

Ellerston Australian Micro Cap Fund

Monthly Report as at 30 September 2025

APIR Code: ECL0984AU | ARSN 619 727 356



Portfolio of 30-60 smaller & micro 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	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception (p.a.) ^{^^}
Net [^]	6.3%	24.1%	36.3%	24.2%	13.4%	17.1%
Benchmark*	3.4%	15.3%	21.5%	15.5%	9.3%	8.3%
Alpha	2.9%	8.8%	14.8%	8.7%	4.1%	8.8%

[^] The net return figure is calculated after fees & expenses, assuming all distributions are reinvested. Past performance is not a reliable indication of future performance. * S&P/ASX Small Ordinaries Accumulation Index. ^{^^} Inception date is 28 April 2017.

Key Information

Portfolio Manager(s)	David Keelan, Alexandra Clarke & James Barker
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
Minimum Investment	Initial investment - \$10,000 Additional investment - \$5,000
Distribution Frequency	Half-Yearly (where available)
Management Fee	1.20%
Performance Fee ¹	20.00%
Buy/Sell Spread	0.25% / 0.25%

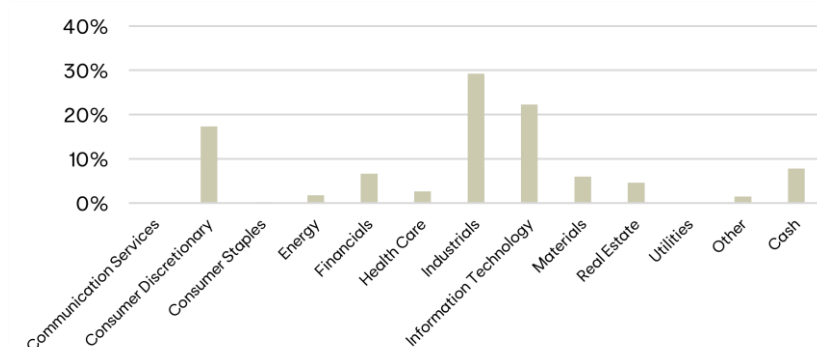
¹Of the investment return above the benchmark, after recovering any underperformance in past periods.

Top Holdings*

Company	Sector
EROAD	Information Technology
Fleetwood	Consumer Discretionary
GenusPlus Group	Industrials
Servcorp	Real Estate
SKS Technologies Group	Industrials

*In alphabetical order.
Source: Ellerston Capital.

Sector Allocation



Source: Ellerston Capital.

Key Portfolio Metrics

FY26(e)	Fund	Benchmark
Price/Earnings	14.91x	19.91x
Dividend Yield	2.81%	2.67%
Net Debt/EBITDA	-0.04x	1.31x

Source: Ellerston Capital.

PORTFOLIO COMMENTARY

The Ellerston Australian Micro Cap Fund rose +6.3% (net) in September, outperforming the S&P/ASX Small Ordinaries Accumulation Index, which gained +3.4%. Small caps continued to outperform large caps in what is typically a seasonally soft month for equities. The strength was led by the Small Resources Index, which rallied almost 14%, while the Small Industrials Index declined 0.7%. The RBA kept the cash rate on hold and maintained a hawkish tone, signalling a reluctance to rush further rate cuts. Healthcare stocks were volatile following the announcement of new tariffs, while defence-linked names extended their strong run, reaching new highs on the back of ongoing geopolitical tensions and increased government spending.

KEY CONTRIBUTOR

SKS Technologies (SKS AU) was a key contributor to performance, benefiting from growing investor enthusiasm for the data centre infrastructure thematic and the announcement of more than \$21 million in new project wins. The award of Stage 2 of the NextDC Darwin data centre, following the successful completion of Stage 1, reinforced the company's reputation as a trusted partner in delivering complex, high-specification digital infrastructure. SKS also benefited from increased market focus on companies positioned to capitalise on the accelerating build-out of AI-ready and sovereign data centres, alongside rising investment in defence infrastructure across northern Australia. These developments highlight SKS's growing diversification and its position as a key beneficiary of the structural growth in digital and mission-critical infrastructure spending.

KEY DETRACTOR

Betr Entertainment (BBT AU) detracted modestly from performance, declining in an otherwise strong market. The share price softened after the company failed to acquire a majority stake in PointsBet, with rival bidder MIXI acquiring over 50% of the register. However, BBT remains focused on strategic growth opportunities, with press reports indicating that the company has held preliminary discussions with other parties regarding potential M&A activity beyond its interest in PointsBet. In addition, with BBT still owning ~27% of PointsBet, there remains an opportunity to unlock value from this stake in the future.

OUTLOOK

The team has been back on the road, meeting with management teams, revisiting existing holdings, and identifying new opportunities. This period provides valuable time to engage directly with company leaders, stress-test our investment theses, and uncover emerging themes ahead of AGM season, the next major period of market newsflow. The focus remains on high-quality businesses with strong balance sheets, pricing power, and multiple levers for sustainable growth. AGM and trading updates will provide important insight into how companies are tracking relative to expectations and navigating a changing macro environment. M&A activity and capital raisings are expected to remain key themes, particularly among well-capitalised and strategically positioned companies. The portfolio remains positioned in high-conviction, fundamentally strong businesses with the potential to compound earnings and deliver superior risk-adjusted returns through the cycle.

Find out more:

Contact Us

Sydney

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

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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