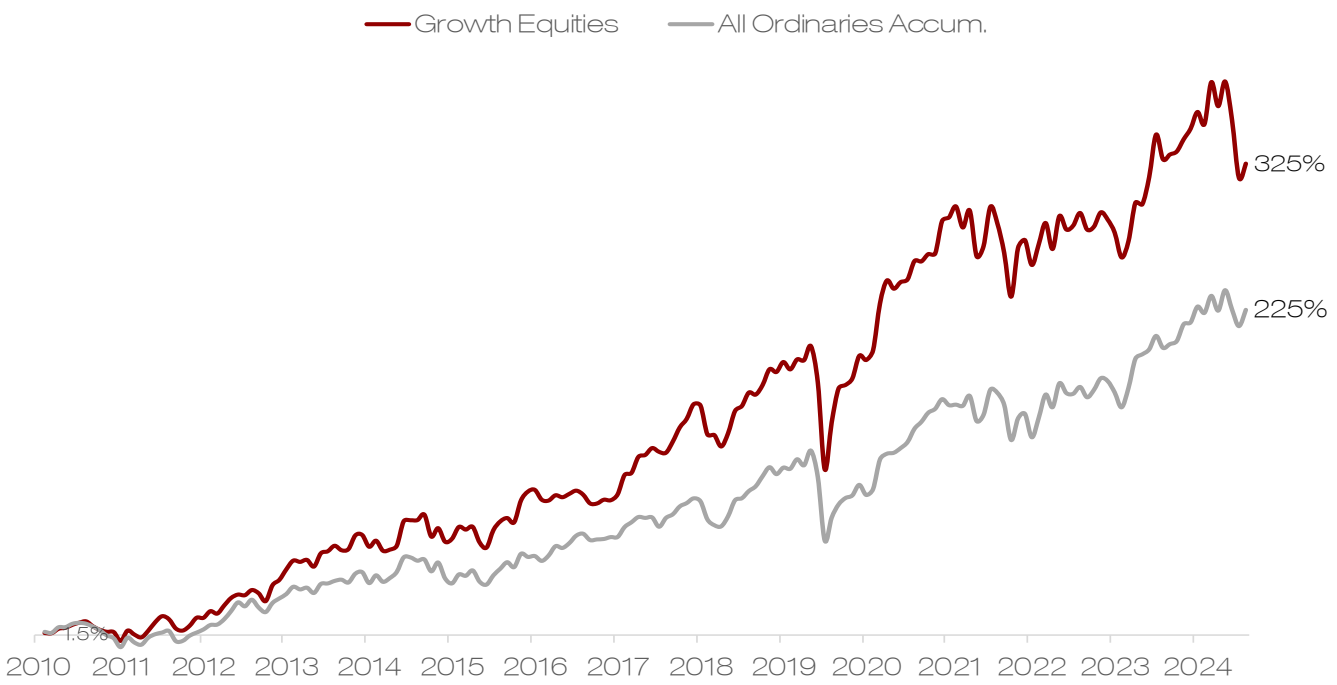
Endeavor Asset Management

Growth Equities

April 2025

Performance*	Month	Quarter	One Yr	3 Yr pa.	5 Yr pa.	10 Yr pa.	14 Yr pa.	Inception
Growth Equities	2.4%	-11.8%	-0.7%	3.5%	11.5%	9.0%	10.2%	325%
All Ordinaries Accum.	3.6%	-4.0%	8.8%	6.7%	12.4%	7.9%	8.9%	225%
Outperformance	-1.3%	-7.7%	-9.5%	-3.2%	-0.9%	1.1%	1.2%	101%



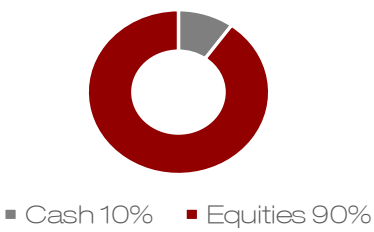
Top Contibutors

Smart Parking Ltd
Life360 Inc
Zip Co Ltd
Superloop
Block

Top Holdings ASX 200

BHP Group Ltd
Life360 Inc
Worley Ltd
National Aust. Bank
Block

Cash Weighting



Bottom Contibutors

Worley Ltd
Woodside Energy
Light & Wonder Inc
Siteminder Ltd
Mineral Resources

Ex 200

Smart Parking Ltd
EML Payments Ltd
Superloop
Solvar Ltd

Portfolio Characteristics

Moderate / High Risk
75% ASX200 Limit
25% Ex200 Limit
20-35 ASX Listed Equities
Unconstrained Cash

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Portfolio Commentary

Performance Summary

The Growth Equities Portfolio gained 2.4% after fees in April, lagging the ASX All Ords Accum Index at 3.6%. Since inception the portfolio is up 325% (10.4% p.a.) versus the benchmark 225% (8.4% p.a.).

Market Overview

April was a roller coaster. Tariff headlines triggered a sharp selloff: from the mid February peak to the 7 April low the Nasdaq dropped 26%, the S&P 500 22% and the ASX 200 19%.

We reduced cash from around 15% to ~5% towards the lows, buying quality names that had fallen significantly despite little change in earnings. A proposed blanket 10% US import tariff caused the initial slide and a 90 day pause reversed it.

By month end global equities were roughly flat, global bonds gained 2.9%, the Nasdaq had rebounded 19% and the ASX 200 16%. Gold set a record at USD 3 500/oz while oil, copper and silver softened.

The IMF trimmed its 2025 global growth forecast by 0.5%. Several Asian central banks and the RBA adopted a dovish tone as Australian core CPI eased to 2.9% and unemployment reached 4.1%. Australia attracted safe haven flows, with US investors buying stocks such as CBA, viewing the market as neutral in the trade dispute and a potential beneficiary of any China stimulus.

Key Movements: SPZ, ZIP, SLC, LNW

Telecommunications provider **Superloop** (SLC) extended its rally in April with its share price increasing by 19%, supported by upcoming NBN infrastructure changes set to take effect from September 2025. These upgrades will enable retail service providers to offer faster speeds at no additional wholesale cost, materially improving the value proposition of higher-speed broadband plans relative to legacy lower-speed offerings. With the 50Mbps tier representing the largest household segment, we see a significant churn opportunity as consumers look to switch providers. Superloop is well positioned to benefit, given its strong brand recognition and product focus at the higher end of the speed spectrum. The stock trades on a 22x one-year forward P/E and is forecasting a compelling 49% EPS CAGR over the next three years.

Smart Parking (SPZ) shares rose 15% in April, buoyed by on market buying from Chairman Chris Morris, who acquired approximately $1 million worth of shares - providing a clear vote of confidence in the company's trajectory. As noted last month, we remain constructive on SPZ and see further upside as the rollout across new global regions gathers pace. The stock now trades at 12x FY26 EBITDA, down from 14.6x prior to the recent acquisition, delivering 35% multiple accretion and meaningful DCF upside.

Digital financial services company **Zip Co** (ZIP) delivered a strong quarterly result for the period ending 31 March 2025, with shares rising 7.5% in April. Cash EBTDA lifted from $35 million to $46 million, supported by improved revenue margins (revenue as a proportion of total transaction volume). The key driver of the share price move was an upgrade to FY25 guidance, which was well received by the market given heightened macroeconomic uncertainty stemming from new tariff regimes. In our view, guidance remains conservative, with Zip retaining significant headroom to absorb external volatility while still achieving its revised target of at least $153 million in Cash EBTDA.

Worley's (WOR) share price has mirrored recent softness in the oil price, but the Company's revenue is well diversified, with just 25% tied to traditional oil markets. In total, energy accounts for 49% of group revenue, with the remainder split across resources (27%) and chemicals (24%). Worley maintains a strong balance sheet that supports the ongoing $500 million on-market share buyback. The Company trades on 13x forward earnings, materially below its five-year average of 17x, with consensus forecasting 21% EPS growth in FY26e. We believe this presents compelling value for a business with global exposure and balance sheet optionality.

Light & Wonder (LNW) saw a 12% decline in its share price during April due to increased concerns surrounding the ongoing litigation with major competitor, Aristocrat Leisure. We remain confident that LNW does not have significant contagion of wrongdoing throughout the remainder of its business. We look forward to the upcoming Investor Day in May where we are keen to see another 2–3-year plan set by the business, particularly incorporating its newly acquired charitable gaming business, Grover Gaming.

Significant Entries: PNV
Significant Exits: FMG, WEB, NEM

We re-entered wound care company **Polynovo** (PNV) in April after a substantial derating in the share price, which occurred despite little change in the company's underlying fundamentals. Polynovo's flagship product, NovoSorb BTM, is a synthetic dermal matrix designed to support skin regeneration. Historically, the stock has traded at an average forward EV/Sales multiple of 12x over the past three years—around 140% above the current multiple of 5x. Consensus forecasts point to strong growth ahead, with revenues and EBITDA expected to compound at 21% and 62% per annum, respectively, through FY29e. Having previously exited our position at $1.82 per share earlier in the year, we reinitiated the position in April at $1.05.

Key exits included **Ramelius Resources** (RMS) **and Fortescue Metals** (FMG) during April. We took profits in RMS after a strong run in the gold sector. We exited FMG after identifying better investment opportunities following a period of market volatility.

Outlook

The RBA's May meeting looks like a genuine chance to cut rates. Softer retail data, easing core CPI and a 4.1% jobless rate give it scope to move if tariff pressures intensify. A broader shift toward easier policy would support equity valuations, but headline risk will stay high while US-China trade terms remain unresolved.

In Australia we see growth moderating rather than contracting. Businesses that can lift prices, rely on recurring revenue and keep tight cost control are best placed, while the rapid rollout of artificial intelligence is already reshaping profit pools.

Record gold prices confirm a flight to safety, though we have pared our exposure after the strong run. With most other commodities soft we are selective on resources. During April's capitulation we cut cash from the long term 15% average to roughly 5%, volatility creates opportunities for stock pickers and we are confident some of our investments will continue to work back to their highs over the coming months.

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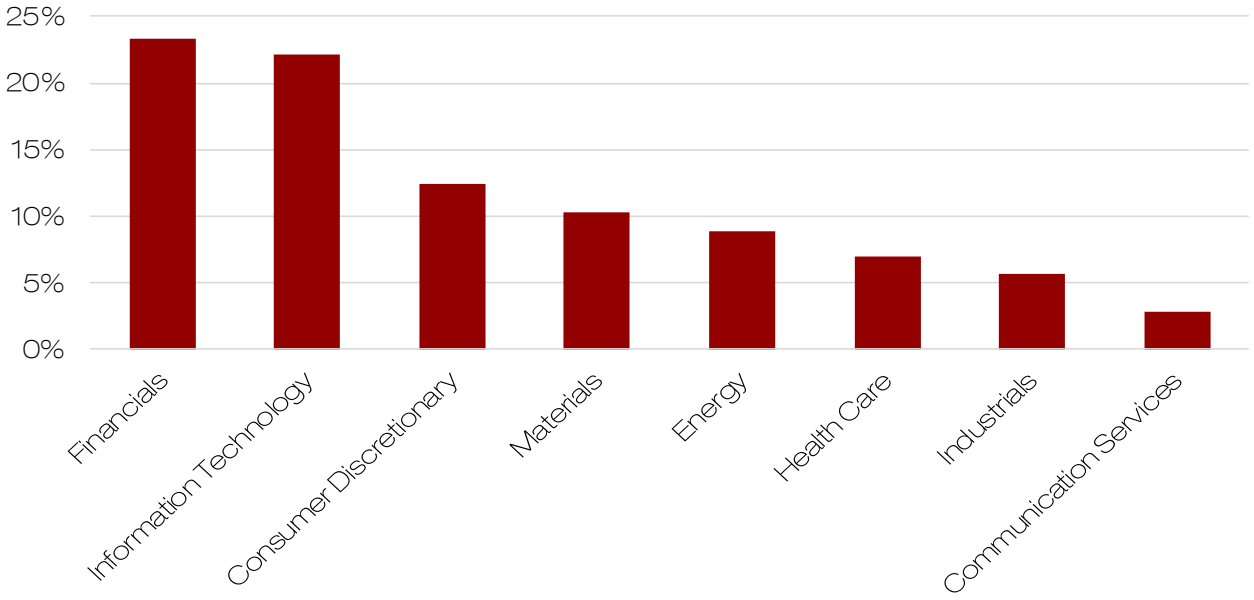
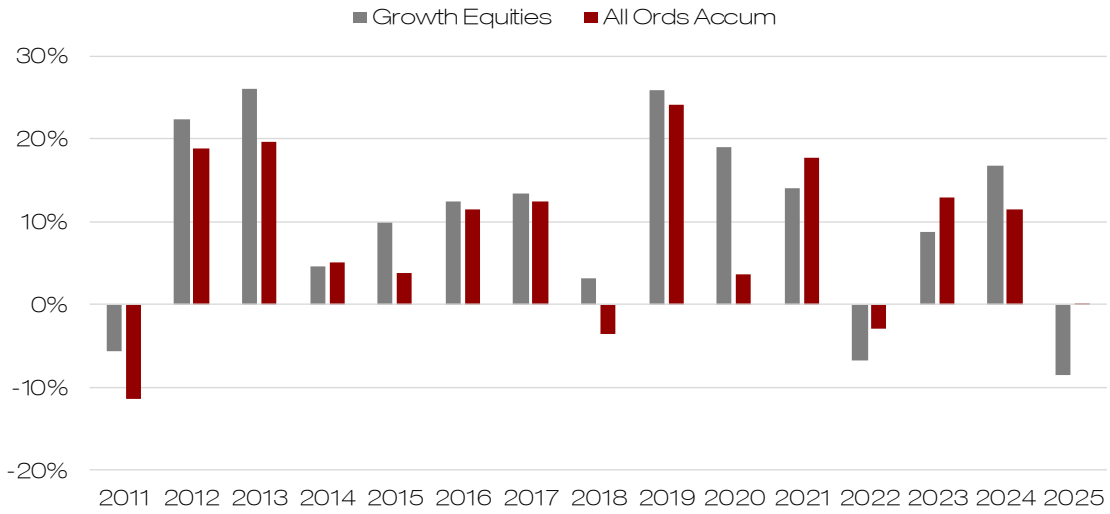
Portfolio Factsheet

Industry Exposures



Annual Return*



Investment Philosophy

Bottom up, fundamental focused investor with a 3-5 years time frame

Focus on under owned, under researched businesses

Returns can be maximized through fundamental industry and company research combined with active portfolio management

Small cap bias where inefficiencies in the market are the greatest

High conviction concentrated approach allows portfolios to hold only high conviction ideas

When investing in companies Endeavor take on the view of being the owner of the business

A concentrated portfolio with a flexible mandate

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