

Ellerston 2050 Fund

Monthly Report as at 31 August 2025

APIR Code: ECL5651AU



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	1 Year	2 Years (p.a.)	3 Years (p.a.)	Since Inception (p.a.) ^{^^}
Net [^]	7.7%	21.3%	33.2%	26.6%	15.9%	14.2%
Benchmark [*]	6.4%	14.6%	18.6%	15.4%	10.8%	9.3%
Alpha	1.3%	6.7%	14.6%	11.2%	5.1%	4.9%

[^] 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

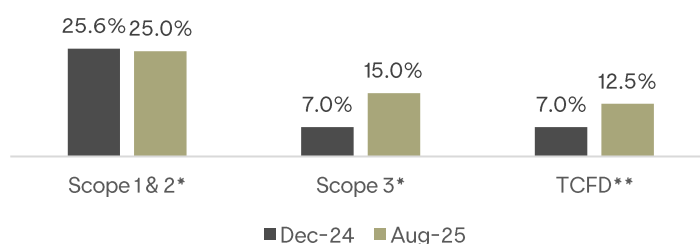
Portfolio Manager(s)	David Keelan & Alexandra Clarke
Investment Objective	To outperform the Benchmark over a rolling three year period.
Benchmark	S&P/ASX Small Industrials Accumulation Index
Target Number of Holdings	Unlisted/Pre-IPO Investments – 10-30 & Listed Micro & Small Cap Investments – 25-40
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

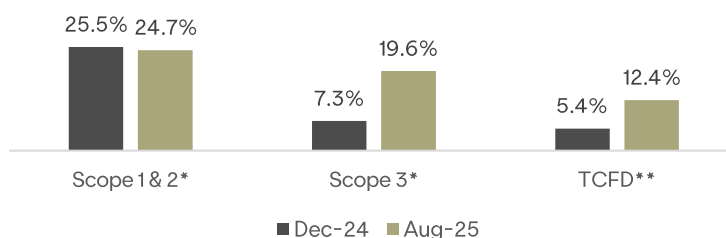


Source: Ellerston Capital

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



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

² Value 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

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

COMMENTARY

The Ellerston 2050 Fund delivered 7.7% (net) in August relative to the S&P/ASX Small Industrials Accumulation Index (Benchmark) which returned 6.4%. 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

EROAD (ERD AU) was a strong performer in August, with the share price supported by growing momentum around electronic road user charging (eRUC). The New Zealand Government confirmed plans to transition 3.5m light vehicles to eRUC by 2027, a development highly favourable for ERD given its ~92% market share in the local market. This represents a revenue opportunity of more than NZ\$100m annually and positions the company as the clear incumbent in a regulated, high-margin market. Importantly, similar policy discussions are emerging in Australia, where authorities are considering tolling electric vehicles as fuel excise revenues decline, which could provide an additional avenue for growth. Coupled with ERD's consistent track record of beating

revenue, EBIT and free cash flow targets, and its transition to being self-funding, we believe the company remains in the early stages of a re-rating cycle as the market begins to appreciate both its domestic leadership and international growth potential.

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, Superloop 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. the quality of our portfolio, actively seeking opportunities that offer a 3:1 risk-reward profile. We look forward to seeing the clarity reporting season brings, as it will allow us to identify emerging trends and better position the portfolio for FY26.

Contact Us

Sydney

Level 11, 179 Elizabeth Street,
Sydney, NSW 2000
+612 9021 7701
info@ellerstoncapital.com

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.

This report has been prepared by Ellerston Capital Limited ABN 34 110 397 674 AFSL 283 000, as trustee of the Ellerston 2050 Fund without taking account the objectives, financial situation or needs of individuals. Before making an investment decision about the Fund persons should read the Fund's Information Memorandum which can be obtained by contacting info@ellerstoncapital.com and obtain advice from an appropriate financial adviser. Units in the Fund are issued by Ellerston Capital Limited ABN 34 110 397 674 AFSL 283 000. This information is current as at the date on the first page.

This material has been prepared based on information believed to be accurate at the time of publication. Assumptions and estimates may have been made which may prove not to be accurate. Ellerston Capital undertakes no responsibility to correct any such inaccuracy. Subsequent changes in circumstances may occur at any time and may impact the accuracy of the information. To the full extent permitted by law, none of Ellerston Capital Limited ABN 34 110 397 674 AFSL 283 000, or any member of the Ellerston Capital Limited Group of companies makes any warranty as to the accuracy or completeness of the information in this newsletter and disclaims all liability that may arise due to any information contained in this newsletter being inaccurate, unreliable or incomplete. Past performance is not a reliable indicator of future performance.