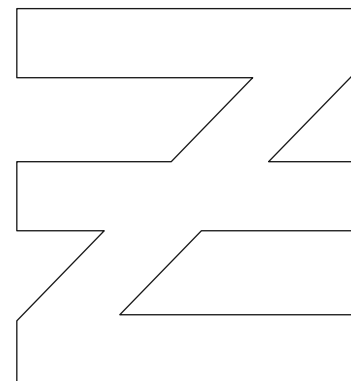


Ellerston Pre-IPO Fund



Performance Report, December 2023

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	\$0.7726
Net Asset Value	\$0.7726
Redemption Price	\$0.7726
No Stocks	18
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

Market Commentary

The December quarter saw the S&P/ASX Small Ordinaries (XSO) rally +8.52% for the period. October saw a sharp market sell-off with concerns around ongoing inflation and the potential for further rate hikes. The sharp rise in bond yields reversed in November, which saw the benchmark rally over 7%. December was a similar narrative with the benchmark gaining another 7% on the back of expected 2024 rate cuts. Expectations around rates normalising saw heightened M&A activity, with the likes of Link Administration, Adbri, Perpetual, Volpara Health and Probiotec all announcing takeover activity late in the quarter.

Fund News

During the December quarter the Ellerston Australian Pre-IPO Fund generated a return of 1.74%. At the end of the quarter, 11.68% of the book was listed and exposed to market movements.

December Update

During the quarter a number of our investments provided updates.

NicoLab received FDA clearance for its CT Perfusion algorithm. Nicolab specialises in artificial intelligence solutions for emergency care, with a focus on stroke. This FDA clearance is important as it provides the group with a full workflow solution for the US market and allows the group to ramp up commercial activities in the US this year. The business is well placed to deliver meaningful ARR growth as it expands further into the US and European markets.

In other news one of our larger positions, Attvest, provided a company update in late December. The group is tracking ahead of budget for originations, revenue and earnings for the first quarter and the company remains very comfortable with its FY24 budget expectations. Following the quarterly update, Attvest executed its new warehousing facility providing significantly more capacity. As a result, the group declared an interim and final dividend and we expect further capital management into CY24. To-date, 30% of our investment has been recouped in the form of fully franked dividends.

During the quarter, Mason Stevens undertook a non-deal roadshow for a proposed IPO. While demand was strong, it was ultimately decided not to proceed with an IPO at the end of CY23 given volatility in the markets in October. Given the strength of other platform players (HUB/NWL) we would anticipate that the company will look at another opportunity in C24 to IPO. Like many of our investments we continue to hold Mason Stevens at cost.

Outlook

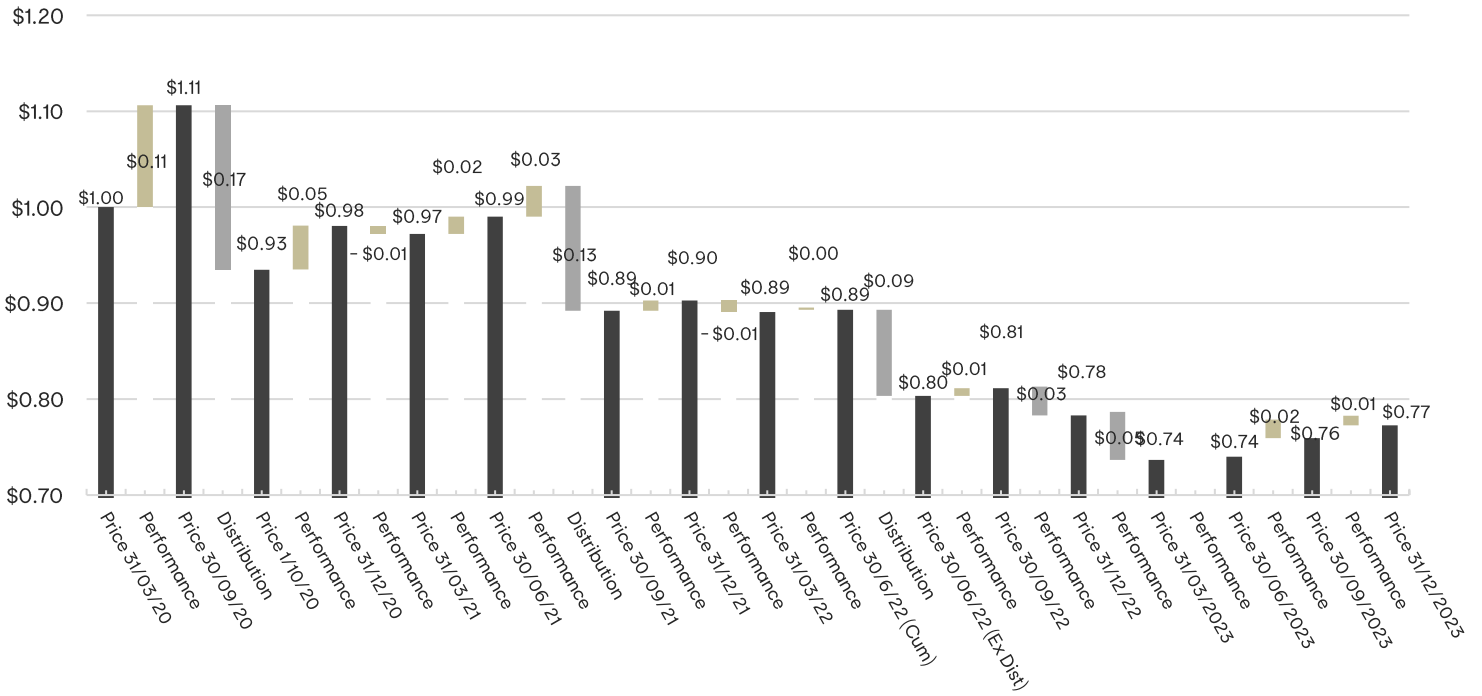
At this stage, inflation is seemingly normalising and interest rates are stabilising. This should lead to increased IPO and M&A activity which is expected to benefit our returns and exit opportunities for existing – and potential new – investments.

Performance Summary

Performance	3 Months	6 Months	1 Year	2 Years (p.a.)	Since Inception (p.a.)*
Ellerston Pre-IPO Fund [^]	1.74%	4.26%	-1.31%	-2.43%	4.07%

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

Unit Prices Since Inception



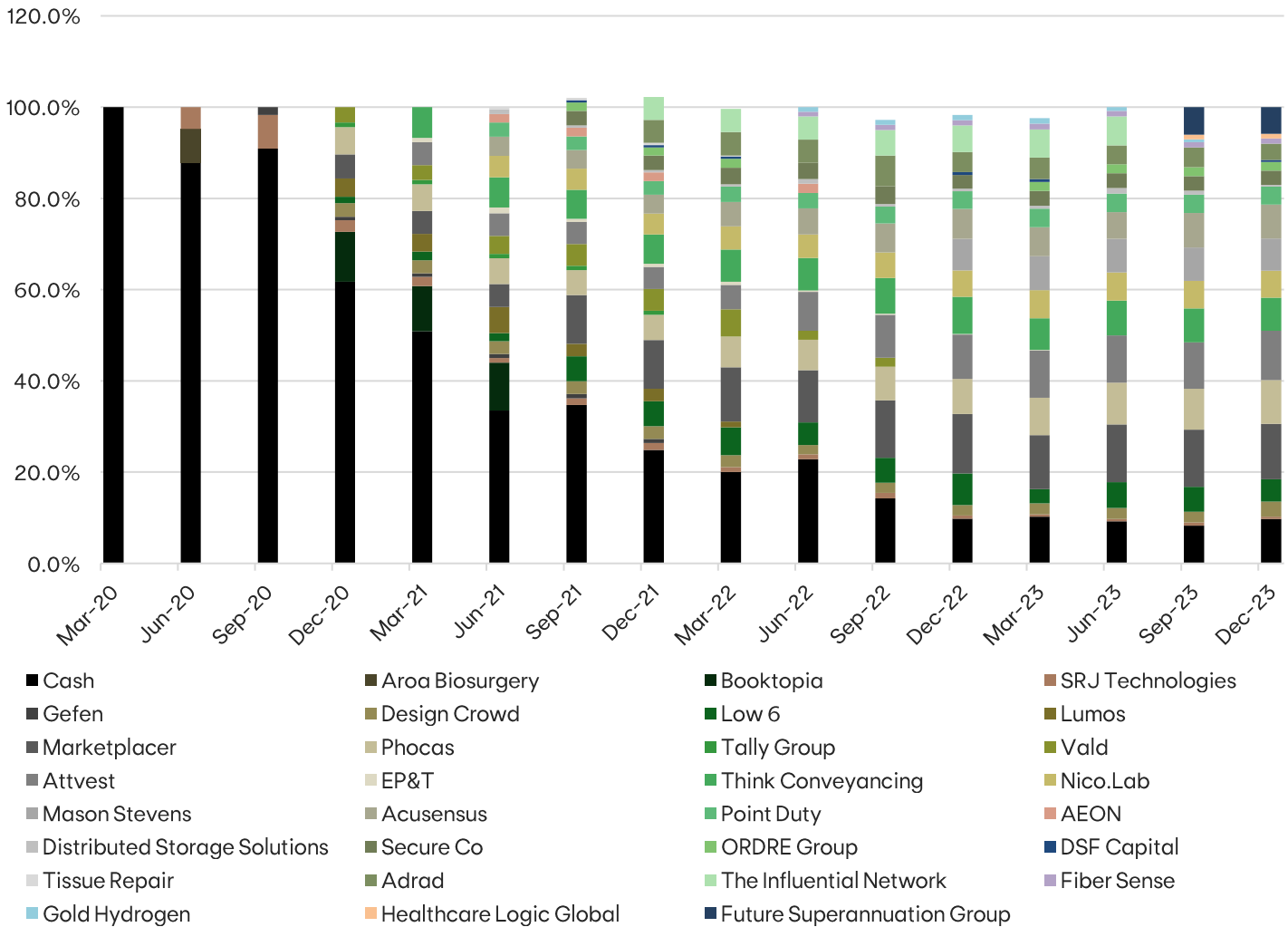
Source: Ellerston Capital.

Holdings Summary

SECURITY	PORTFOLIO WEIGHT [^]
MARKETPLACER	12.26%
CAPEVEST	10.95%
PHOCAS	9.73%
ACUSENSUS	7.57%
DEEP BLUE	7.36%
OTHER CAPITAL DEPLOYED*	43.47%
CASH	8.66%
TOTAL	100.00%

Source: Ellerston Capital. *Other capital deployed includes additional 13 holdings. ^Portfolio weights are calculated excluding the impact of distribution.

Capital Deployed



Source: Ellerston Capital.

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, Automic Group on **1300 101 595** or ellerstonfunds@automicgroup.com.au

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