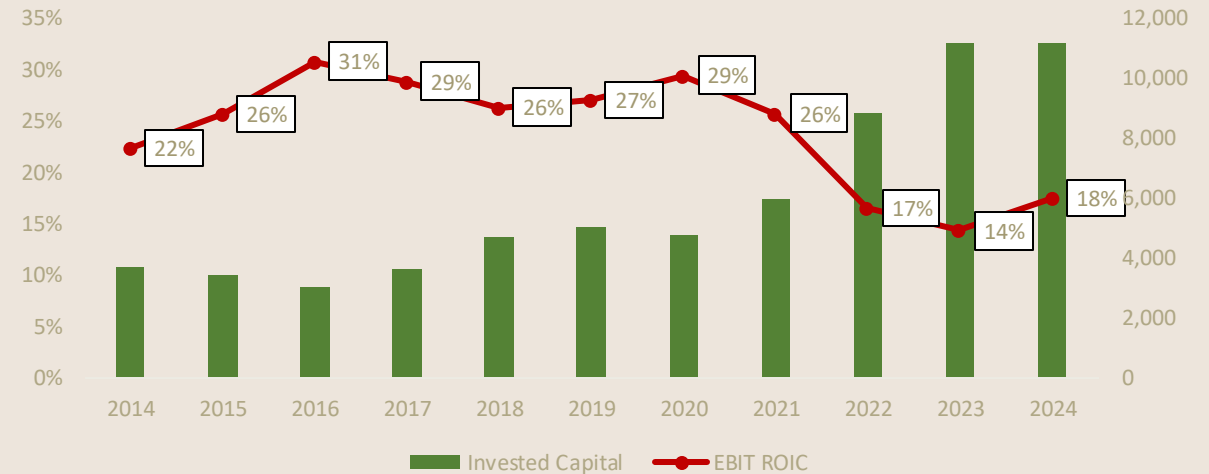
Royal Unibrew

\$4.0B USD market cap



Source: Bloomberg, Company reports, and Langdon internal analysis

RBREW: Invested Capital Growth vs ROIC



LANGDON'S COMPOUNDER CRITERIA

STRONG

Returns on Invested Capital (ROIC)



Cash Conversion



Reinvestment Rate



Free Cash Flow Margins



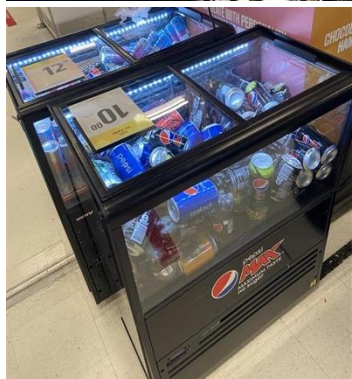
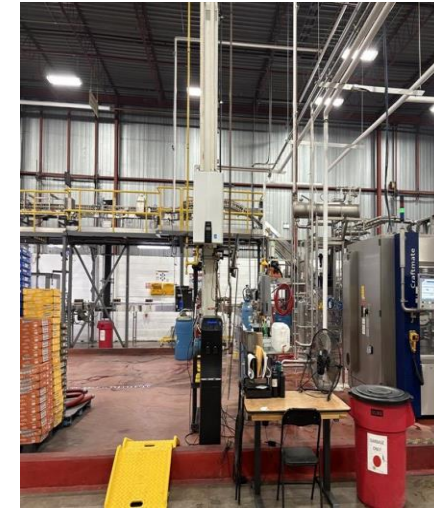
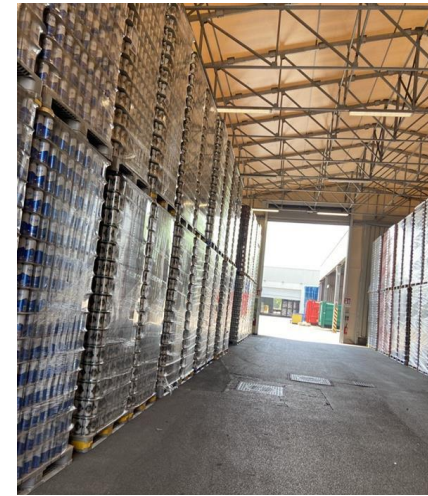
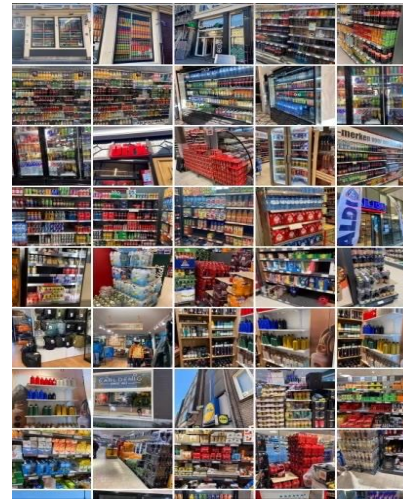
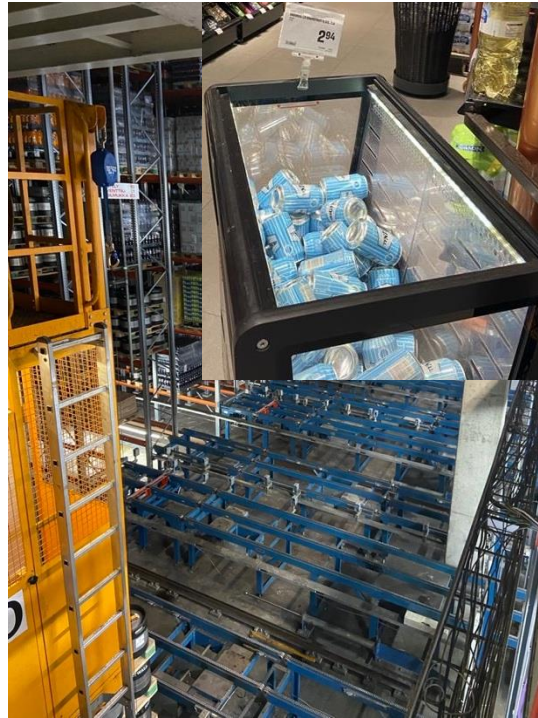
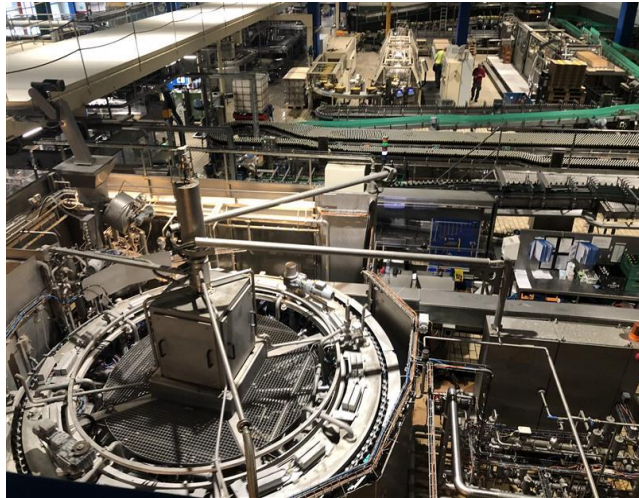
Net Debt/EBITDA



Is Management proven and stable?



A belief about the business not widely held by others



Non-Obvious Compounder

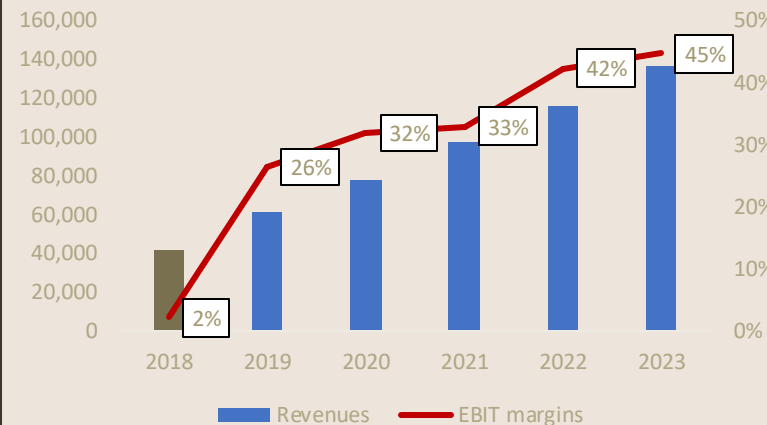
SmartCraft

\$ 428.4M USD market cap

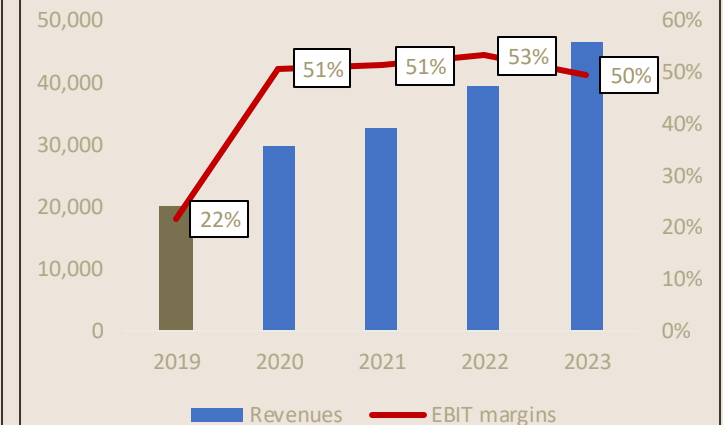


Source: Bloomberg, Company reports, and Langdon internal analysis

2018 Swedish Acquisition



2019 Swedish Acquisition



LANGDON'S COMPOUNDER CRITERIA

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Returns on Invested Capital (ROIC)



Cash Conversion



Reinvestment Rate



Free Cash Flow Margins



Net Debt/EBITDA



Is Management proven and stable?



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A belief about the business not widely held by others

In just over 2 years



12

C-suite
meetings



6

Middle
management
meetings



6

meetings with
board/controlling
shareholder



4

countries

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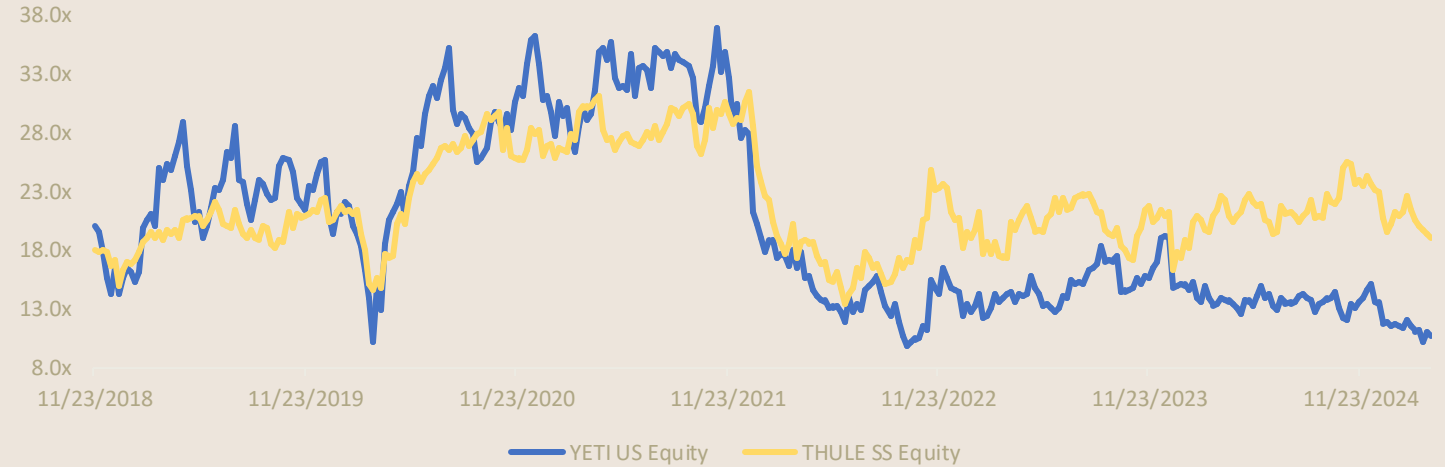
Non-obvious Compounder

YETI®

\$2.7B USD market cap



Yeti vs Thule - valuation divergence (P/E)



LANGDON'S COMPOUNDER CRITERIA

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Returns on Invested Capital (ROIC)



Cash Conversion



Reinvestment Rate



Free Cash Flow Margins



Net Debt/EBITDA



Is Management proven and stable?



Success will be measured over decades not years

	1 month	3 months	YTD	1 year	2 year	Since inception ¹
Langdon Global Smaller Companies Fund, Australian Unit Trust	-0.9%	2.7%	1.5%	18.0%	20.6%	20.3%
Benchmark return*	-3.0%	-1.5%	-0.4%	12.8%	12.6%	13.9%
Value added	2.1%	4.2%	1.9%	5.2%	8.0%	6.4%

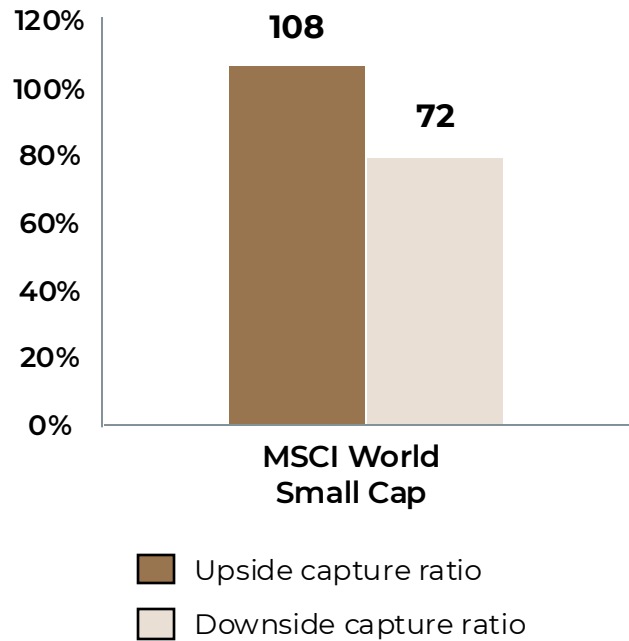
¹ Net returns greater than one year are annualized. The since inception date of the Fund is June 27, 2022.

Please note we are unable to provide extensive historical performance for the Fund. 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.

*Benchmark is MSCI World Small Cap Net Index for all periods. Please note that the Benchmark from inception to September 22, 2023 was MSCI World Small Cap Index

THE SHAPE OF THE RIDE MATTERS

Langdon Global Smaller Companies
Fund: Capture Ratios



Langdon Global Smaller Companies
Fund: Risk Statistics

	Return	Std Dev	Sharpe Ratio	Inform. Ratio	Beta	Tracking Error
Langdon Global Smaller Companies A	20.4%	14.3%	1.10	1.24	.90	6.06
MSCI World Small Cap AUD	12.9%	14.5%	0.64		1.00	0.00

Source: Morningstar. Time period: July 1, 2022 to March 31, 2024.

How do we ensure we deliver for clients?



- Look for **long term** earnings growers
- Ensure **management** teams have the requisite stability and track record
- Have a **belief about the business** that is not widely held by others
- Because finding a **material disconnect between the stock price and the companies intrinsic value** matters

Maximize the probability you have a collection of non-obvious compounders