

Ellerston Mid Cap Opportunities Fund

Monthly Report as at 31 August 2025

APIR Code: ECL6330AU | ARSN 683 124 263



Portfolio of 25-40 Mid Cap 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	6 Months	Since Inception^^
Net^	7.2%	14.5%	20.4%	19.4%
Benchmark*	7.0%	11.7%	17.0%	12.6%
Alpha	0.2%	2.8%	3.4%	6.8%

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

* 50% of the S&P/ASX Mid Cap 50 Total Return (TR) Index and 50% of the S&P/ASX Small Ordinaries Total Return (TR) Index. ^^ Inception date is 31 January 2025.

Key Information

Portfolio Manager(s)	David Keelan Alexandra Clarke Jack Briggs
Investment Objective	To outperform the Benchmark over a rolling three year period.
Benchmark	50% of the S&P/ASX Mid Cap 50 TR Index & 50% of the S&P/ASX Small Ordinaries TR Index
Liquidity	Daily
Target Number of Holdings	25-40
Minimum Investment	Initial - \$10,000 Additional - \$5,000
Distribution Frequency	Half-Yearly (where available)
Management Fee	1.00% (p.a.)
Performance Fee ¹	20.00%
Buy/Sell Spread	0.25% / 0.25%

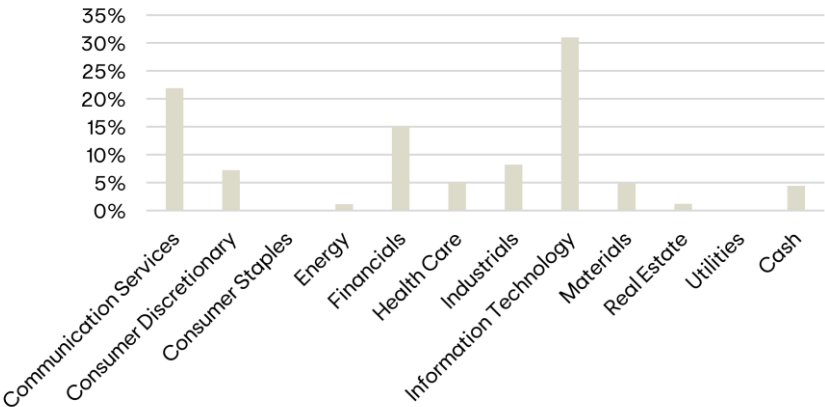
¹Of the investment return above the benchmark, after recovering any underperformance in past periods.

Top Holdings*

Company	Sector
Aussie Broadband	Communication Services
Life360	Information Technology
Seek	Communication Services
Tuas	Communication Services
Zip Co	Financials

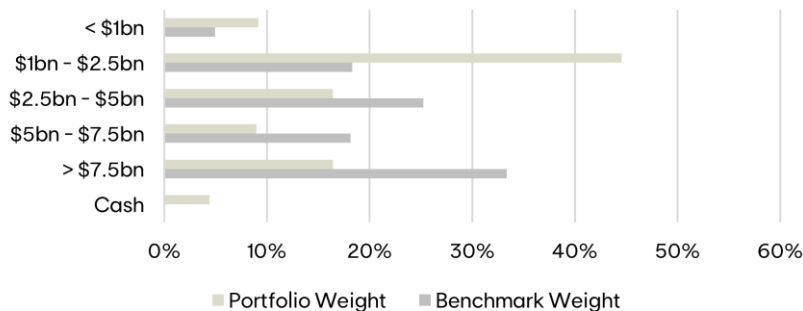
* In alphabetical order.
Source: Ellerston Capital.

Sector Allocation



Source: Ellerston Capital.

Market Capitalisation Exposure



Source: Ellerston Capital.

PORTFOLIO COMMENTARY

The Ellerston Mid Cap Opportunities Fund (Fund) delivered 7.2% (net) in August relative to its Benchmark which returned 7.0%, in what was an exceptionally strong month for equity markets. August reporting season was marked by heightened volatility, particularly in well-held large caps, with CSL (-21.4%) and Woolworths (-8.6%) among the biggest detractors. Despite these sharp moves, the broader market proved resilient, with the S&P/ASX 200 Accumulation Index finishing +3.1% for the month. Resources were a standout, with Materials (+9.2%) and the Small Resources Index (+13.7%) driving gains on stronger commodity prices and optimism around China stimulus. Gold stocks were especially strong (+20.1%), supported by expectations of US rate cuts and a weaker US dollar, leading to a sharp re-rating in gold miners. By contrast, Health Care (-13.2%) was the weakest sector as CSL's disappointing result weighed heavily, while Technology (-1.7%) and Energy (+3.3%) also underperformed. Consumer Discretionary (+7.6%) provided positive surprises, with stocks such as AP Eagers, Lovisa and Nick Scali posting robust trading updates that exceeded expectations and pointed to resilient demand. All in all, the August reporting season was defined by sharp share price overreactions, which created compelling opportunities to add to our preferred holdings which were oversold on result, with the market taking a clear "shoot first, ask questions later" approach.

KEY CONTRIBUTOR

Tuas (TUA AU) was a standout performer, rising almost 50% during the month following the announcement of its intent to acquire Singaporean digital network operator M1 for SGD 1.4bn. The acquisition price of 7x trailing EBITDA is set to unwind rapidly, with synergies expected to reduce the effective multiple to around 4x, making the deal highly EPS accretive in year one. On completion, TUA will move from the 4th to the 2nd largest market player, with material synergies

expected from the consolidation of duplicate mobile and fixed networks and associated operations. We believe TUA will leverage these cost savings to further grow market share and deliver strong, sustainable margins.

KEY DETRACTOR

Superloop (SLC AU) had a tough month, falling 14%, despite reporting a strong FY25 result. June closing connections came in slightly below market expectations, reflecting the impact of earlier price increases and elevated competition during the period. Importantly, we view the firm pricing discipline as supportive of gross margins heading into FY26, and we are encouraged by the acceleration in connections post balance date. Looking ahead, SLC is well placed to benefit from the upcoming NBN speed tier upgrades, where it has been an outperformer at higher speeds, while remaining competitively priced despite the recent hikes. We also continue to see value in the build-up of its Smart Communities FTTP recurring revenue stream, which provides an additional layer of earnings resilience and growth.

OUTLOOK

While the reporting season provided some extreme volatility it did allow us to stand behind our conviction and add to positions where we could clearly see the market had mispriced the trading updates. We continue to look for higher-quality companies that have pricing power, solid balance sheets, and the ability to grow outside of the broader economic trends. As we position for the back half of the calendar year we expect further M&A to be a key theme; as well as companies seeking out accretive capital raises. We remain vigilant in stress-testing each of our assumptions and are committed to enhancing the quality of our portfolio, actively seeking opportunities that offer a 3:1 risk-reward profile.

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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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