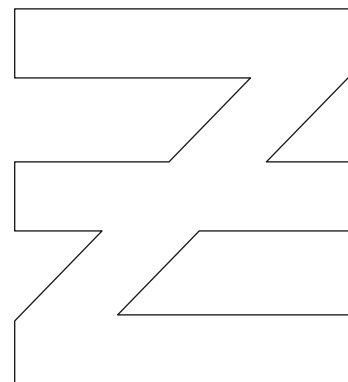


Ellerston Australian Absolute Return Fund – Class A Units



Monthly Newsletter, August 2025

Investment Objective

The Ellerston Australian Absolute Return Fund – Class A Units (Fund) targets absolute returns with an annualised return objective of 5% above the RBA Cash Rate over rolling five-year periods.

Investment Strategy

The Fund seeks to provide investors with a return profile that has a low correlation with traditional asset classes. The Fund aims to generate positive returns in all market environments by reducing the majority of market risk and focusing on capital preservation and alpha generation.

Key Information

| | |
|-------------------|---|
| Inception Date | 3 June 2013 |
| Portfolio Manager | Ashok Jacob |
| Application Price | \$1.2549 |
| NAV Price | \$1.2518 |
| Redemption Price | \$1.2487 |
| Current Total NAV | \$5,145,528 |
| Liquidity | Daily |
| Gross Exposure | 73.04% |
| Net Exposure | 36.67% |
| Management Fee | 1.20% p.a. |
| Performance Fee | 20% |
| Buy/Sell Spread | 0.25% on application 0.25% on redemption |

PERFORMANCE SUMMARY

| Performance | 1 Month | 3 Months | 1 Year | 3 Years (p.a.) | 5 Years (p.a.) | 10 Years (p.a.) | Since Inception* (p.a.) |
|------------------|---------|----------|--------|----------------|----------------|-----------------|-------------------------|
| Net [^] | 6.0% | 8.1% | 13.2% | 2.1% | 4.2% | 3.9% | 5.9% |
| Benchmark* | 0.3% | 0.9% | 4.1% | 3.9% | 2.5% | 1.9% | 2.0% |
| Alpha | 5.7% | 7.2% | 9.1% | -1.8% | 1.7% | 2.0% | 3.9% |

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

* RBA Cash Rate. ** Inception Date 3 June 2013.

COMMENTARY

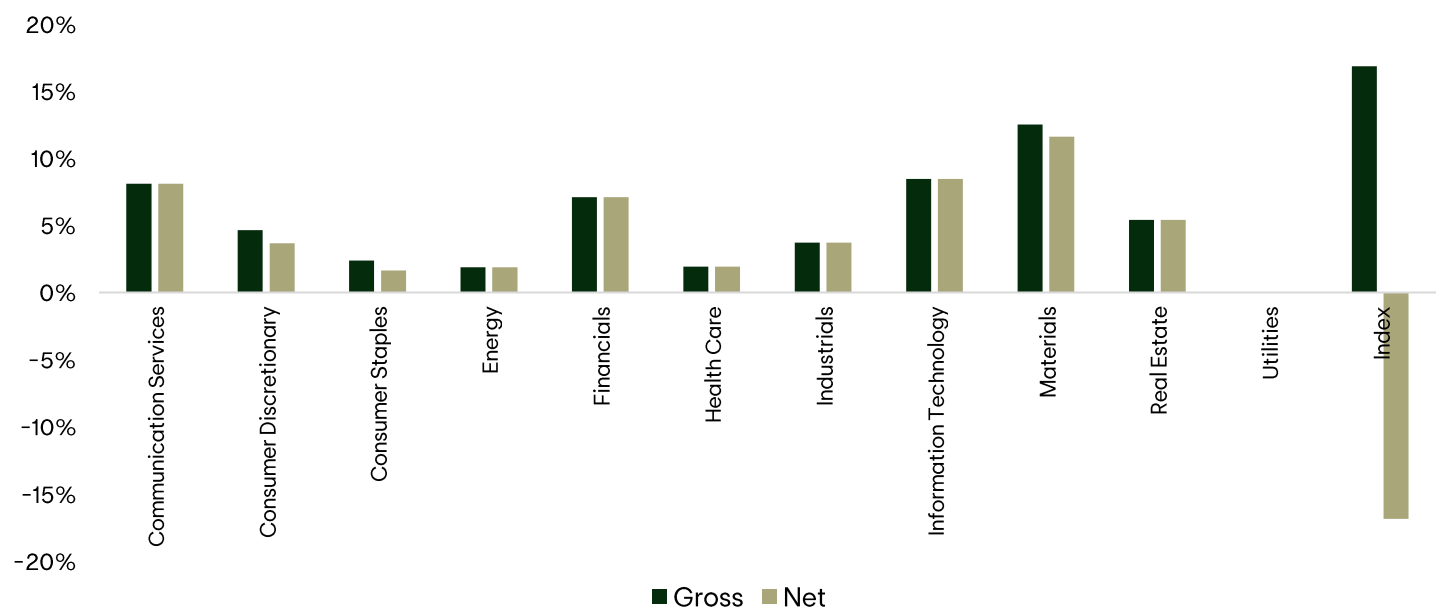
The Ellerston Australian Absolute Return Fund (the Fund) rose 6.0% (net) for the month whilst the ASX200 rose 3.1%. The focus for the month locally was the FY25 reporting season with the highlight being the positive surprises in the small industrial sector versus the overall market generally seeing net downgrades which were offset by a PE expansion in the local market. Volatility was the highlight with significant intraday moves which have become a hallmark of "reporting seasons" in the last 3-4 years with the move to a greater level of investment by index tracking funds. Offshore news was relatively quiet, although the move to cut interest rates in the US by the Federal Reserve has been bought forward post Chairman Powell's speech at the annual Jackson Hole conference.

Positive contributors for the month were Eroad Ltd (ERD), Ricegrowers Ltd (SGLLV) and Macmahon Holdings (MAH). Eroad rallied 59% for the month after the NZ government introduced legislation to replace the Fuel Excise Duty with an Electronic Road User Charge (eRUC) in response to the increasing usage of electric and hybrid cars. Eroad is seen as being a significant beneficiary of the change as they already have 90% market share amongst current eRUC users. Ricegrowers rose 33% for the month on no new announcements although the company is on a short list of potential index inclusions in September and there has been further talk of collapsing the two class of shareholding structures which would result in greater transparency and liquidity. Macmahon rose 47% for the month after reporting a positive FY25 result and outlook for FY26 with a strong order book. Across the sector there has been a significant re-rating of mining services companies in the last 12 months.

Negative contributions for the month came from Superloop Ltd (SLC), Equity Trustees (EQT) and Reece Ltd (REH). The Superloop result came in line with market expectations, but the make-up of the earnings result did result in some confusion and the stock fell 14% for the month. After a significant re-rating, this did result in some switching out of Superloop into Aussie Broadband (+15%) due to the rating differential between the two and we hold a larger position of the latter in the Fund. Equity Trustees fell 10% for the month after ASIC commenced civil proceedings against the company after the collapse of the Shield Master Fund which was on the Equity Trustees Superannuation platform. ASIC claims that the trustees exercised poor due diligence and there will likely be a financial penalty issued against the company. Reece fell 18% for the month after reporting a result that was below market expectations, but more importantly the outlook for FY26 is not expected to improve. We had expected a better outlook for the US business based on leading indicators out of that market, but the Reece business is facing specific competition issues which are unlikely to improve in the short term, and we exited the position.

PORTFOLIO CHARACTERISTICS

Sector Exposure



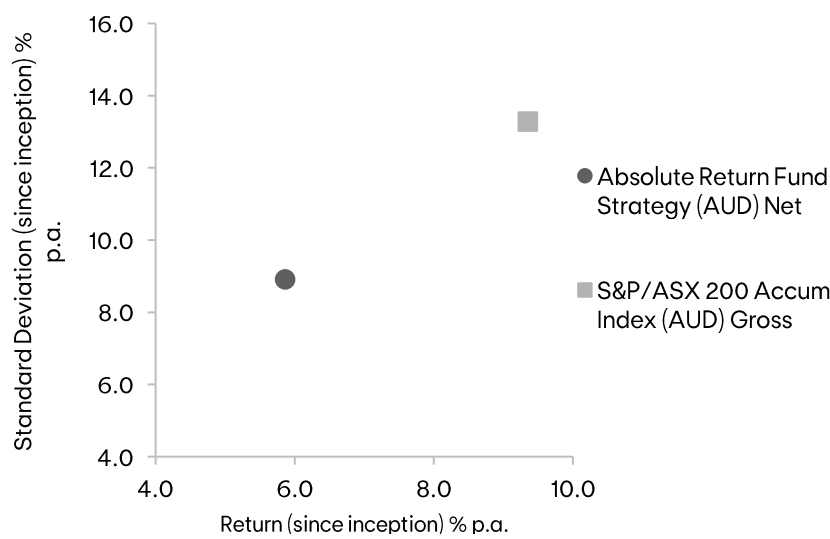
Source: Ellerston Capital.

Top 10 Holdings
(Alphabetical, Long Only)

| |
|-----------------------------|
| Aussie Broadband Ltd. |
| EROAD Limited |
| hipages Group Holdings Ltd. |
| Humm Group Limited |
| IRESS Limited |
| Macmahon Holdings Limited |
| oOh media Ltd |
| Ricegrowers Ltd. Class B |
| Transurban Group Ltd. |
| Wagners Holding Co. Ltd. |

Source: Ellerston Capital.

Strategy Performance & Volatility



Source: Ellerston Capital.
Past performance is not a reliable indication of future performance.

RG240 Fund Disclosure Benchmark – Periodic Reporting (monthly)

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

Please refer to the 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 the 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.**

Please refer to the details on page one; there have been no changes to the primary investment personnel responsible for managing the Fund.

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

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