



Ellerston Australian Absolute Return Fund

Performance Report, June 2021

Investment Objective

The Fund targets absolute returns with an annualised return objective of 5% above the RBA Cash Rate over rolling five year periods.

Investment Strategy

The Fund seeks to provide investors with a return profile that has a low correlation with traditional asset classes. The Fund aims to generate positive returns in all market environments by reducing the majority of market risk and focusing on capital preservation and alpha generation.

Key Information

Fund Inception**	3 June 2013
Application Price	\$1.2051
Net Asset Value	\$1.2021
Redemption Price	\$1.1991
Liquidity	Daily
Management Fee	1.20% p.a.
Performance Fee	20% of outperformance
Buy/Sell Spread	0.25% on application/ 0.25% on redemption

PERFORMANCE SUMMARY

Performance	1 Month	3 Months	6 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception (p.a.)**
Net^	-0.14%	3.73%	5.31%	25.32%	7.60%	6.07%	8.47%
Benchmark*	0.01%	0.02%	0.05%	0.15%	0.77%	1.06%	1.53%
Alpha	-0.15%	3.70%	5.26%	25.17%	6.84%	5.01%	6.94%

^ Net return figure is calculated after fees & expenses. Past performance is not a reliable indication of future performance
* RBA Cash Rate

PORTFOLIO CHARACTERISTICS

Key Portfolio Metrics

Positive months	68%	Net Equity Exposure	32%
No. Relative Value positions	2	Gross Portfolio Exposure	44.1%
No. Special Situations	47	Correlation Coefficient (vs ASX 200 Accum)	52.88%
Beta Adjusted	31.7%	Net Sharpe Ratio (RFR = RBA Cash)	0.77

Sector Allocation

Sector	Long Equity	Short Equity	Net Equity
Financials	6.4%	-0.9%	5.5%
Industrials	29.2%	-3.0%	26.2%
Resources	2.5%	-1.9%	0.6%
Index	0.0%	0.0%	0.0%
Total	38.1%	-5.8%	32.3%

ACTIVITY

Centuria Capital / Primewest Group

Centuria Capital, one of our higher conviction positions continued to grind higher during June as it successfully completed its merger with Primewest Group (PWG), creating an almost \$16b real estate funds management business. In addition to the material earnings per share accretion, the merger enhances sector diversification (with the addition of agriculture, daily needs retail and large format retail), additional geographies (primarily Western Australia) opening up a wider variety of organic and inorganic opportunities. The deal also builds on the company's distribution capability, with PWG bringing a network of over 900 high net worth investors.

Contribution

Relative Value Gross Contribution 0.08%

Positive	Negative
KAROON GAS AUSTRALIA LTD (AU) – SANTOS	0.08%

Special Situations Gross Contribution -0.13%

Positive	Negative		
FAMILY ZONE CYBER SAFETY (AT*)	0.35%	IMPEDIMED LTD (AU)	-1.10%
CATAPULT GROUP INTERNATIONAL (AT*)	0.30%	FORTESCUE METALS GROUP LTD (AU)	-0.09%
ATOMOSLTD (AT*)	0.11%	WISETECH GLOBAL LTD (AT*)	-0.07%
ONEVIEW HEALTHCARE PLC-CDI (AT*)	0.10%	CARBON REVOLUTION LTD (AT*)	-0.06%
JAPARA HEALTHCARE LTD (AT*)	0.09%	SILVER LAKE RESOURCES LTD (AT*)	-0.06%

Positions

Top 10 Relative Value Positions

KAROON GAS AUSTRALIA LTD - SANTOS

Top 10 Special Situation Positions

IMPEDIMED LTD (AU)

ATOMOSLTD (AT*)

CATAPULT GROUP INTERNATIONAL (AT*)

CENTURIA CAPITAL GROUP (AT*)

FAMILY ZONE CYBER SAFETY (AT*)

EARLYPAY LIMITED - IPO

PROPEL FUNERAL PARTNERS LTD (AT*)

KINA SECURITIES LTD (AT*)

BLUESCOPE STEEL LTD (AU)

GENERATION DEVELOPEMENT GRP LTD

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Find out more

Should investors have any questions or queries regarding the Fund, please contact our Investor Relations team on **02 9021 7701** or info@ellerstoncapital.com or visit us at ellerstoncapital.com

All holding enquiries should be directed to our register, Link Market Services on **1800 992 149** or ellerston@linkmarketservices.com.au

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