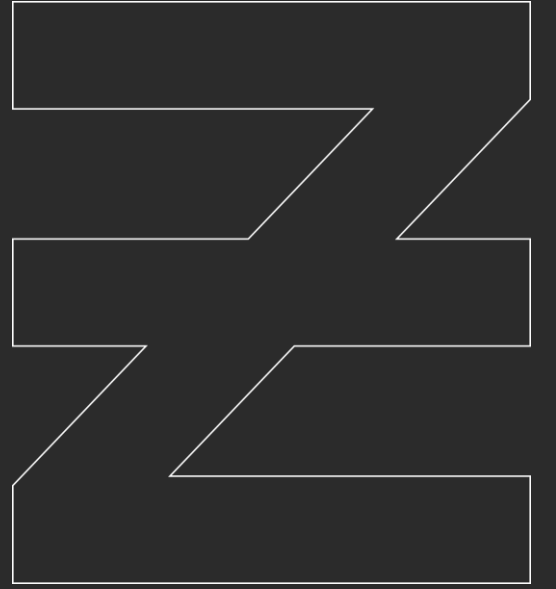


Ellerston Capital



Ellerston Global & Morphic Funds update

June 2021

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Positioning Considerations

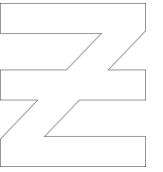
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Sensata – A Global Leader in Mission Critical Sensing



About Sensata

100+ year old global industrial technology company and a leading provider of sensor-rich solutions that create insights for customers

Key market player in automotive, appliance, aircraft, industrial, military, heavy vehicle, off-road, HVAC, data, telecom, RV, and marine markets



Four key drivers are shaping our markets through the next decade and we are capitalizing on these trends



Clean & Efficient

Secular need for cleaner, more efficient products



Electrification

Mandates for electrified products



Autonomy

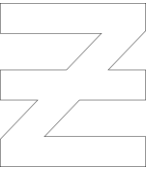
Enabling autonomy and operational efficiencies



Smart & Connected (IoT)

Connected equipment with actionable insights

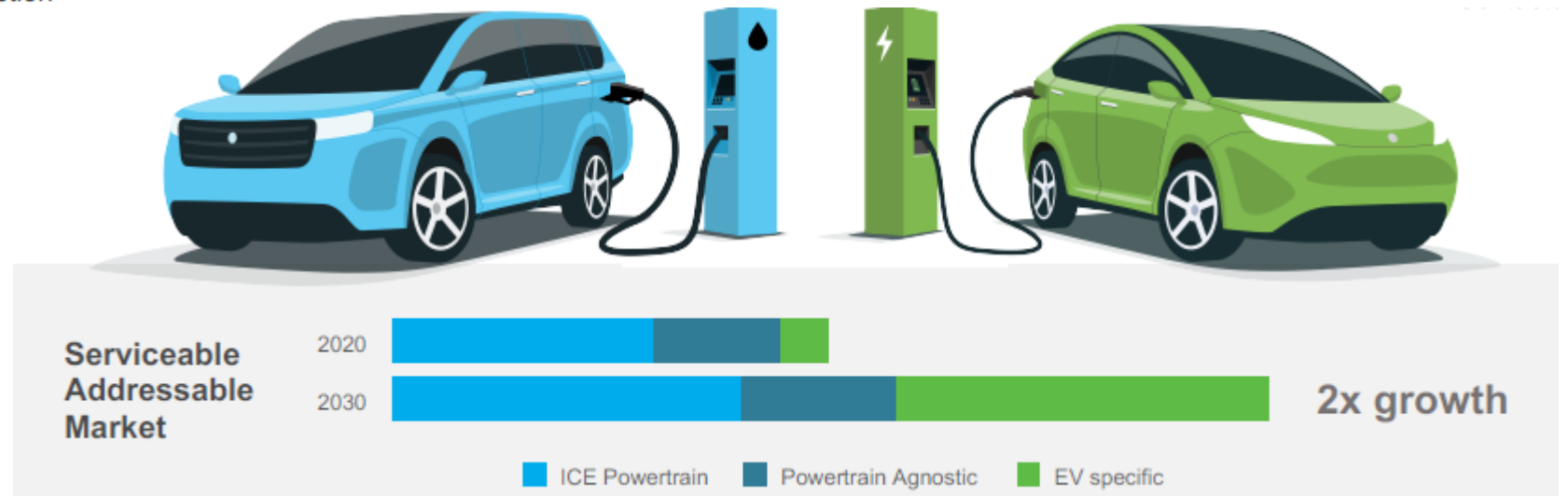
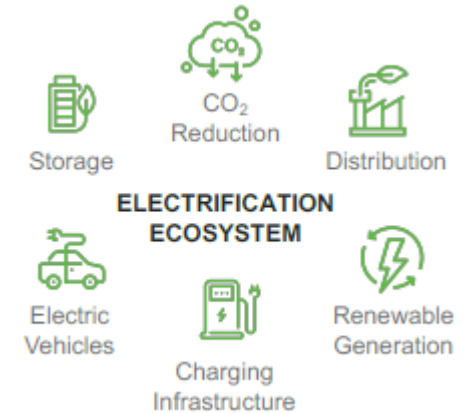
Sensata – A Global Leader in Mission Critical Sensing



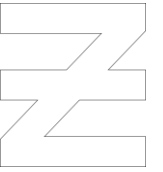
Sensata aims to be a leading provider of mission-critical sensor-rich hardware and software solutions to help customers transition to an Electrified future.

Sensata is expanding its Electrification capabilities and opportunities

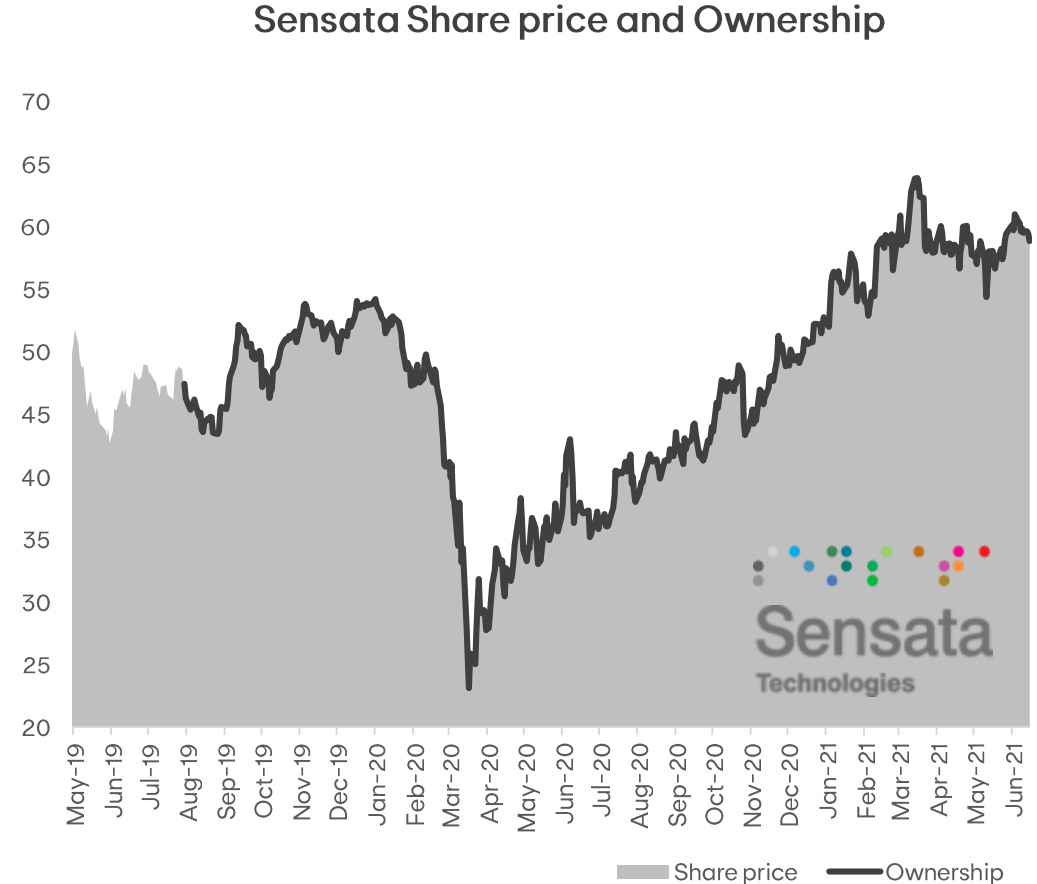
- Opportunity is much broader than just auto EVs
 - Includes e-mobility applications in heavy vehicles, charging infrastructure, industrial and grid opportunities
- Sensata has a leading portfolio of high-voltage protection and battery management systems



Sensata – A Global Leader in Mission Critical Sensing

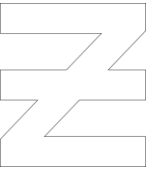


- \$8.9bn Market Cap, 1.7x Net Gearing generating >\$500m FCF
- Guides Auto end market outgrowth at 400-600 bps. Last 5 quarter average running c800bps
- Guides Heavy Vehicle end market outgrowth at 700-900 bps. Last 5 quarter average running at 920bps
- FY20 Auto and Heavy Vehicle markets were down 21% and 18% respectively – set up for strong sustained rebound
- We expect mid teens earnings growth over next several years with free cash flow ramping at a similar rate
- Sensata is trading on forward PE of 13.5x. We see almost 30% upside from here



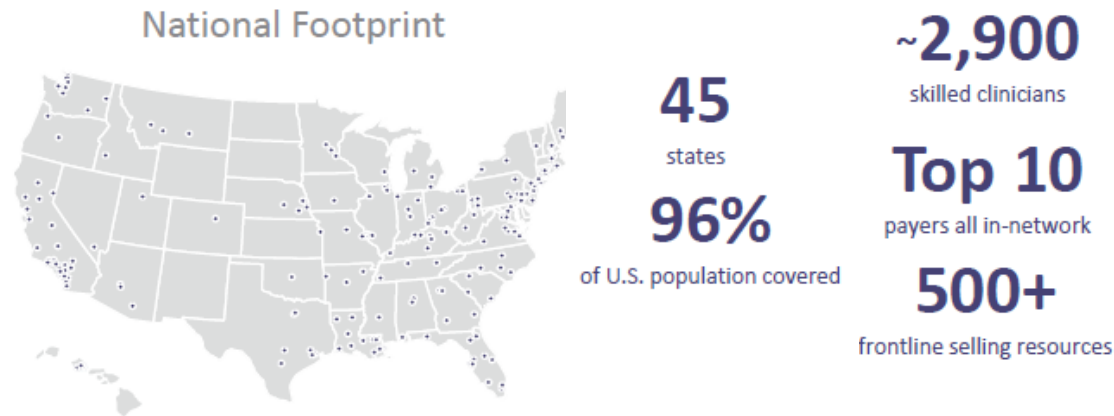
Source: Ellerstion Capital, Bloomberg

Option Care – At Home Care is the Disruptive Model



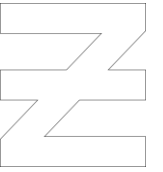
Option Care Health at a Glance

- Nation's largest independent provider of home and alternate site infusion services, licensed in all 50 states
- Clinical leadership and technology-enabled patient-centered model

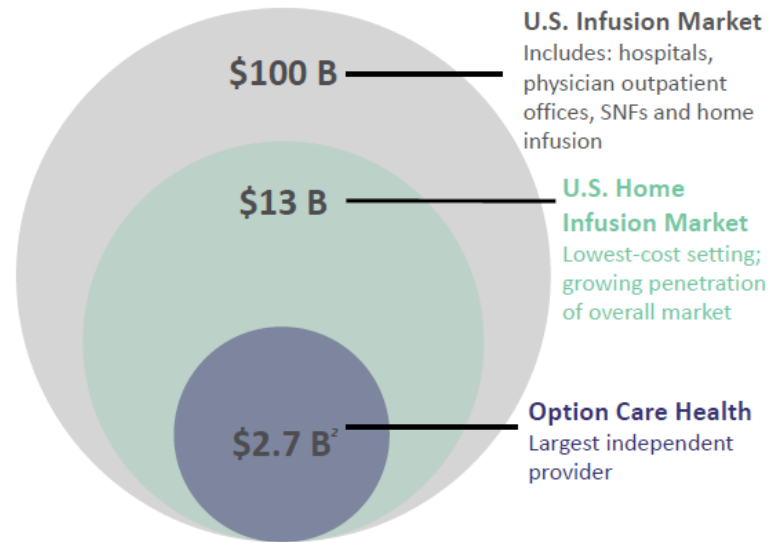


Option Care Health is reimagining the infusion care experience
for patients, customers and employees

Option Care – At Home Care is the Disruptive Model

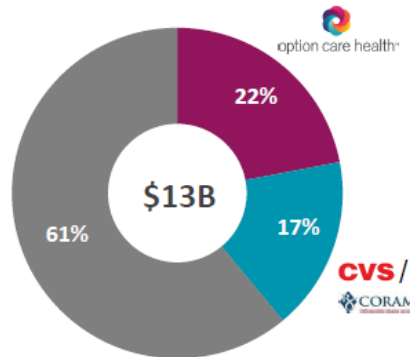


Leading Position in a Large and Growing Market¹



The U.S. Home Infusion Market is Growing by an Estimated 5-7% Per Year

U.S. Competitive Landscape – Home

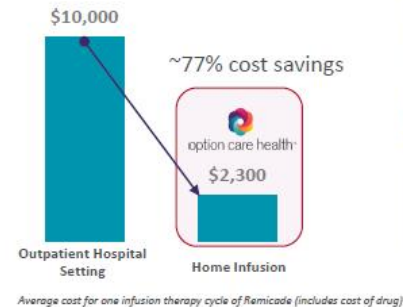


- Two national providers represent less than half of the market
- Significant **market opportunity** with 800+ infusion companies in the U.S.

On the Right Side of Healthcare Trends

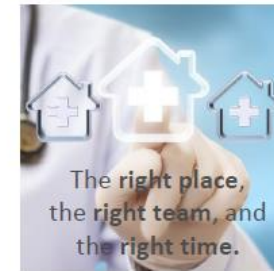
The Home is the Disruptive Service Model within the Infusion Market

Remicade infusion example



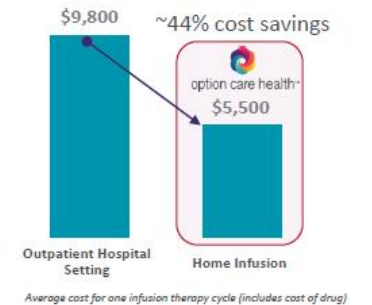
Care is moving from the Hospital...

- Higher cost setting
- Potential for significant waste
- Less desirable outcomes, including infections and preventable deaths



**The right place,
the right team,
and the right time.**

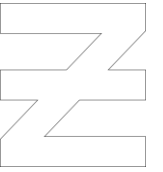
IG infusion example



...to the Home

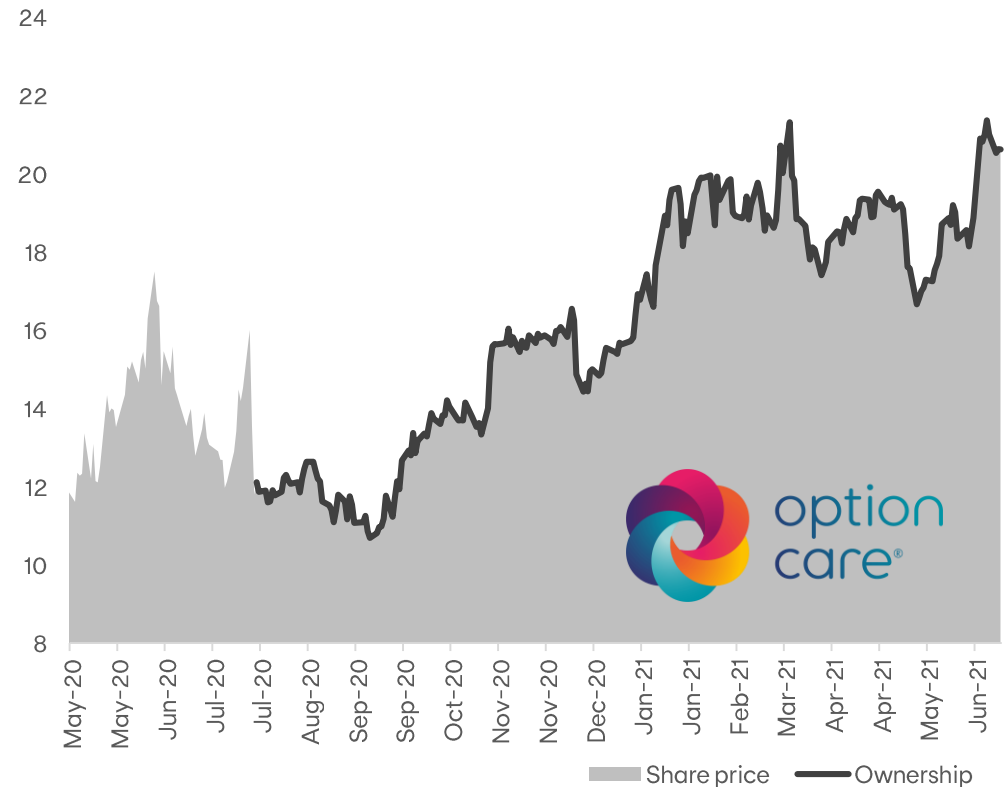
- \$4 billion potentially saved annually by shifting care to the home or alternate site
- Lower cost, safer site of care; lower risk of infection
- Patient preference, resulting in better quality of life

Option Care – At Home Care is the Disruptive Model



- \$3.7bn Market Cap, 2.8x Net Leverage, generating >\$160m FCF
- Benefiting from increased Payor utilisation coupled with expanding therapy portfolio
- Biogen's Aducanumab approval could be a game changer
- Embarking on very accretive bolt on M&A
- Expects high single digit revenue growth and mid teens EBITDA growth for the foreseeable future
- Despite strong performance since purchase we see considerable upside from here – long term compounder

Option Care Share price and Ownership



Source: Ellerston Capital, Bloomberg

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Positioning Considerations

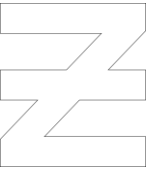
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Positioning Considerations



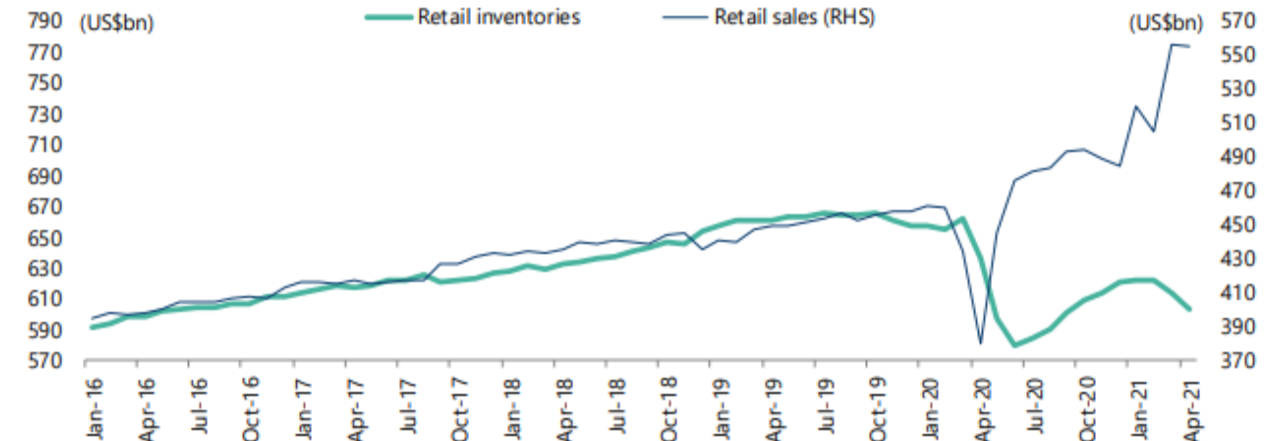
- Consumer core price inflation printing highest levels in decades
- Significant pent up consumer demand and future demand from stimulus being met with lack of supply
- Economic indicators continue to strengthen, GDP will deliver fastest growth in decades as supply chains are rebuilt
- Focus on Inflation Expectations which are currently anchored around 2%
- Transitory or sustained – leaning to transitory but with longer tail to this cyclical rebound
- Focus on pricing power

US CPI Inflation



Source: US Bureau of Labor Statistics

US Retail Sales and Inventories



Source: US Census Bureau, Jefferies

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Positioning Considerations

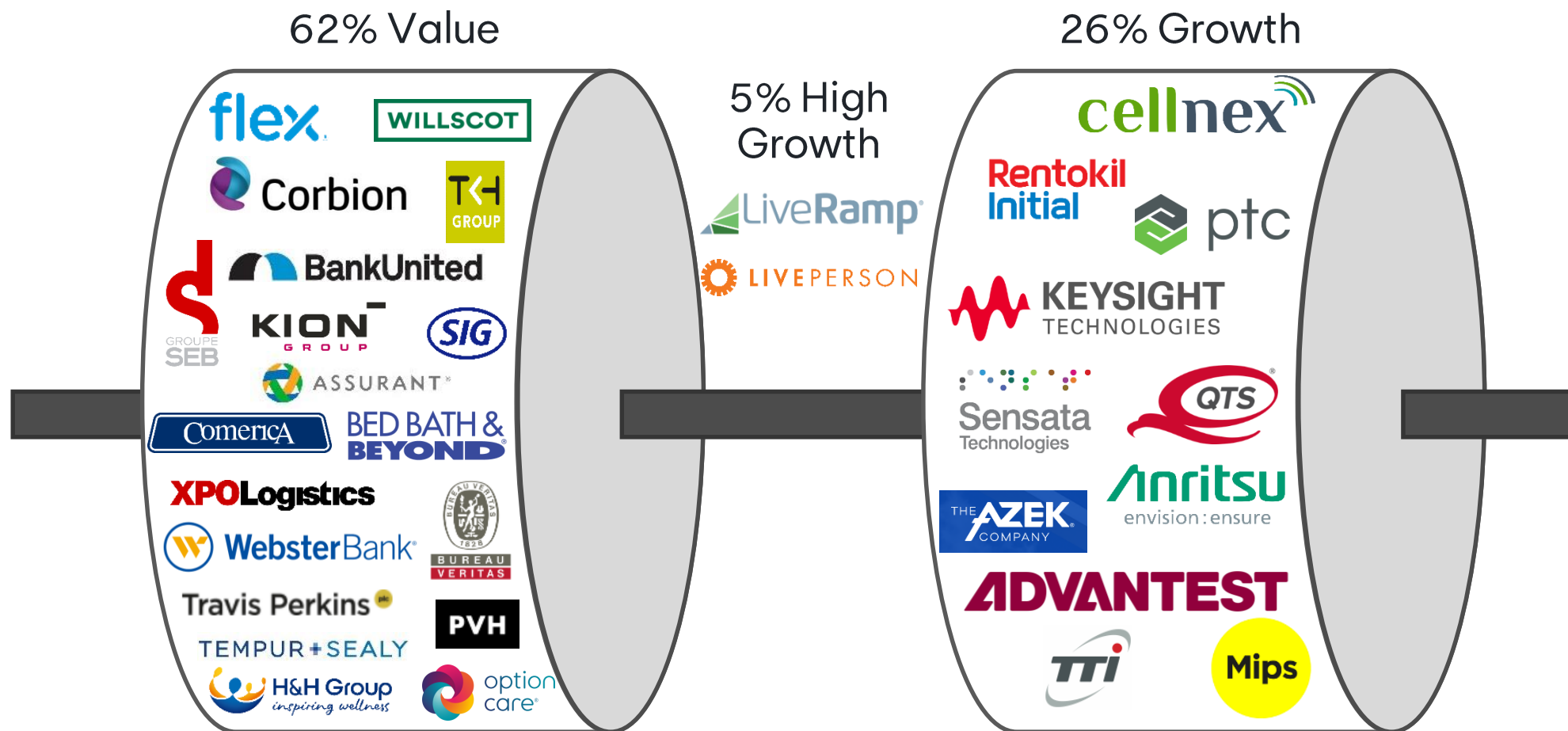
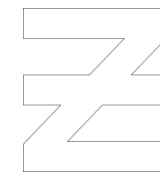
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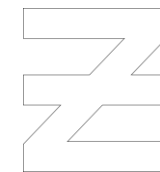
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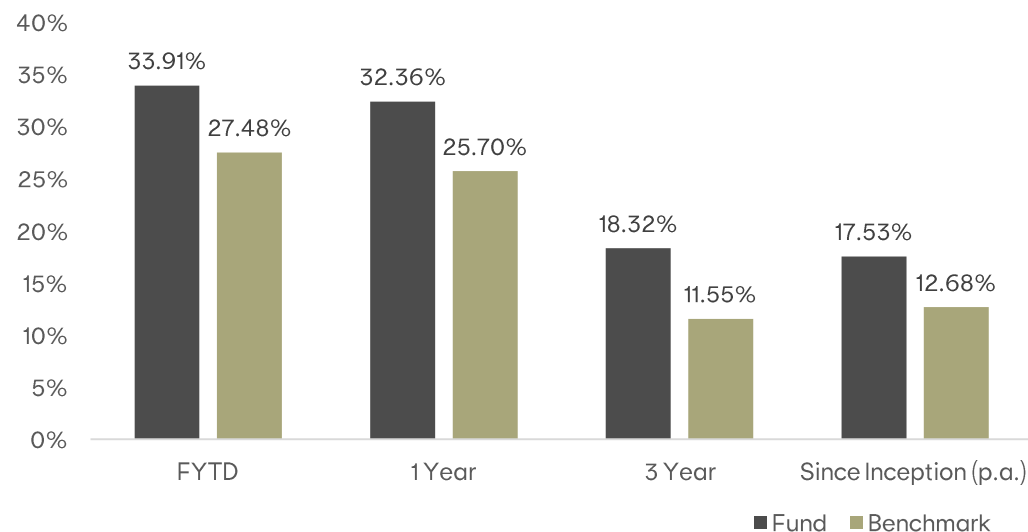
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Performance

Ellerston Global Mid Small Cap Fund Performance



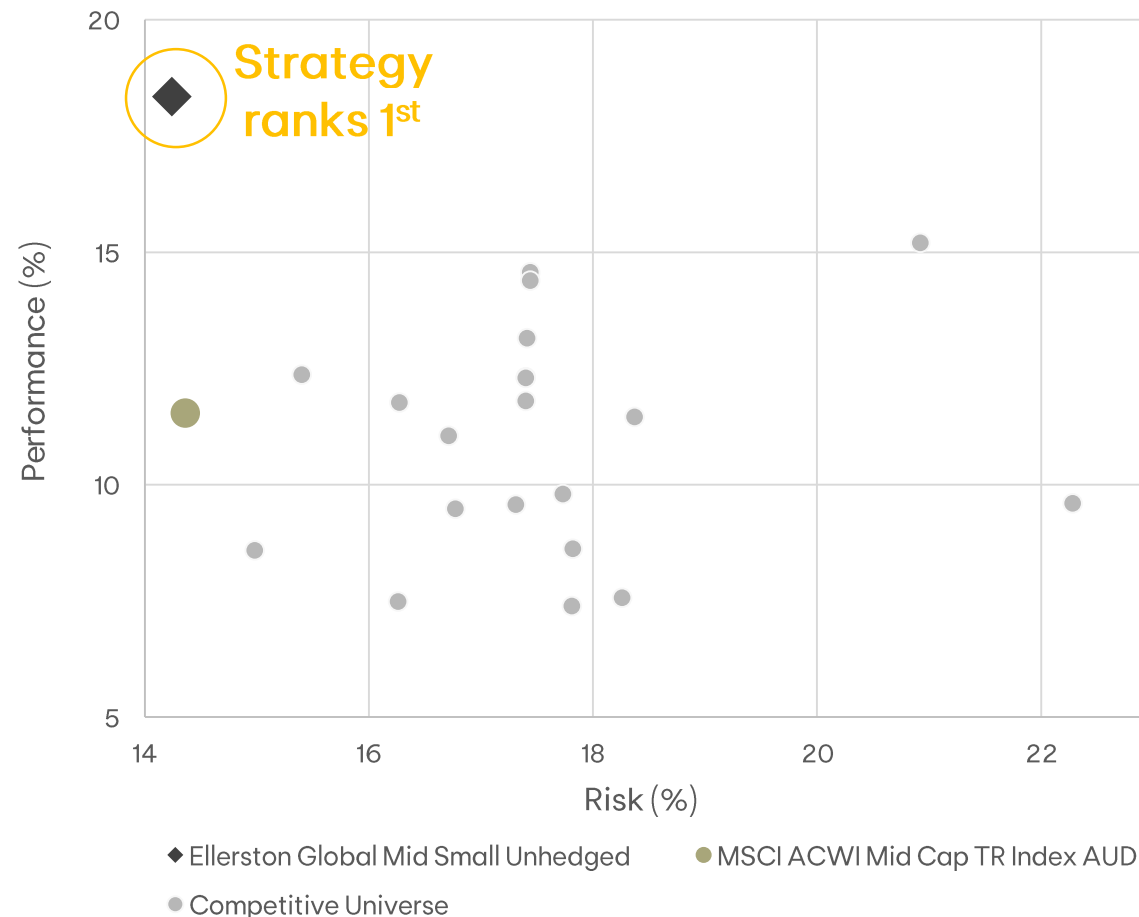
Annualized Return



Performance*	FYTD	1 Year	3 Years (p.a.)	Since Inception (p.a.)^
Net	33.91%	32.36%	18.32%	17.53%
Benchmark**	27.48%	25.70%	11.55%	12.68%
Alpha	6.43%	6.66%	6.77%	4.85%

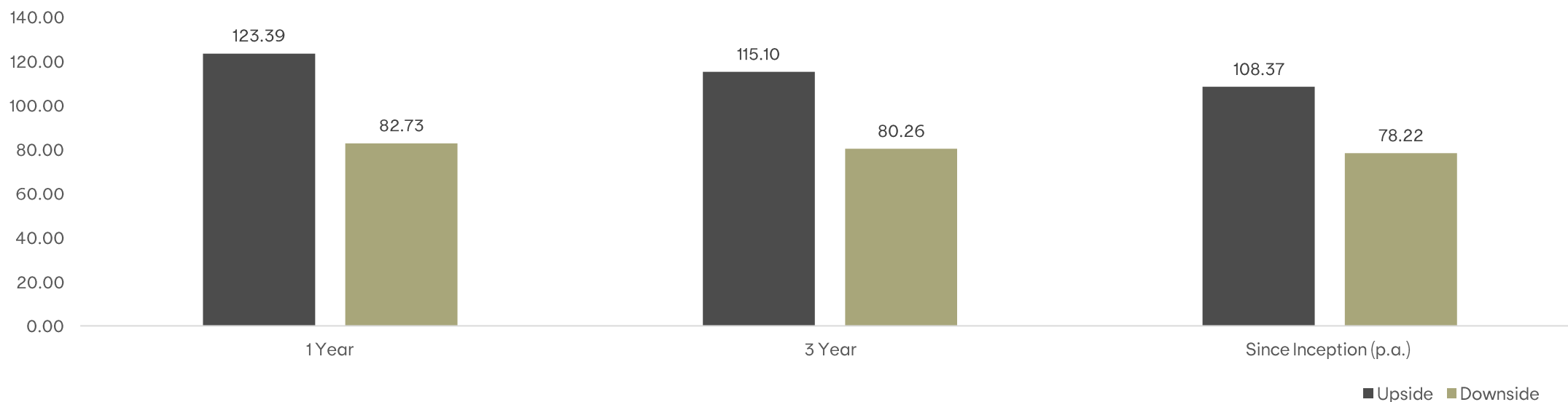
Source: Ellerston Capital as at 31 May 2021 *Ellerston Global Mid Small Cap Fund Class A **MSCI World Mid Cap Index (AUD) Past performance is not a reliable indication of future performance.
^Inception Date is 01 March 2017

3 Years Risk/Returns



Source: Lonsac iRate as at May 2021; competitive universe: Global Equities, Global Smaller Companies, Wholesale

Ellerston Global Mid Small Cap Fund Upside/Downside Capture

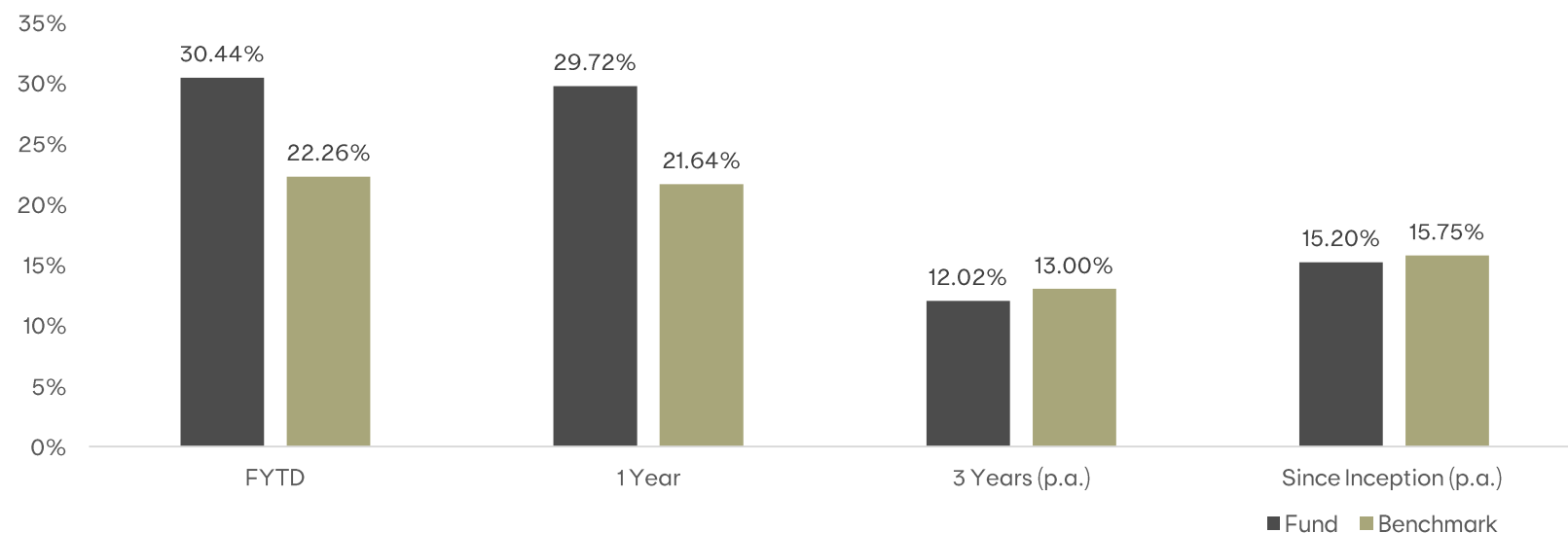
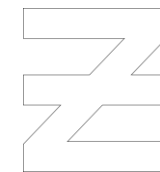


Global Mid Small Cap Fund*	1 Year	3 Years	Since Inception^
Upside Capture	123.39	115.10	108.37
Downside Capture	82.73	80.26	78.22

Source: Ellerston Capital as at 31 May 2021 *Class A

^Inception Date is 01 March 2017

Morphic Global Opportunities Fund Performance



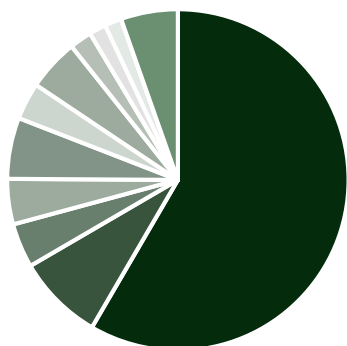
Performance	FYTD	1 Year	3 Years (p.a.)	Since Inception (p.a.)^
Net	30.44%	29.72%	12.02%	15.20%
Benchmark*	22.26%	21.64%	13.00%	15.75%
Alpha	8.17%	8.08%	-0.99%	-0.55%

Source: Ellerstion Capital as at 31 May 2021 *MSCI All Countries World Daily Total Return Net Index ^Inception Date is 02 August 2012
Past performance is not a reliable indication of future performance.

Ellerston Global Mid Small Cap Fund Overview

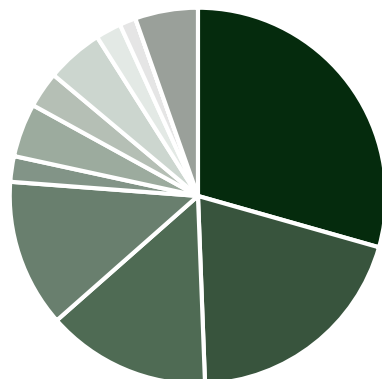


Geographic Allocation



- United States, 58.4%
- France, 8.2%
- Japan, 4.2%
- Hong Kong, 4.3%
- United Kingdom, 5.8%
- Netherlands, 3.5%
- Spain, 4.9%
- Germany, 2.1%
- Sweden, 1.6%
- Switzerland, 1.6%
- Cash, 5.4%









Sector Allocation



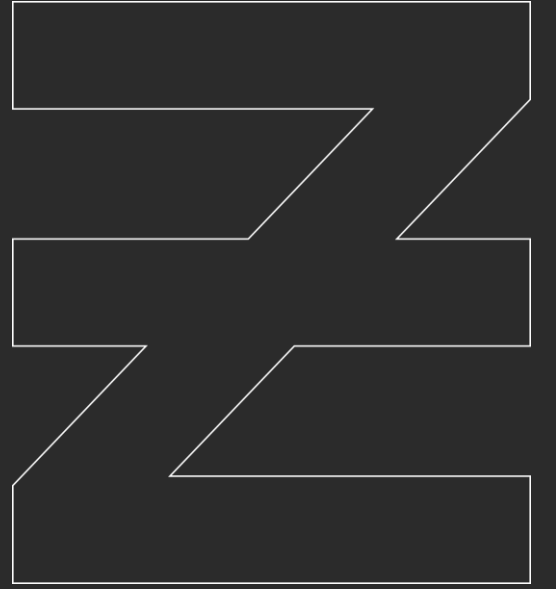
- Industrials, 29.4%
- Information technology, 20.0%
- Consumer discretionary, 14.1%
- Financials, 12.7%
- Consumer staples, 2.2%
- Health care, 4.6%
- Materials, 3.1%
- Communication services, 4.9%
- Real estate, 2.2%
- Other, 1.4%
- Cash, 5.4%

Top 10 Holdings

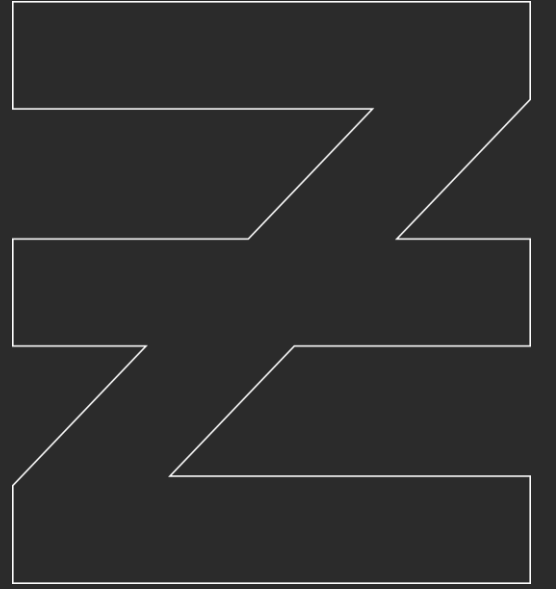
Portfolio Weight

	5.1%
	5.1%
	4.9%
	4.7%
	4.6%
	4.3%
	3.9%
TEMPUR+SEALY	3.7%
XPO Logistics	3.4%
 ASSURANT*	3.0%

Ellerston Capital

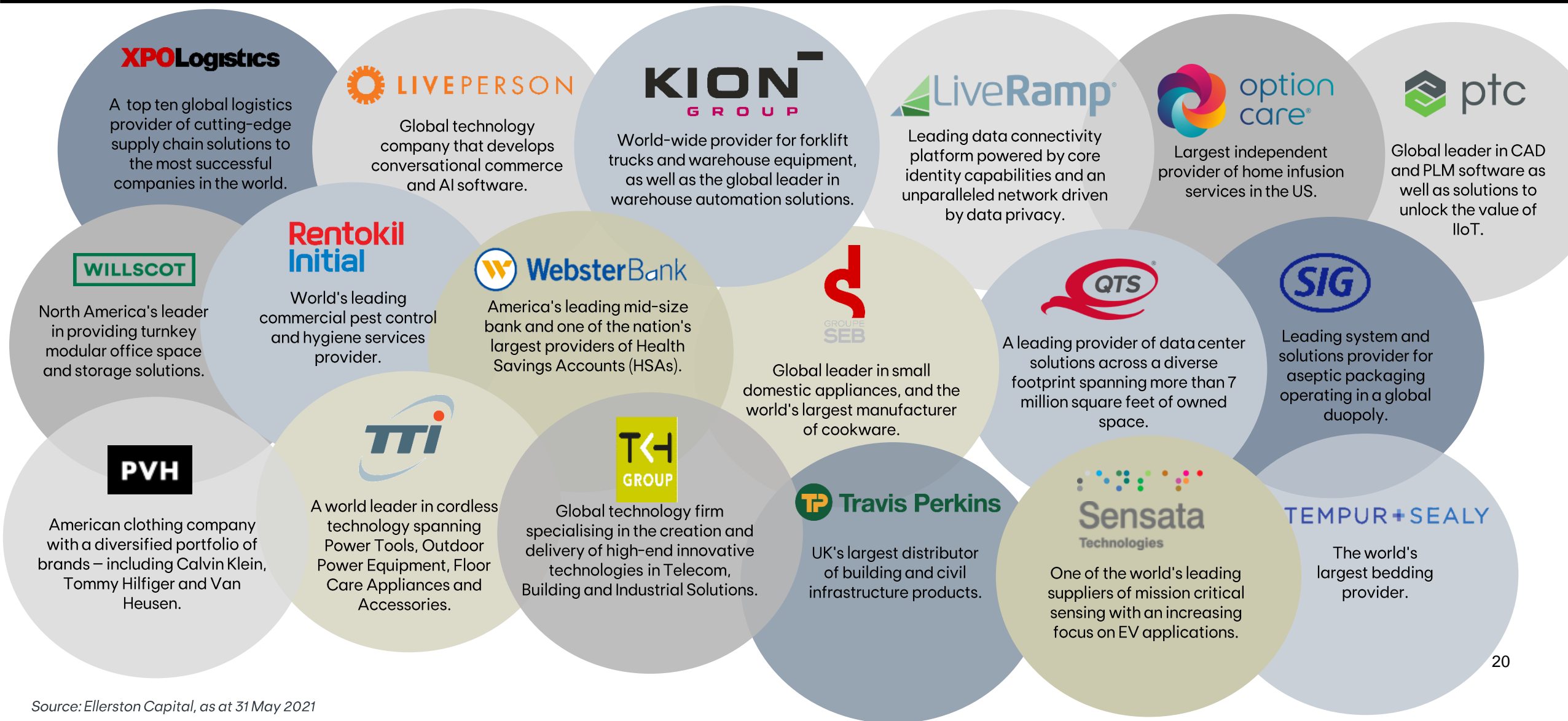
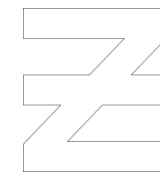


Q&A

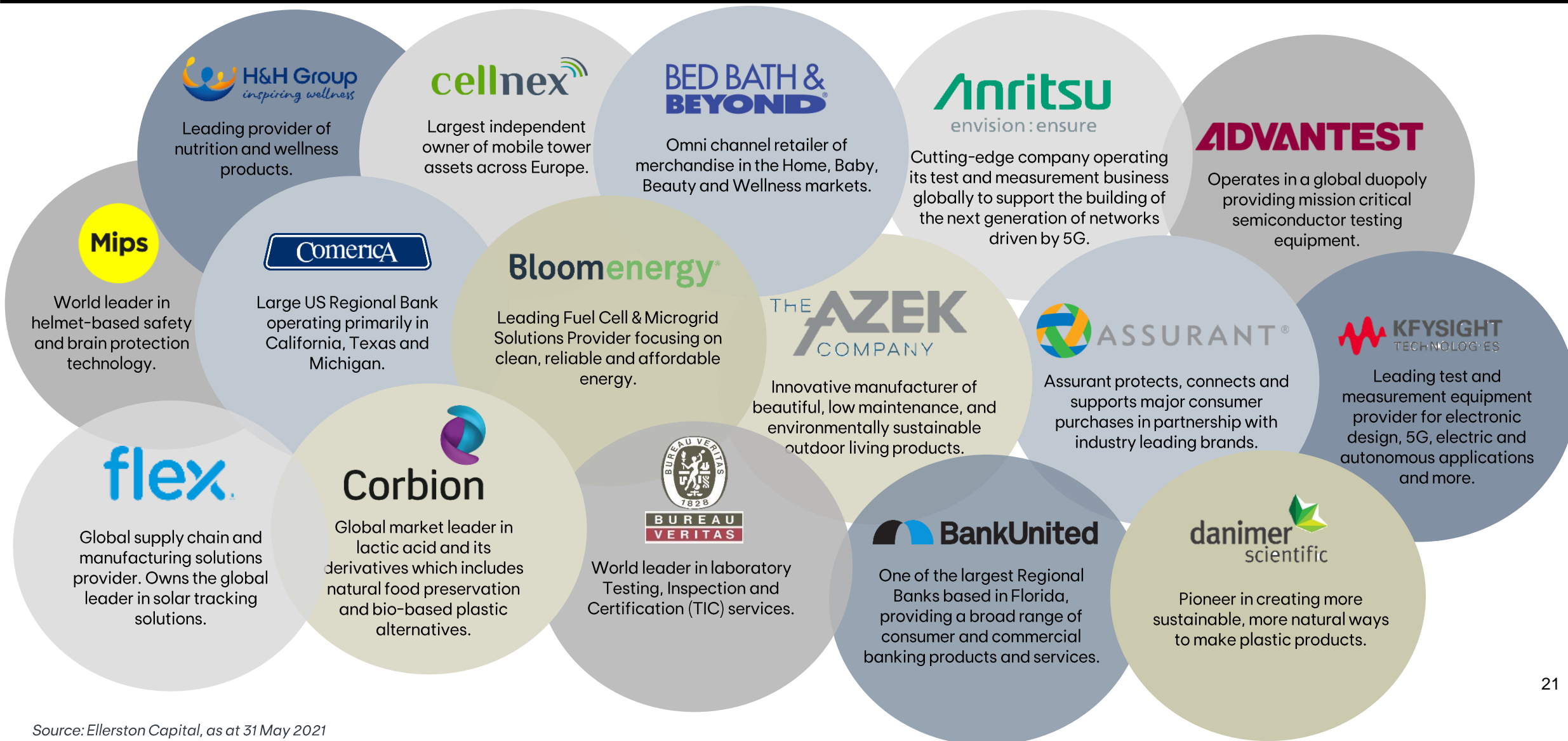
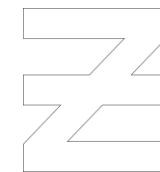


Appendix

Portfolio Holdings



Portfolio Holdings



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Ellerston Capital

Sydney

Level 11

179 Elizabeth Street Sydney,
NSW 2000

info@ellerstoncapital.com

+612 9021 7701

Melbourne

Level 4

75-77 Flinders Lane, Melbourne
VIC 3000

info@ellerstoncapital.com

+612 9021 7701