



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	6 Months	1 Year	Since Inception (p.a.)^^
Net^	2.3%	2.4%	10.9%	24.8%	9.1%
Benchmark*	-3.1%	-0.4%	7.1%	12.1%	6.3%
Alpha	5.4%	2.8%	3.8%	12.7%	2.8%

^ 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 Industrials Accumulation Index. ^^ Inception date is 30 May 2022.

Key Information

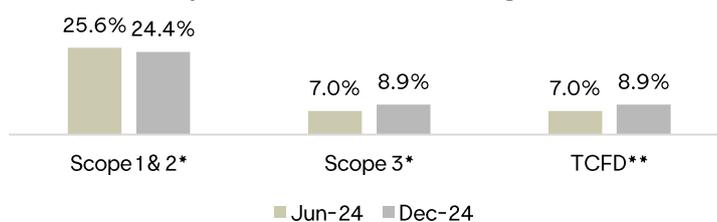
Portfolio Manager(s)	David Keelan & Alexandra Clarke
Investment Objective	To outperform the Benchmark over a rolling three year period.
Benchmark	S&P/ASX Small Industrials Accumulation Index
Target Number of Holdings	Unlisted/Pre-IPO Investments – 10-30 & Listed Micro & Small Cap Investments – 25-40
Total Number of Holdings at Month End	45
Distribution Frequency	Half-Yearly (where available)
Management Fee	1.50% p.a.
Performance Fee ¹	20.00%
Buy/Sell Spread	0.38% / 0.38%

Portfolio Breakdown

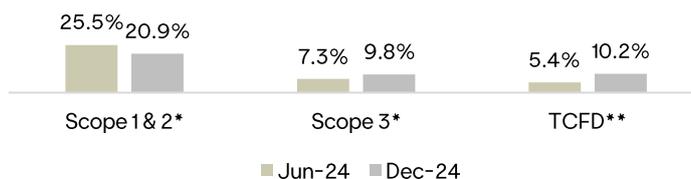


Source: Ellerston Capital

Number of Underlying Holdings Reporting on Scopes 1, 2 & 3, and according to TCFD¹



Value of Underlying Holdings Reporting on Scopes 1, 2 & 3, and according to TCFD²



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

¹Number of underlying holdings reporting on each measure, as a percentage of total portfolio holdings.

²Value of underlying holdings reporting on each measure, as a percentage of total portfolio value

*Source: Company Data

**Source: Task Force on Climate-Related Financial Disclosure

COMMENTARY

The Ellerston 2050 Fund outperformed the market by 5.35% to deliver 2.28% (net) in December. The S&P/ASX Small Industrials Accumulation Index finished down -3.07% for the month.

Two stocks that performed well in December were Acusensus (ACE AU) and Tuas (TUA AU).

Acusensus (ACE AU) closed the month up 23.3%. Within the month, ACE announced that they were the successful applicants for the supply of nation-wide mobile speed camera enforcement in New Zealand. This will be one of ACE's largest contracts, with an estimated value of up to NZ\$92m over the initial 5-year term, with two options of two additional years each following this period. In addition to this contract win, ACE also announced that the Queensland Department of Transport and Main Roads has expanded its contract, effectively doubling the number of trailers for mobile phone and seatbelt enforcement. This contract variation is expected to add around A\$27.4m in revenue over the initial 5-year term, being rolled out over the coming 18 months. Accompanying these contract wins was a capital injection to fund business development, purchasing of fixed assets, new product innovation and working capital. ACE's mobile road safety suite of products enables road law enforcement with fewer highway patrol vehicles, lowering emissions from the transport sector.

Tuas (TUA AU) performed well during the month of December, with share price growth of 14.0%, as well as recording an intra-month all-time high of \$6.56. Alongside their AGM materials on the 6th of December, TUA updated the market with their unaudited results from 1Q FY25. The mobile subscriber number continues to grow to over 1.1 million, with 6% growth quarter-on-quarter, taking their market share to over 11%. Another positive update was their progress on broadband, with subscribers now over 10,000 which was a meaningful acceleration from the last print. From a financials perspective, TUA released unaudited figures of \$35.5m revenue and \$16.1m of EBITDA in 1Q FY25, a 33% and 46% increase respectively on the PCP. The rollout of their fibre assets, as well as their mobile and broadband offering allow for a remote working environment, lowering emissions from the transport sector. With the continued growth of mobile subscribers and rapid start to their broadband rollout, we see more room for outperformance in FY25 and continue to hold TUA as a high conviction position within the portfolio.

On the unlisted side, our investment in Noja Power, a manufacturer of medium voltage electrical equipment has been performing above our expectations. Following a strong FY24, Noja has budgeted for EBITDA in FY25 to be 15% above previous assumptions. We have also seen a number of comparable transactions in specialist international electrical equipment manufacturers which has provided further clarity on valuation. As such, our holding valuation has been written up by 30% based on roll forward of earnings and the outperformance against our initial investment case.

Looking more broadly at CY 2024 the market focused on the US Election; as well as potential China stimulus (or not); concerns around inflation and where interest rates were going. Overall, we saw the S&P/ASX Small Ordinaries Accumulation Index finish the year up 8.36%, along with Small Industrials rallying 12.10% and Small Resources falling -1.97%. Over this period, the Ellerston 2050 Fund delivered 24.82% (net). We think the start of 2025 will be very similar to where we ended 2024, waiting for the Trump inauguration and seeing how the anticipated policies will flow through to our domestic market.

We would like to thank you for your support in 2024 and we will continue to focus on bottom-up stock picking and take the macro environment for what it is. We love to find mispriced, quality businesses which can deliver outsized returns. We look forward to the upcoming reporting season in February and getting back out on the road to hunt down new ideas.

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

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