

Ellerston Global Mid Small Cap Fund

Monthly Report as at 31 March 2025

APIR Code: ECL3306AU, ECL8388AU | ARSN 609 725 868



Concentrated portfolio of global mid small cap securities, built through a contrarian, high conviction, and benchmark independent approach.



Targets companies which the Portfolio Manager feels are in a period of "price discovery" and which offer an attractive risk/reward dynamic.



Aims to outperform the benchmark with a focus on risk management and capital growth.

Performance Summary – Class A

Performance	1 Month	3 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception (p.a.) ^{^^}
Net [^]	-5.69%	-6.34%	-1.16%	3.84%	9.73%	9.64%
Benchmark [*]	-3.21%	-0.90%	8.27%	10.10%	13.32%	10.46%
Alpha	-2.48%	-5.44%	-9.43%	-6.26%	-3.59%	-0.82%

Performance Summary – Class B

Performance	1 Month	3 Months	6 Months	1 Year	3 Years (p.a.)	Since Inception (p.a.) ^{^^}
Net [^]	-5.70%	-6.34%	0.30%	-1.21%	3.91%	6.94%
Benchmark [*]	-3.21%	-0.90%	8.14%	8.27%	10.10%	11.36%
Alpha	-2.49%	-5.44%	-7.84%	-9.48%	-6.19%	-4.42%

[^] The net return figure is calculated after fees & expenses, assuming all distributions are reinvested. Past performance is not a reliable indication of future performance.

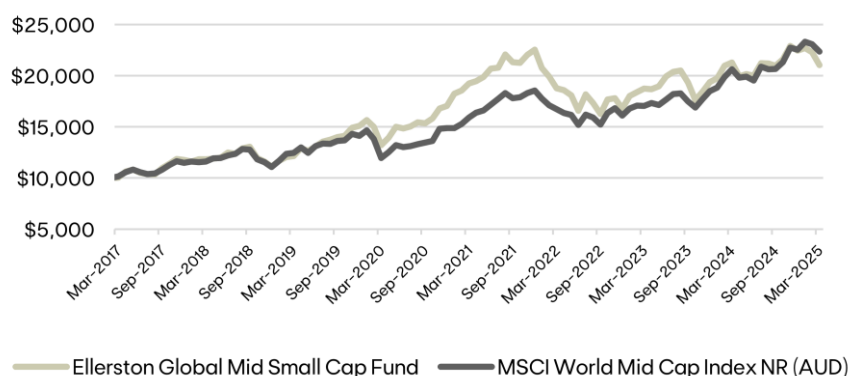
^{*} MSCI World Mid Cap Index NR (AUD). ^{^^} Class A inception is 28 February 2017. Class B inception is 18 August 2020.

Key Information

Portfolio Manager(s)	Nick Markiewicz
Investment Objective	To outperform the benchmark by 3% over a 5-year rolling period.
Benchmark	MSCI World Mid Cap Index NR (AUD)
Liquidity	Daily
Target Number of Holdings	20-40
Number of Holdings at Month End	34
Minimum Investment	Initial investment - \$25,000 Additional investment - \$10,000
Distribution Frequency	Half-Yearly (where available)
Management Fee	0.75% p.a.
Performance Fee ¹	10.00%
Buy/Sell Spread	0.25% / 0.25%
Class A Unit Prices & Fund Size	Application - 1.4820 Net Asset Value - 1.4783 Redemption - 1.4746 Fund Size - \$23,456,706
Class B Unit Prices & Fund Size	Net Asset Value - 1.2527 Redemption - 1.2496 Fund Size - \$40,692,836

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

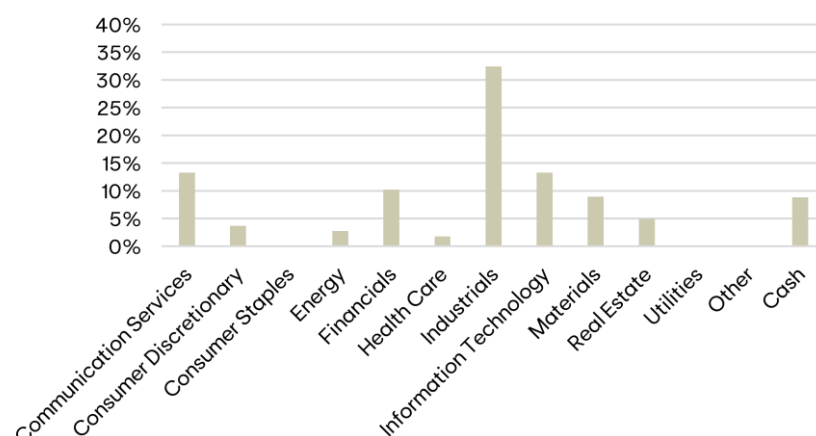
Growth of \$10,000 Investment



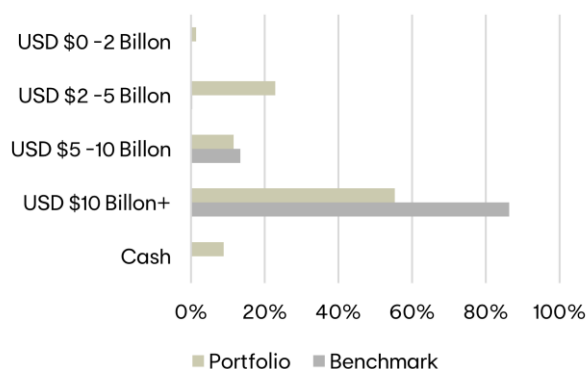
Source: Ellerston Capital.

Performance shown are for Class A Units and net of fees, assuming all distributions are reinvested. Past performance is not a reliable indication of future performance.

Sector Allocation

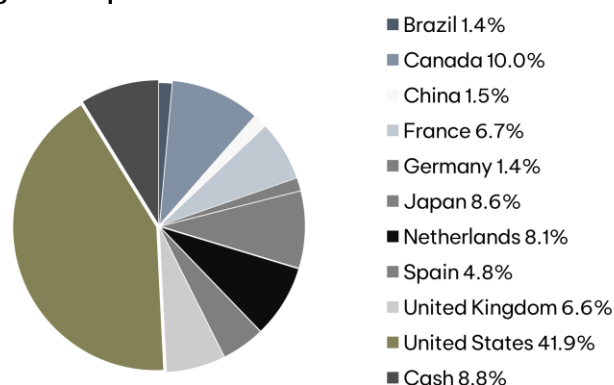


Market Capitalisation Exposure



Source: Ellerston Capital.

Regional Exposure



Source: Ellerston Capital.

Top Holdings

Company	Sector	Country	Portfolio Weight
GFL Environmental Inc	Industrials	United States	6.5%
AerCap Holdings NV	Industrials	United States	6.1%
Corpay, Inc.	Financials	United States	6.0%
TKO Group Holdings, Inc. Class A	Communication Services	United States	5.0%
Cellnex Telecom S.A.	Communication Services	Spain	4.8%
Bureau Veritas SA	Industrials	France	3.9%
Warner Music Group Corp. Class A	Communication Services	United States	3.5%
Greatland Gold plc	Materials	United Kingdom	3.3%
Iron Mountain, Inc.	Real Estate	United States	3.1%
Curtiss-Wright Corporation	Industrials	United States	3.1%

Source: Ellerston Capital

MARKET COMMENTARY

Equities were hit hard through March, with the market having to concurrently digest the prospect of indiscriminate tariffs levied by the US on key trading partners, stubborn inflation and major cuts to US Government spending – factors that have the potential to push the US into a sharp recession quickly. In addition to this, there was also continued weakness in key thematic trades such as Artificial Intelligence ("AI") on concerns around AI capex investment.

The Ellerston Global Mid Small Cap Fund declined -5.7% net during the month, compared to the MSCI World Mid Cap Index NR (AUD) which declined -3.2 % over the same period. Other major US indices such as the S&P500 down and the NASDAQ Composite index were down -5.8% and -8.3%, respectively (all in AUD).

Asset price declines have continued into the start of April alongside the announcement of specific tariff rates for each country, which were higher than expected, and particularly punitive for deficit countries in Asia.

The investing environment remains difficult to navigate, particularly given Trump's end game, and the wide range of potential outcomes as it relates to tariffs, remains unclear.

A sensible resolution of some description (i.e low tariffs and trade concessions negotiated separately with individual countries) would likely limit economic damage and see markets bounce, particularly given how technically oversold markets are – the NASDAQ RSI for example is lower than March-20 (its Covid-19 lows) and net positioning amongst hedge funds is near record lows.

On the other hand, permanent tariffs will result in a large income shock for US consumers, entrench inflation and trigger a deep recession. Compounding this, the S&P 500 (as a proxy for global markets) still remains expensive on historic valuation measures (particularly on a Price/Sales basis) and the drawdown to date remains less severe than other periods (2008, 2020, 2022). The recent rise in US Govt Treasury yields (i.e sell off in bonds) adds another complicating factor, particularly given the refinancing needs of the Government.

We have little insight into which way the market will move from here. The portfolio holds very few consumer businesses directly impacted by tariffs, remains diversified across markets, and holds reasonable levels cash, gold equities and other defensive

businesses. At the same time, the portfolio continues to hold, as well as add to companies we believe are reasonably priced and likely to continue growing, even in more recessionary conditions.

PORTFOLIO COMMENTARY

The portfolio's top contributors Greatland Gold, GFL and Resona added 156 bps to performance Core Scientific, Nebius and Aritzia detracted 291 bps during the month.

Greatland Gold (+0.93%): is an Australian gold miner listed on the London Stock Exchange. The company is developing the Haverton gold deposit in Western Australia, with the stock price increasing along side the rise in gold prices. We think the company remains cheap, trading at a discount to NAV as well as other Australian gold miners. The company is also likely to relist in Australia in the coming months, providing a rerate catalyst given expected index buying.

GFL Environmental (+0.41%): is the fourth-largest diversified environmental services company in North America, providing solid waste management, liquid waste management, and soil remediation services in Canada and more than half of the US states. The share price rose in March, supported by stronger-than-expected fourth-quarter results, the completion of the sale of its Environmental Services business, along with a substantial share buyback.

Resona Holdings (+0.23%): is a large commercial bank in Japan, holding a strong presence in the Tokyo area and Kansai region. The share price saw a modest uptick in the first half of March, supported by the company's continued solid financial performance and the prospect of rising rates in Japan. **Galaxy Digital (-0.84%):** is a New York-based financial services and investment management firm specializing in digital assets and blockchain technology. The share price pulled back over the past month, reflecting volatility in AI/tech stocks, as well as pressures across digital asset markets.

Core Scientific (-1.22%): is a leader in infrastructure for high-performance computing. A significant portion of its capacity is allocated to supporting AI-related workloads for Coreweave, which in turn is supporting Open-AI (owner of ChatGPT). The share price declined in March on the back of declining market enthusiasm for AI. We believe the company will generate its entire diluted market capitalisation in contracted earnings over the next 8 years.

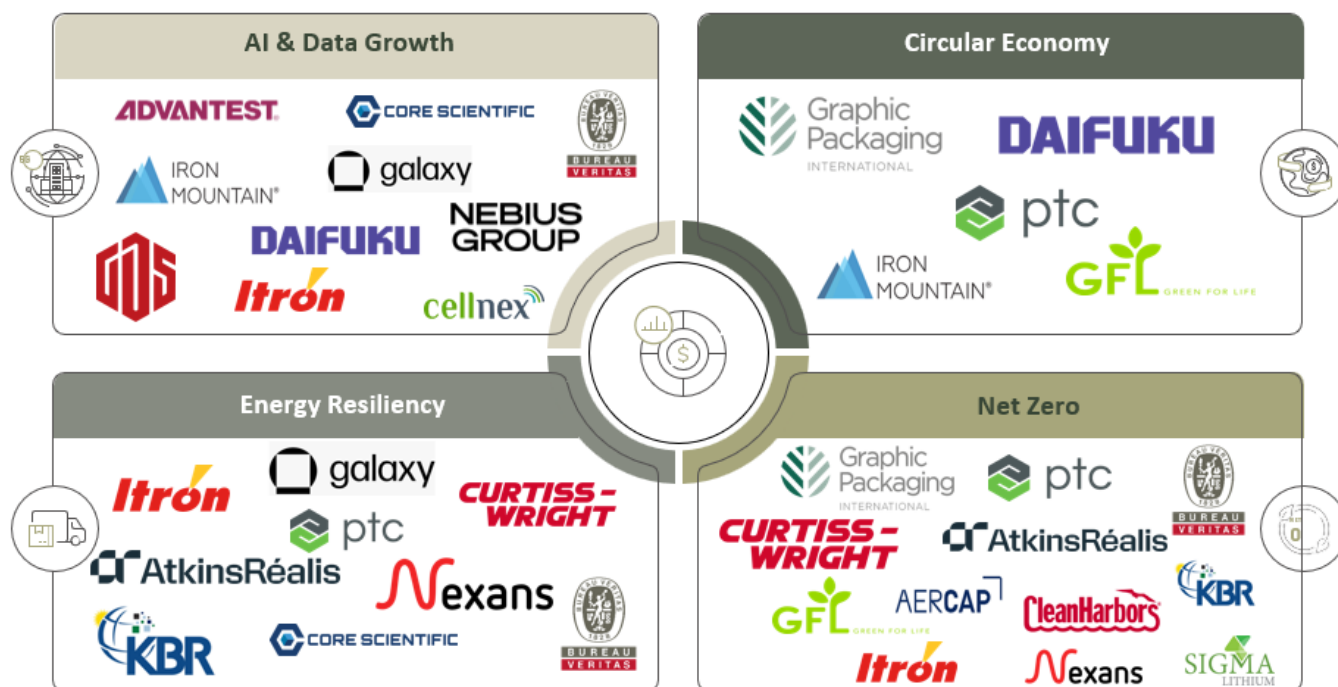
Nebius (-1.02%): is a technology company developing full-stack infrastructure to support the global AI industry. After a strong run in the first half of February, the share price pulled back in March amid broader volatility in AI infrastructure names. We believe the company remains well placed in a GPU constrained environment as one of the leading GPU cloud providers.

Aritzia (-0.67%): is a multi-brand apparel business focused in Canada and the US. The shares fell on US tariff changes.

In March, we initiated three new small positions in companies with large value dislocations. This includes **SBI Holdings**, a Japanese financial conglomerate with businesses spanning online brokerage, banking, asset management, and venture capital, with a growing focus on digital assets and fintech; **Melrose Industrials**, a world class global aerospace business providing engine and structure technologies; as well as **Clean Harbors**, North America's leading provider of environmental and industrial service, delivering a broad range of services such as end-to-end hazardous waste management, emergency spill response, industrial cleaning and maintenance, and recycling services.

We continue to have differentiated exposure to some pretty powerful long term thematic which should drive long term compounding benefits to us all as investors. These include:

- AI and the growth in data as Industrial IoT and large language networks such as ChatGPT and next generation applications drive data demand;
- companies that enable our push to a circular economy;
- beneficiaries of deglobalization; and
- those helping to improve the resilience of our energy grids as the world looks to electrify and companies which are levered to the multi trillion-dollar spending required for our "Road to Net Zero".



Source: Ellerston Capital

These businesses as well as idiosyncratic opportunities in the Fund should provide solid absolute and relative returns over the long term as secular and structural business drivers help mitigate earnings risk in times of economic uncertainty. As always, we thank you for your continued support and look forward to providing further updates in the future.

Regulatory Guide (RG240) Fund Disclosure Benchmark – Periodic Reporting (monthly)

- **Net Asset Value of the Fund and Redemption Price of Units**

Please refer to details on page one.

- **Any changes to key service providers including any change in related party status.**

There have been no changes to key service providers, including any change in related party status.

- **Net returns after fees, costs and relevant taxes**

Please refer to details on page one.

- **Any material changes to the Fund's risk profile and strategy**

There have been no changes to the Fund's risk profile and strategy.

- **Any material changes related to the primary investment personnel responsible for managing the Fund.**

There have been no changes to the primary investment personnel responsible for managing the Fund.

Find out more:

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

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