

Ellerston Australian Emerging Leaders Fund – Class A Units

Monthly Report as at 30 April 2025

APIR Code: ECL6748AU | ARSN 647 979 333



Portfolio of 30–60 smaller companies built through an active, research-driven investment approach.



Focus on companies which have a sound business franchise with an attractive earnings profile, which operate in growth industries and trade at a discount to valuation.



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

Performance Summary

Performance	1 Month	3 Months	1 Year	3 Years (p.a.)	Since Inception (p.a.) ^{^^}
Net [^]	0.74%	-8.29%	12.47%	5.01%	2.26%
Benchmark [*]	1.84%	-4.58%	3.73%	0.29%	-0.92%
Alpha	-1.10%	-3.71%	8.74%	4.72%	3.18%

[^] 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 Accumulation Index. ^{^^} Inception date is 13 August 2021.

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 Accumulation Index
Liquidity	Daily
Target Number of Holdings	30–60
Number of Holdings at Month End	40
Minimum Investment	Initial investment – \$10,000 Additional investment – \$5,000
Distribution Frequency	Half-Yearly (where available)
Management Fee	1.10% (p.a.)
Performance Fee ¹	20.00%
Buy/Sell Spread	0.25% / 0.25%

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

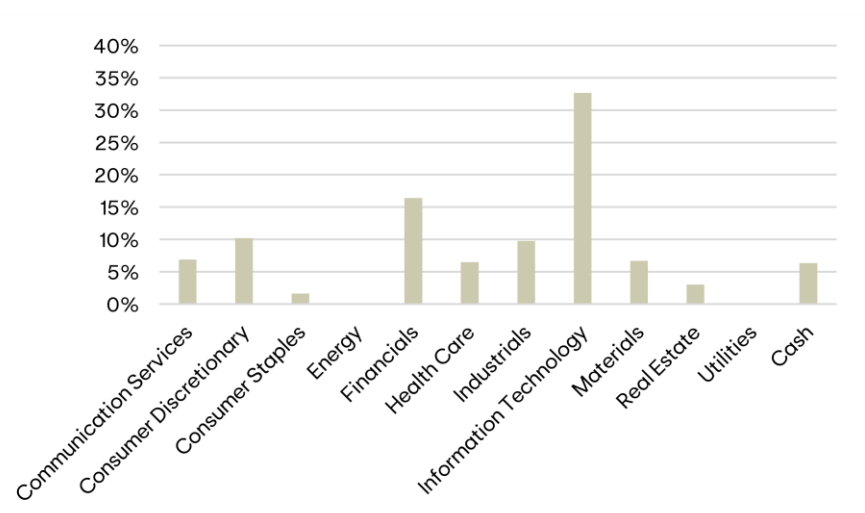
Top Holdings*

Company	Sector
Catapult Group International	Information Technology
Index	Materials
Life360	Information Technology
Megaport	Information Technology
Siteminder	Information Technology

^{*} In alphabetical order.

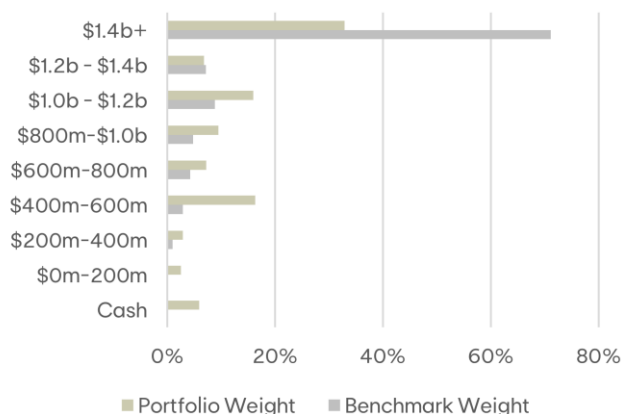
Source: Ellerston Capital.

Sector Allocation



Source: Ellerston Capital.

Market Capitalisation Exposure



Source: Ellerstion Capital.

Key Portfolio Metrics

FY25e	Fund	Benchmark
Price/Earnings	16.20x	16.41x
Dividend Yield	2.07%	4.10%
Net Debt/EBITDA	-0.42x	1.20x

Source: Ellerstion Capital.

COMMENTARY

The Ellerstion Australian Emerging Leaders Fund – Class A Units delivered 0.74% (net) in April relative to the S&P/ASX Small Ordinaries Accumulation Index which returned 1.84%. To put it mildly, the volatility in April was significant, with the Index declining by approximately 8% intra-month. This marked one of the most substantial drawdowns in recent memory, driven by heightened geopolitical risk and macroeconomic uncertainty. Markets were ultra-focused on escalating tariff threats, as global trade tensions reached levels not seen in over a decade, particularly between the U.S. and China. These tensions, combined with rising recessionary fears in the US triggered a broad-based sell-off in small-cap equities and a flight to perceived safety assets such as gold.

Despite the challenging environment, this dislocation created a rare opportunity for us to selectively increase our exposure to high-quality businesses. We focused on companies that demonstrated resilience through either limited exposure to U.S. demand or those with strong pricing power and clear visibility over their revenue growth. These included companies with recurring revenue models, robust balance sheets, and defensible market positions. By staying disciplined and leveraging our research-driven process, we were able to take advantage of short-term market inefficiencies to strengthen the long-term quality of the portfolio.

A classic case in point was in the technology space where some of the more aggressive "risk off" moves were seen. This gave us the opportunity to selectively increase our holdings in high conviction existing positions at attractive discounts such as Catapult (CAT AU) and Megaport (MP1 AU). As the market returned to "risk on" in the second half of April these names closed the month as our strongest contributors.

Megaport (MP1 AU) provides telecommunications networks primarily for data centre adjacent requirements. Its differentiation is these networks are provided "as-a-service" and can be deployed and closed instantly and billed on a PAYG basis. MP1 has an enormous global market opportunity with strong structural tailwinds underpinning growth. The company's performance has been volatile over several years amidst management changes, but we believe the 1H25 result demonstrated green shoots on existing customer spend, new products and the sales strategy for new customers.

Catapult (CAT AU) is the dominant provider of wearables technology for professional sports teams. CAT's strategy is to leverage its wearables dominance and continued growth to upsell their professional sports team customers video analysis and coaching solutions. CAT has delivered strong new sales execution over the past two years whilst managing costs tightly. We believe the runway extends through the medium term given the next generation wearables product release as well as the early stage of adoption for its new video products.

Another stock which performed well was Cedar Woods (CWP AU) which rose 8% after a strong Q3 update, upgrading FY25 NPAT growth guidance to 15% (from over 10%). The FY26 outlook remains positive, supported by over \$700 million in presales, up 20% year-on-year. With the federal election behind us and the Labor government's policy settings favouring new housing construction and first home buyer support, CWP is well positioned to benefit from these structural tailwinds.

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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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