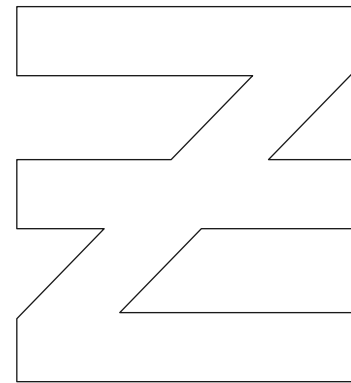


Ellerston Pre-IPO Fund



Performance Report, September 2024

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	\$0.7461
Net Asset Value	\$0.7461
Redemption Price	\$0.7461
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

Market Commentary

The September quarter saw the S&P/ASX Small Ordinaries Accumulation Index (XSO) rise 6.5%. After a poor second quarter of the calendar year, equity markets more than recovered in the third. This was largely driven by the beginning of the rate-cutting cycle, particularly in the US. The quarter began with a relatively uneventful July, with soft CPI prints leading the RBA to ease slightly on their previously hawkish position. As a result, markets rallied as bond markets priced in a very low probability of further rate hikes within the Australian market. During August, the market pulled back from a strong July, with early US jobs data spooking capital markets with softer-than-expected figures. The heavy focus in listed markets turned to FY24 reporting for the month, with Technology, Consumer Discretionary and Financials the obvious winners from the period. September saw a couple of significant macro events transpire, with the US announcing a 50-basis point rate cut and China announcing a significant stimulus package. As a result, we saw strength in the iron ore price in particular, with the Australian iron ore majors being the significant beneficiary along with the broader market.

Fund News

During the September quarter, the Fund returned 3.0%. This performance was driven by increases in listed company Acusensus, business software provider Phocas and offset by a revised holding value for health-tech company Nicolab. At the end of the quarter, 12% of the book was listed and exposed to market movements.

The total cash returned to investors is 0.4228 cents per unit since inception of the fund on 31 March 2020.

September Update

There were several items of news flow during the quarter. Acusensus (ACE AU) share price increased 41% for the quarter. This was primarily following the release of its FY24 results, which showed revenue of A\$49.6m (up 18% year-on-year) and adjusted EBITDA of A\$5.9m. Phocas continues to go from strength-to-strength, with Ellerston's Independent Valuation committee approving our increased holding valuation based on our fundamental view of fair value given the strong operating and financial performance of the business.

Outlook

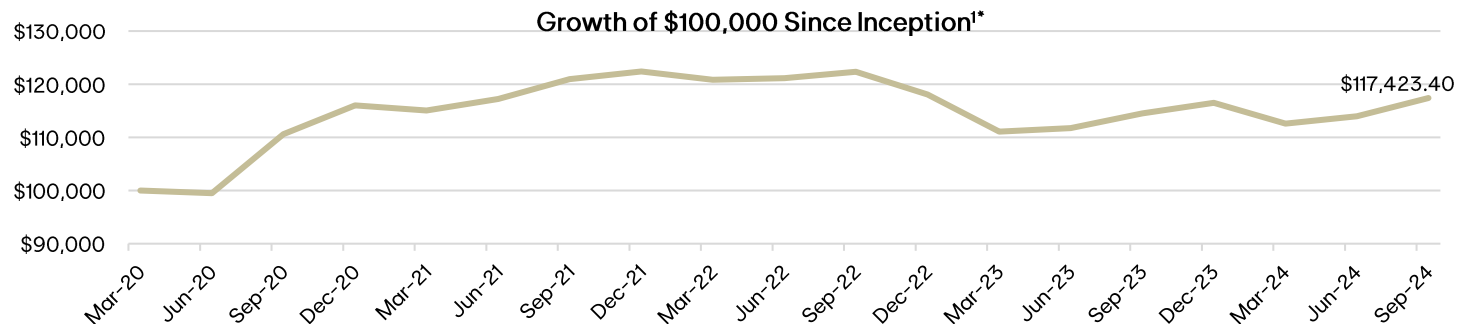
Positive market sentiment, especially at the smaller end of the market, leaves us positive around the outlook for the Fund. While it has been a challenging period for small caps more recently, we have begun to see corporate activity pick up in a more meaningful way. There has been a notable uptick in IPO activity, with a number of businesses expected to list before Christmas. Additionally, capital raises to fund organic and inorganic growth plans have been well supported. With companies (both targets and acquirers) being able to now price debt, we expect M&A activity to continue. The above factors are expected to benefit the fund over coming periods.

Performance Summary

Performance	3 Months	6 Months	1 Year	2 Years (p.a.)	3 Years (p.a.)	Since Inception (p.a.)*
Ellerston Pre-IPO Fund [^]	3.02%	4.30%	2.53%	-2.04%	-0.99%	3.56%

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

*Inception date of the strategy 31 March 2020



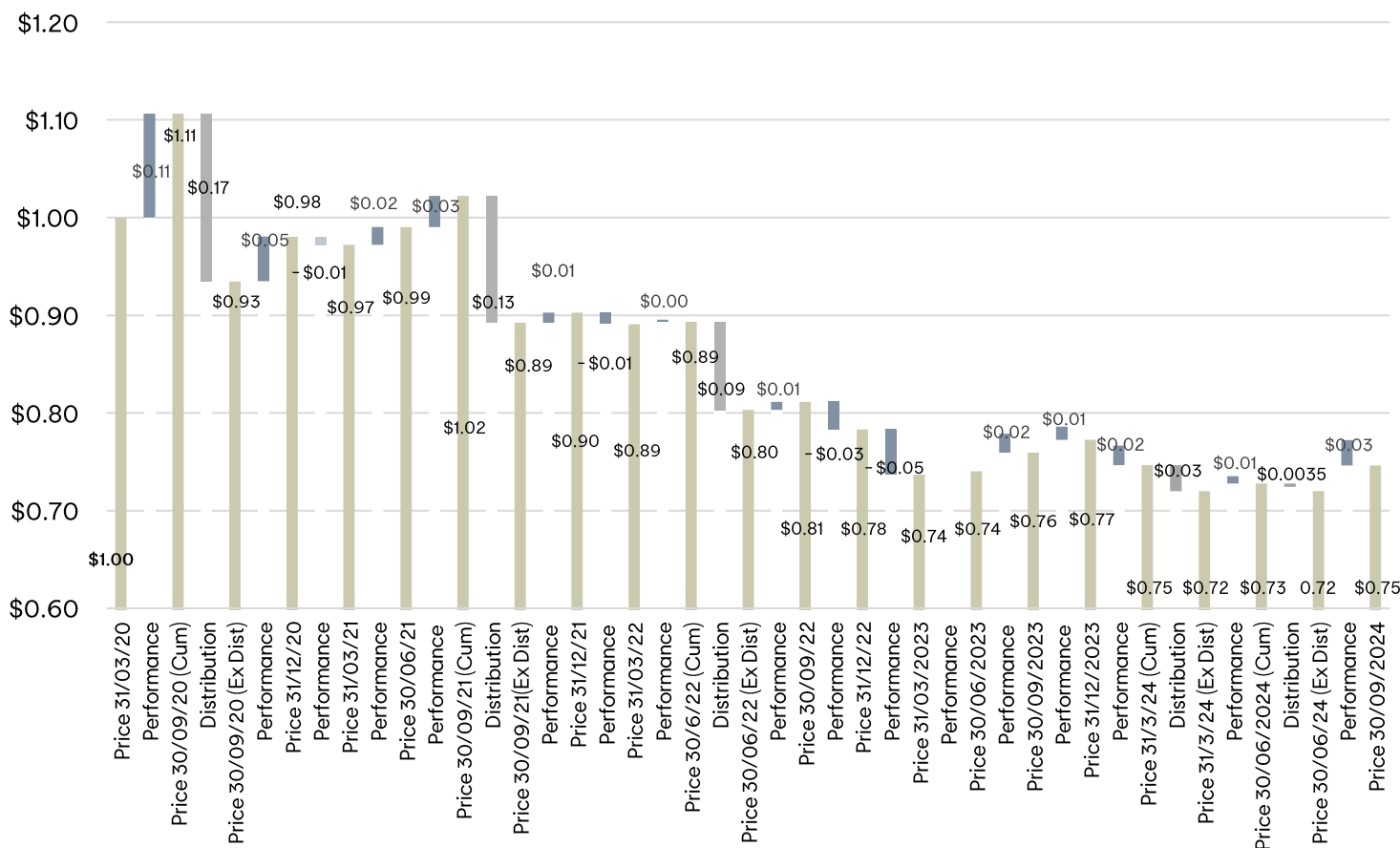
¹Based on net return figures. Past performance is not a reliable indication of future performance.

*Inception date of the strategy 31 March 2020

Our approach to holding valuations...

We think it is important to reiterate how assets are held and valued within the portfolio. We know that market conditions have resulted in a slow-down in primary and secondary equity markets. While this may have a potential impact on the timing of some of our liquidity events, the majority of our investments are held at cost or lower. This reflects our conservative approach and means the Fund is well placed when our expected liquidity events occur. The Fund also has a process of reviewing the holding valuations of its investments, which is overseen from an external valuation committee including a quarterly review of all positions held within the fund.

Unit Prices Since Inception^{*}



Source: Ellerston Capital. *Inception date of the strategy 31 March 2020.

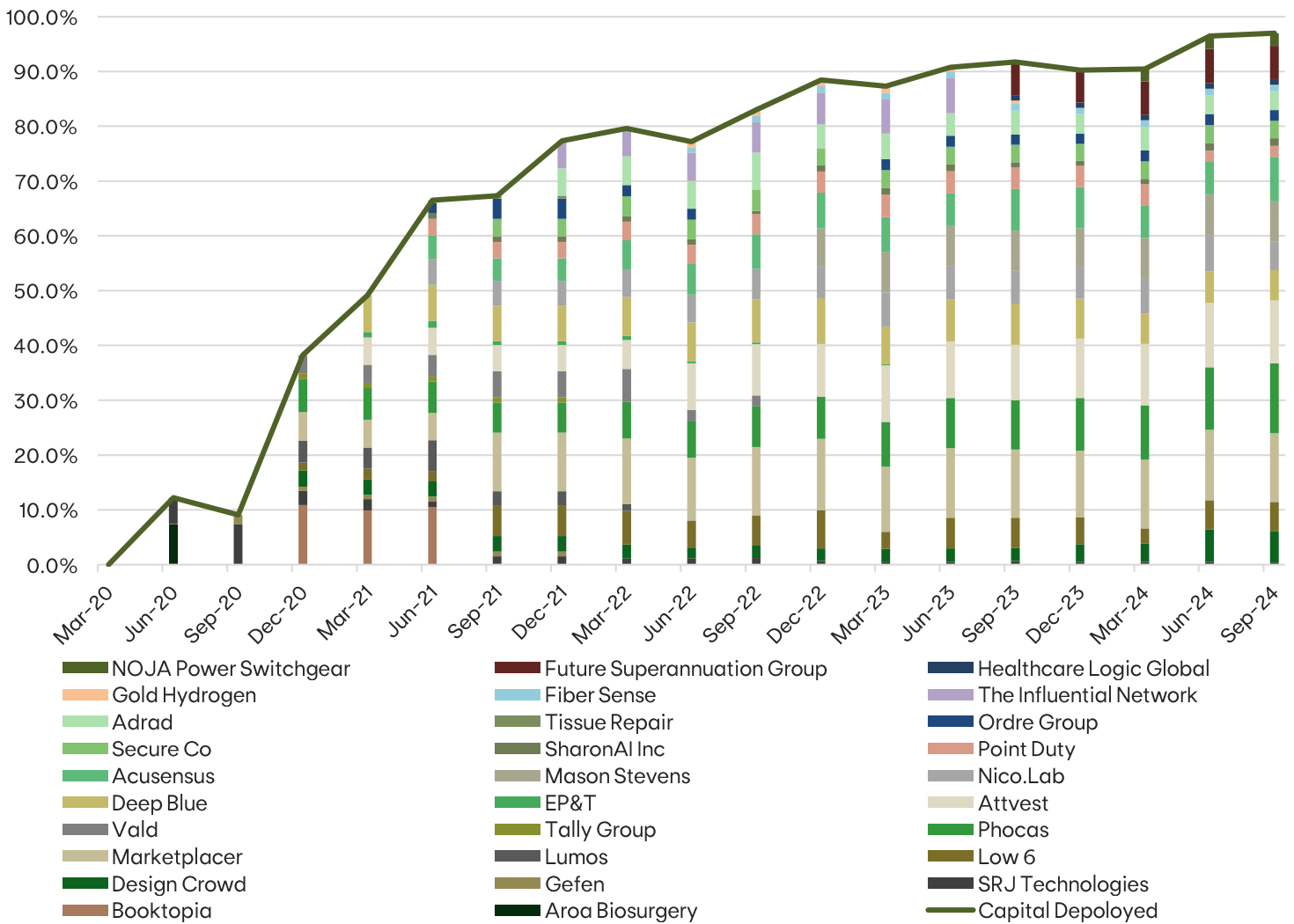
Holdings Summary

SECURITY	PORTFOLIO WEIGHT [^]
PHOCAS GROUP PTY LTD	12.74%
MARKETPLACER HOLDINGS	12.54%
CAPEVEST INVESTMENT FUND	11.46%
ACUSENSUS LTD	8.13%
MASON STEVENS GROUP PTY LTD	7.30%
OTHER CAPITAL DEPLOYED*	44.82%
CASH	3.01%
TOTAL	100.00%

Source: Ellerston Capital.

*Other capital deployed includes additional 14 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.

Contact Us

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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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