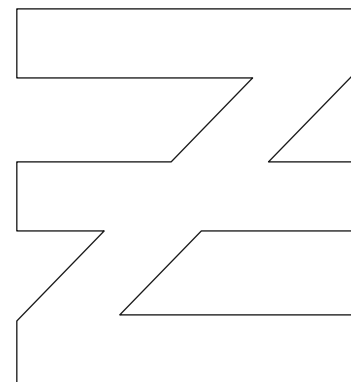


Ellerston Pre-IPO Fund



Performance Report, September 2021

Investment Objective

The investment objective of the Fund is to generate a positive return above a Hurdle Return of 6% p.a. net of fees.

Investment Strategy

The Manager uses a fundamental, research driven investment strategy to provide returns above the Hurdle Return that are not correlated to listed equity markets. The Manager undertakes fundamental research to selectively identify and invest in quality companies focus on investments in Pre-IPO, IPO, Unlisted Expansion Capital and Listed Microcap Companies, predominantly in Australia but also covering OECD and developed countries.

Key Information

Inception Date*	31 March 2020
Portfolio Manager(s)	David Keelan & Alexandra Clarke
Application Price	\$0.8922
Net Asset Value	\$0.8922
Redemption Price	\$0.8922
No Stocks	19
Hurdle Return	6% p.a. net of fees
Management Fee	1.50%
Performance Fee	20% of the investment return above the Hurdle Return for each financial year, calculated and accrued quarterly
Distributions	Annually

Performance Summary

Performance	3 Months	6 Months	1 Year	Since Inception (p.a.) [^]
Ellerston Pre-IPO Fund [^]	3.22%	5.14%	9.36%	12.79%

[^] The net return figure is calculated after fees & expenses. Past performance is not a reliable indication of future performance

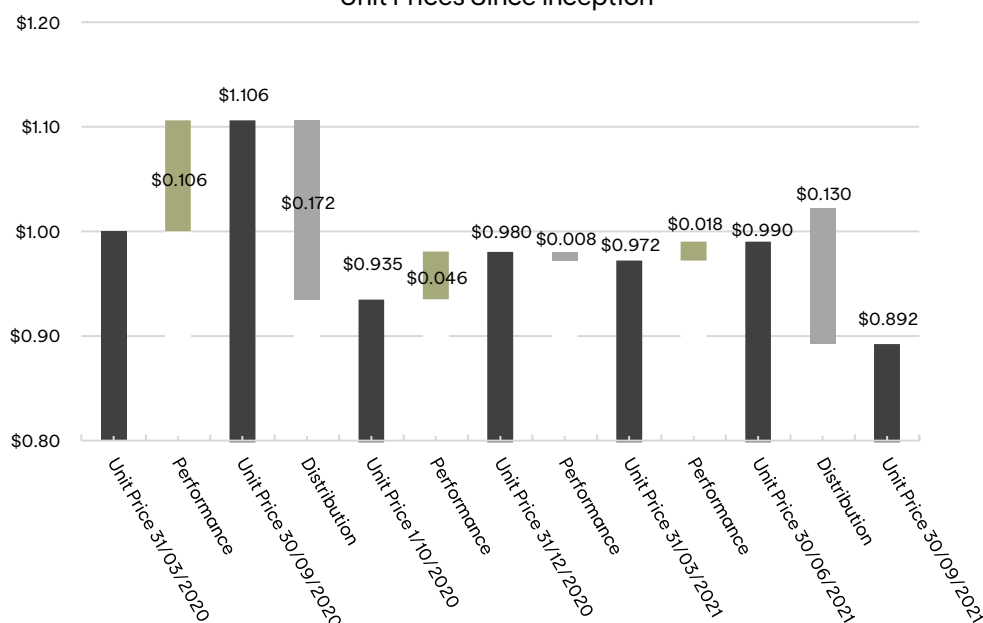
Market Commentary

The September quarter saw the Small Ordinaries (XSO) gain 3.4%, despite some volatility during the period with the index up to 6% at its peak. During the quarter the market was impacted by a number of issues which included concerns around 1) rising bond yields as the US looks to reduce its stimulus spend; 2) the US debt ceiling; 3) China's property market given Evergrande's potential debt default; and 4) the impact from shortages due to both supply chains and ability to access energy.

Fund News

During the September quarter the Ellerston Australian Pre-IPO Fund generated a return of 3.22%. Post balance date the Fund also paid out its second distribution of \$0.13 from proceeds from our Booktopia (BKG AU) investment.

Unit Prices Since Inception



Source: Ellerston Capital.

Below we outline one new investment and two follow-on investments that the Fund made during the quarter.

SecureCo – is a business providing a Communications Platform as a Service (CPaaS) for enterprise contact centres in Australia and NZ. SecureCo has software that ensures businesses can deliver secure and compliant enterprise voice, over-the-phone payments and analytics software for contact centre data. This ensures the customer service process for contact centres is executed in a secure and compliant way that in turn improves the customer experience. SecureCo is founder-led, with a strong management team who have a meaningful experience in this industry segment. Given its business model, SecureCo has a large proportion of recurring revenues from some of the largest businesses across the Australian insurance, utilities, retail and banking/finance segments. Given the modernisation and cyber security tailwinds the contact centre industry is currently seeing, combined with product and sales team investment, we expect SecureCo can accelerate its sales growth which will reduce this sales multiple. We invested via a convertible note structure at a A\$70m valuation.

Low6 - We made our first investment into Low6 in late 2020 with a £19m valuation cap. The company leverages its exclusive partnership with Yinzcam, and is rolling out its applications to professional sporting teams and franchises across the globe. It is having huge success with its recently launched Ultimate Fan app, and recently announced partnerships with the PGA tour and Pointsbet, along with the NFL's Jacksonville Jaguars. In July 2021, the company undertook a subsequent capital raise at a £32m valuation cap which we participated in.

Marketplacer – is a global technology Software as a Service (SaaS) platform which enables its customers to create and transform into marketplaces. Recognised as one of the world's leading providers of online marketplace software, Marketplacer offers a plug-and-play platform that facilitates the capability to create marketplaces for products, services, events, and bookings. In today's environment, retailers, brands, distributors, franchises and communities are implementing marketplace strategies that scale beyond physical stores and inventory holdings. They are implementing strategies such as shipment from drop-ship sellers, adding new categories, third party range extension, consolidating markets and rolling out modern revenue models like recurring memberships. By partnering with Marketplacer, customers save time and scale faster. Businesses can seamlessly transform through connecting owned inventory and extend their offering by adding 3rd party products that rapidly increase product range, consumer experience and revenue. We made our first investment into Marketplacer in the September quarter of 2020 at a A\$68m valuation. Over the past twelve months, Marketplacer has continued to go from strength to strength not only bringing on new channel partners but strategic investors as well. In September 2021, Marketplacer undertook another capital raise at a A\$180m valuation which we happily supported. Given the fact that a significant transaction has occurred in Marketplacer with industry players also supporting the current raise, our Independent Valuation Committee has determined that our carrying value for our initial investment should be written-up to the most recent capital raise price.

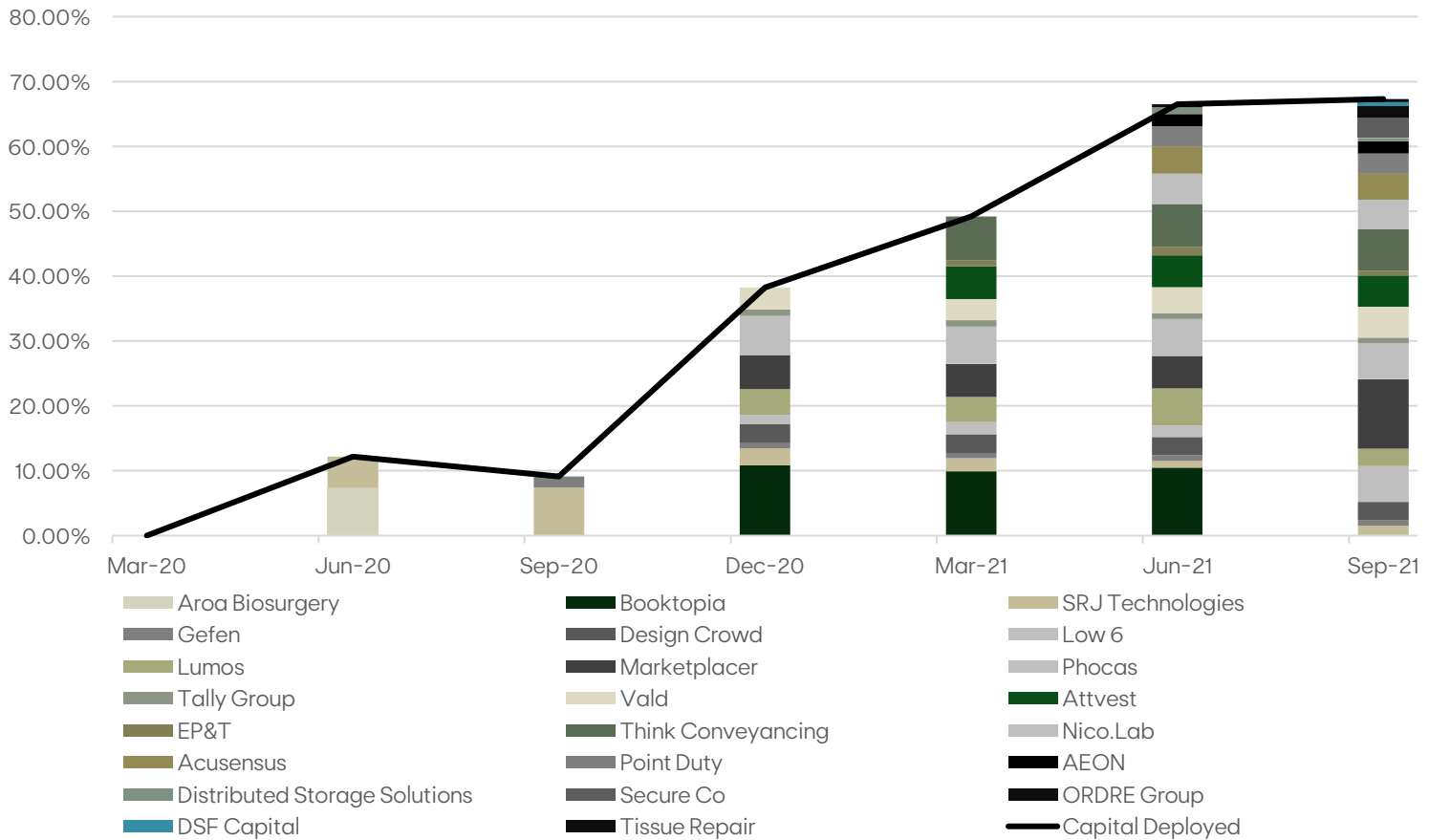
Top 5 Holdings Summary

SECURITY	PORTFOLIO WEIGHT
MARKETPLACER	10.71%
THINK CONVEYANCING (DEEP BLUE COMPANY)	6.41%
PHOCAS GROUP	5.50%
ATTVEST (CAPEVEST)	4.77%
NICO.LAB	4.59%
OTHER CAPITAL DEPLOYED*	33.30%
CASH	34.71%
TOTAL	100.00%

Source: Ellerston Capital. *Other capital deployed includes additional 15 holdings.

Capital Deployed

Capital Deployed



Source: Ellerston Capital.

Outlook

Total funds under management for the Ellerston Pre IPO Fund were A\$54.5m at 30 September 2021. The Fund held A\$19m of cash at the end of September which is available for investments, alongside the current listed investments of SRJ Holdings, Lumos and EP&T. We find when markets are slightly more volatile it provides us with better opportunities in the unlisted space, as vendor expectations around valuations are more realistic. Consequently, we are currently in the late stage of due diligence on a number of potential new investments which could see us deploy a further c10% of the book.

Our philosophy around pre IPOs is very simple. We are looking for high quality businesses that have clear pathways to IPO, offering opportunities to achieve superior returns with minimal correlation to the market. We are looking to achieve a 20% IRR and given the current state of the market we believe we are well placed to deliver on this target.

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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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