



Portfolio of companies which are directly or indirectly, demonstrating a pathway to aiding the abatement of carbon within Australia and the global economy.



Targets unlisted (pre-IPO and expansion capital) and listed (micro and small-cap) companies which have sound business franchises and attractive earnings profiles.



Aims to outperform the Benchmark over a rolling three-year period.

Performance Summary

Performance	1 Month	3 Months	CYTD	1 Year	Since Inception (p.a.) ^{^^}
Net [^]	5.99%	-1.09%	3.12%	0.52%	-2.61%
Benchmark*	8.55%	-4.18%	2.64%	-0.83%	-2.08%
Alpha	-2.56%	3.09%	0.48%	1.35%	-0.53%

[^] The net return figure is calculated after fees & expenses assuming all distributions are reinvested. Past performance is not a reliable indication of future performance.
^{*} S&P/ASX Small Ordinaries Industrials Accumulation Index. ^{^^} Inception date is 30 May 2022.

Key Information

Portfolio Manager(s)	David Keelan & Alexandra Clarke
Investment Objective	To outperform the Benchmark over a rolling three year period.
Benchmark	S&P/ASX Small Ordinaries Industrials Accumulation Index
Target Number of Holdings	Unlisted/Pre-IPO Investments – 10-30 Listed Micro & Small Cap Investments – 25-40
Total Number of Holdings at Month End	43
Distribution Frequency	Half-Yearly (where available)
Management Fee	1.50% p.a.
Performance Fee ¹	20.00%
Buy/Sell Spread	0.38% / 0.38%

¹Of the investment return above the benchmark, after recovering any underperformance in past periods.

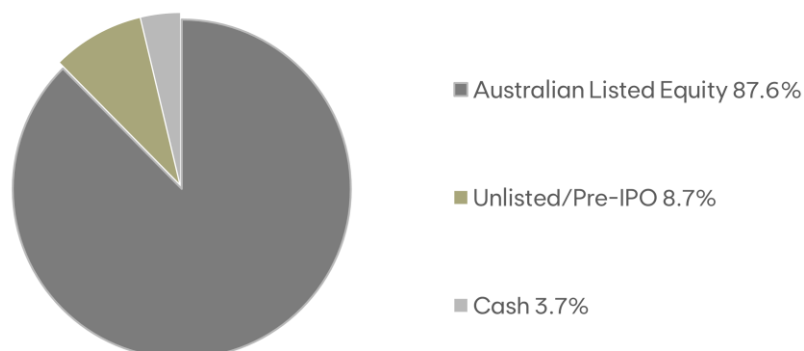
Holdings Summary

Company	Portfolio Weight
Aussie Broadband Ltd.	5.64%
RPMGlobal Holdings Ltd	5.52%
Hansen Technologies Limited	4.68%
Phocas Group Pty Ltd	3.70%
Imdex Ltd	3.53%
Other Capital Deployed [^]	73.21%
Cash	3.72%
Total	100.00%

Source: Ellerston Capital. [^]Other Capital Deployed includes an additional 38 holdings.

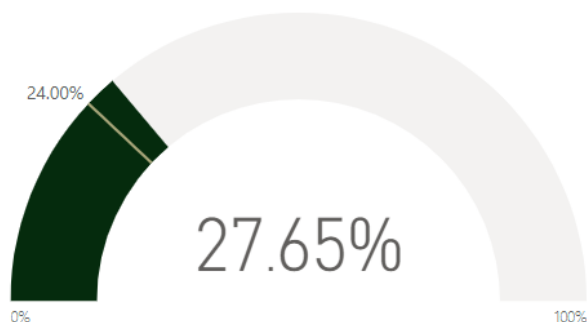
Source: Ellerston Capital. [^]Other Capital Deployed includes an additional 39 holdings.

Portfolio Breakdown

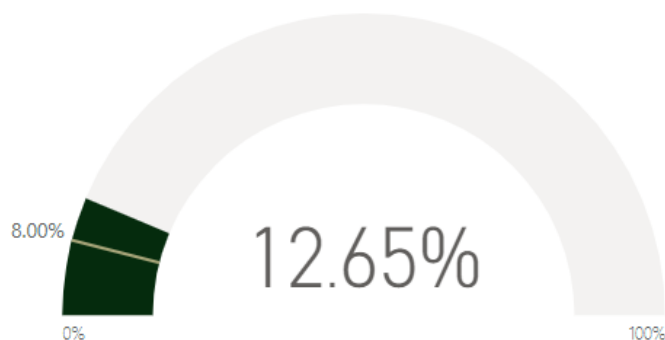


Source: Ellerston Capital.

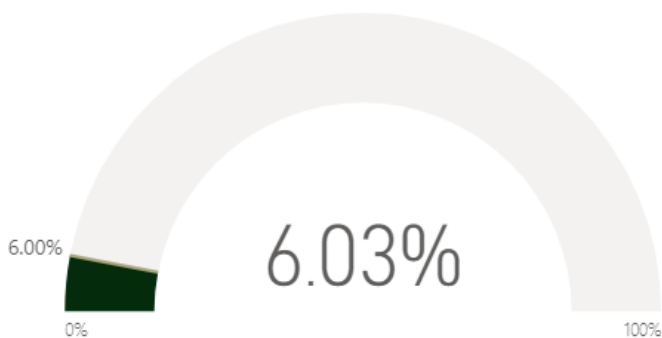
Value of Portfolio Reporting vs. Number of Companies Reporting on Scope 1 and 2*



Value of Portfolio Reporting vs. Number of Companies Reporting on Scope 3*



Value of Portfolio Reporting vs. Number of Companies Reporting According to TCFD^*



*Please note the % represented by the line is the number of companies reporting and the shaded area (green) is the total holding value of the portfolio that the companies represent.

^Source: Task Force on Climate-Related Financial Disclosure

COMMENTARY

The Ellerston 2050 Fund delivered 5.99% in November, relative to the S&P/ASX Small Industrials Accumulation Index which returned 8.55%. The market rebounded strongly in November as we saw bond yields pull back from the October highs and AGM trading updates weren't as bad as feared. From a sector perspective, tech stocks and higher risk biotechs really took off as the risk trade was clearly on. This was evident in Smalls outperforming Large Caps with the ASX 100 up only 4.3%. During the month, we also saw the RBA raise rates by 25bps and monthly CPI dropping to 4.9% YoY, which was below market expectations.

Turning to the portfolio, it was a catalyst rich month. We had numerous trading updates given AGM season and some selective M&A. One such stock is IPD Group (IPG AU), which is an electrical hardware distributor at its core, differentiated by its expertise in product assembly and customized solutions. Adding to its service offering, IPG provide services around the full life cycle of EV charging as well as complete electrical engineering and service provider specialising in high and low voltage products. IPG closed the month up 28% after providing a solid trading update as well as 1H FY24 guidance. Commentary around the guidance suggests that the positive trading momentum is continuing, and the outlook of the market looks positive, buoyed by the electrification of the economy and a number of significant project commencements in the second half of FY24. To top off this positive trading update, IPG also announced a highly accretive (c.30%) acquisition of CMI Operations for a total consideration of \$101m. CMI Operations is a leading distributor of electrical cables and manufacturer and distributor of plug brands in Australia. This acquisition is significant in that it offers many synergistic opportunities in adjacent verticals to where IPG plays. The company estimates this acquisition to be 30% EPS accretive excluding any potential synergies it may be able to extract. We continue to hold IPG as a high conviction position and see them as a leading facilitator to the electrification of Australia as we look to hit the 2050 emissions milestones laid out.

Close the Loop Group (CLG AU) is an end-to-end solutions provider from design and manufacturing through to collection and recycling of products. CLG currently offer products and services in two distinct segments: resource recovery and packaging. Over the course of November, CLG gained 13%. Earlier this year, CLG made a significant acquisition to further expand its resource recovery capabilities in the USA with the purchase of ISP Tek Services, offering refurbishment services to the largest OEM in that market in HP Inc. In November, CLG announced that it had extended its contract with HP for an additional 3 years versus the prior agreement of a rolling one-year contract. The agreement saw CLG add the Hyper X product line into the standard set of products exclusively handled by ISP Tek Services as the trial period had concluded. We see this revenue share contract with HP to be a significant win for CLG as it significantly de-risks the company from a contact renewal perspective, shares the margin risk with HP and cements its relationship further as they look to take this operating model in Europe and Australia. We see significant opportunities for growth for CLG, particularly in Europe in the near term as regulation forces OEMs to increase its proportion of recycled goods sold. The stock remains a core position in the fund and will help decarbonize by using recyclable and low emissions products in their production.

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All holding enquiries should be directed to our register, Automic Group on 1300 101 595 or ellerstonfunds@automicgroup.com.au.

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