

Ellerston Equity Income KIS Fund

Monthly Report as at 30 November 2025

APIR Code: ECL7259AU | ARSN 662 683 123



Concentrated portfolio of 30-40 Australian listed securities that display stable and growing dividend streams.



Looks beyond traditional "income sectors" (e.g., banks and telecoms), recognising "cyclical sectors" are now experiencing structural shifts towards the provision of more reliable income.



Aims to provide investors with returns and income growth greater than the Benchmark over rolling five-year periods.

Performance Summary

Performance	1 Month*	3 Months	FYTD 2026	CYTD	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception (p.a.) ^^
Income pre-franking ¹	0.0%	0.1%	0.1%	5.2%	7.2%	7.9%	10.3%	8.1%
Capital ¹	3.6%	-0.8%	14.5%	3.7%	-3.0%	-0.7%	-1.8%	0.3%
Fund Net Return ¹	3.6%	-0.8%	14.5%	8.9%	4.2%	7.2%	8.5%	8.4%
Benchmark**	-2.7%	-3.0%	2.3%	8.9%	5.5%	9.7%	9.9%	8.8%
Alpha (pre-franking credits)	6.3%	2.2%	12.2%	0.0%	-1.3%	-2.5%	-1.4%	-0.4%

¹Indicative and preliminary in nature. Subject to change pending potential distribution calculations.

²The net return figure is calculated after fees & expenses, assuming all distributions are reinvested.

³The 1-month Income pre-franking figures in Jan, Feb, Apr, May, July, Aug, Oct and Nov include accrued but not distributed income, as the Fund only distributes quarterly where available.

⁴S&P/ASX 200 Accumulation Index. ⁵Inception date is 1 May 2019. Past performance is not a reliable indication of future performance.

Key Information

Portfolio Manager	Chris Kourtis
Investment Objective	To provide investors with returns and income growth greater than the Benchmark over rolling five-year periods.
Benchmark	S&P/ASX 200 Accumulation Index
Liquidity	Daily
Target Number of Holdings	30-40
Minimum Investment	Initial investment - \$10,000 Additional investment - \$5,000
Distribution Frequency	Quarterly (where available)
Management Fee	0.70% p.a.
Performance Fee ¹	10.00%
Buy/Sell Spread	0.25% / 0.25%
Platform Availability	HUB24, Netwealth, Praemium
Lonsec Rating ²	Recommended

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

²Lonsec Rating reassigned 21 October 2025.

The Team



Chris Kourtis
Director & Portfolio Manager

41 years of industry experience.



Stephen Giubin
Senior Investment Analyst

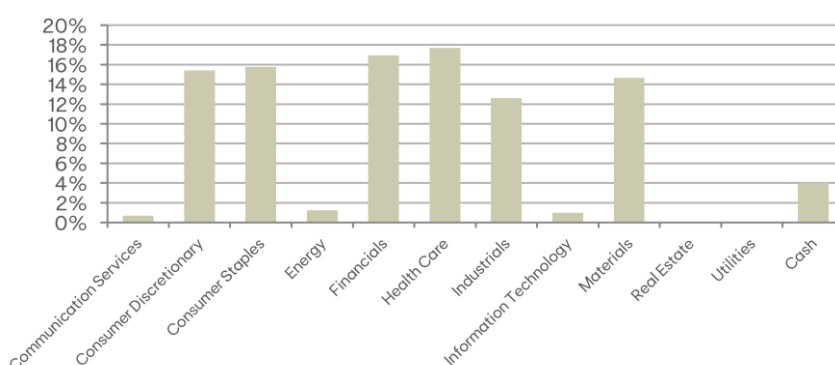
38 years of industry experience.

FY26(e) Key Portfolio Metrics

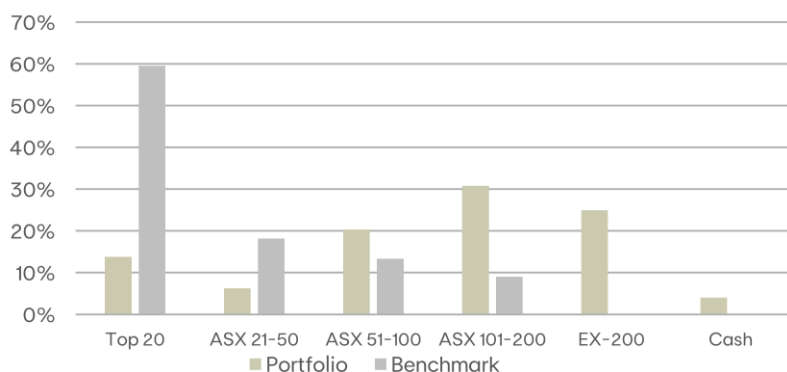
	Fund	Benchmark
Grossed Up Dividend Yield (%)	6.8	4.4
Dividend Yield (%)	5.5	3.3
Price/Earnings (x)	14.9	18.6

Source: Ellerston Capital.

Sector Allocation



Exposure by Market Capitalisation



Source: Ellerston Capital.

Top 5 Holdings*

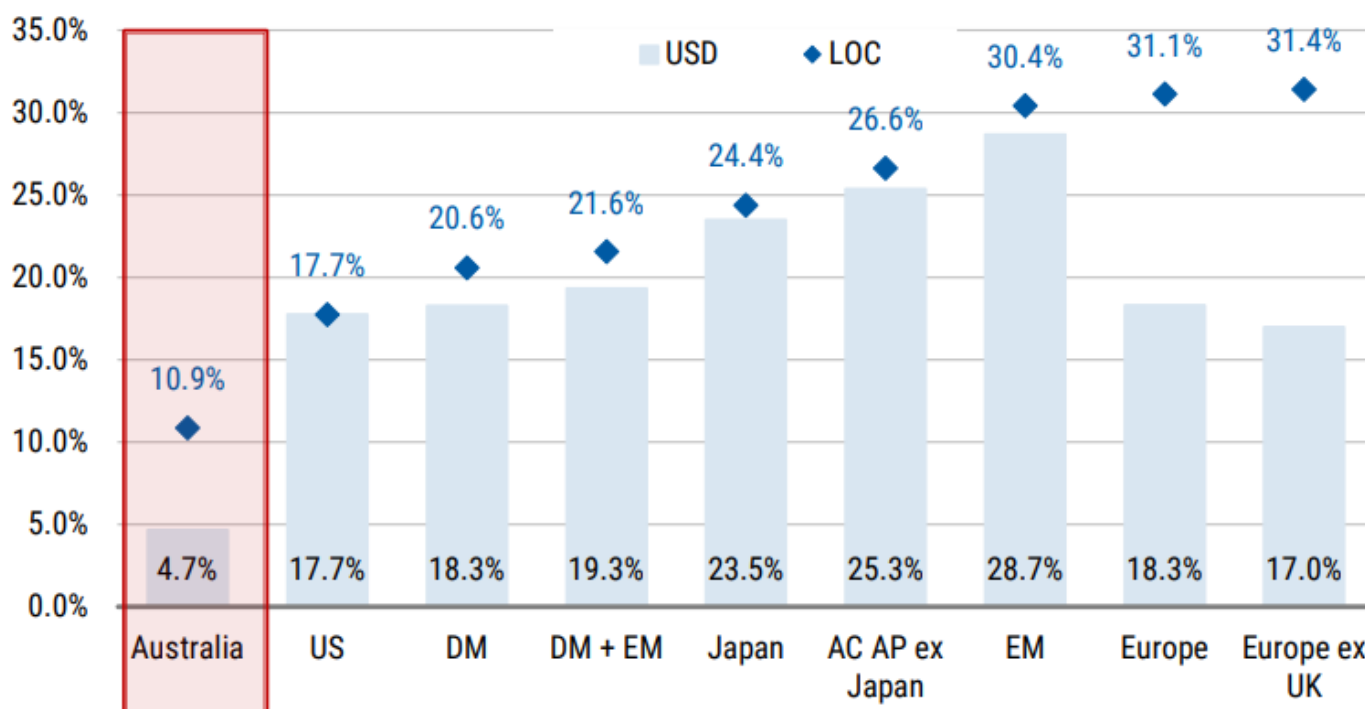
CSL
Endeavour Group
Healius
Orora
Washington Soul Patts

* In alphabetical order.
Source: Ellerston Capital.

MARKET OVERVIEW

Global equity markets edged marginally higher in November, fuelled by a positive Q3 US reporting season and the prospect that the FOMC would cut rates for the third time this calendar year. The MSCI World Index was relatively flat +0.2%, whilst the MSCI Emerging Markets Index lagged to close -1.7% in local currency terms and the S&P 500 also delivered a +0.2% return. Within the MSCI World Index, Health Care (+8.1%) outperformed and Communication Services (+4.2%) also topped the global sector performance tables, with Information Technology (-4.7%) being the major laggard. Closer to home, in what is usually a good month, the S&P/ASX200 index was down 2.7% for the month of November, underperforming global and some regional peers. Industrials led the declines domestically, with the best sectors being Health Care (+2.0%) and Consumer Staples (+1.6%), with Information Technology (-11.6%) by far the worst performer.

MSCI Global Country/Regional Indices Performance for November CYTD



Source: Morgan Stanley.

USA

The 43-day government shutdown, the longest in US history, ended on 12 November. Data trickled out, with concerns about collection gaps and data quality, however a material drop in November's consumer confidence print to levels last seen during the peak tariff tantrum shock, certainly raised eyebrows. This increased the focus on the upcoming December FOMC meeting, which now has a high probability of a third 25bp reduction from the current federal funds rate of 3.75-4.0%, as more members of the FOMC favour a cut. After the late October breakthrough in US-China trade tensions, President Trump and President Xi spoke late in the month, with Trump agreeing to visit Beijing in April next year, calming markets on the tariff imbroglio for the time being.

The much anticipated and somewhat unnerving Nvidia Q3 result was released on 20th November, with much trepidation. The company did not disappoint, with Data Centre Revenues coming in 3.8% ahead and Q4 Group Revenue Guidance also beating estimates. Not surprisingly, the market knew hyperscaler capex was ramping up and NVDA would ride that wave, but the big question everyone was asking was how "good enough" the result needed to be, with four unnamed customers accounting for roughly

61% of Q3 revenue. The Q4 forecast was for revenue of \$63.7–66.3b (midpoint at \$65b, or +5.0% beat vs consensus). The market response the next trading session was one of indifference, as Nvidia shares sold off by 3% after a strong after market rally, with the shares closing at US\$177 at month end, down 14% from its November high.

In the upshot, the small cap Russell 2000 Index topped the performance tables, finishing up 1.0%, followed by the Dow Jones Industrial Average (+0.5%), the S&P 500 (+0.2%), with the NASDAQ Composite index closing -1.4%. The best performing sectors were Health Care (+9.3%), Communication Services (+6.4%) and Materials (+4.2%). Conversely, the worst performers were Information Technology (-4.3%), followed by Consumer Discretionary (-2.4%) and Industrials (-0.9%).

Europe

Euro-zone markets were broadly in line with global peers in November, with the Euro STOXX50 Index up 0.2%. As expected, the ECB kept its key deposit rate at 2.0%, with annual price growth improving to 2.1% across the 20-member euro bloc in October, down from 2.2% in August. Among the major exchanges, the FTSE 100 rose 0.4%, France's CAC 40 was 0.1% higher and Germany's DAX fell 0.5%.

Asia

After China and the US agreed to kick the tariff can down the road, China has re-focused on their weak property market and is considering launching yet another new real estate stimulus plan to address the ongoing lack of traction of previous policy action. New measures considered, include offering mortgage subsidies to homebuyers nationwide for the first time and increasing income tax rebates for mortgage borrowers, coupled with reduced housing transaction costs. Policy makers are genuinely keen to stimulate the real estate sector which has been sluggish for four years, with the new plan aiming to attract buyers who have been reluctant to enter the market. It does feel like déjà vu, however the Politburo and Ministry of Finance need to act soon, as concerns mount that further weakening of this critical sector will threaten to destabilize its financial system.

India's SENSEX bucked the global trend and rallied by +2.4% in the month of November, followed by the Hang Seng (-0.1%) and China's SSE (-2.6%). Japan's Nikkei (-4.1%, with its structural transition to continue in 2026 and BoJ policy normalization facing ongoing delays) and Korea's KOSPI, which dropped -4.4%, were clear laggards in the Asian region.

Commodities

Commodities were mixed during the month. The iron ore benchmark price was down 1% to US\$106/tonne, coking coal edged 1% higher to US\$199/tonne, thermal coal rose 1% to US\$110/tonne and Brent crude ended the month down 4% to \$62/barrel, on the likelihood that the Ukraine war could be coming to an end. Key base metal prices were generally weaker, except for copper which squeezed 3% higher, with aluminium and nickel both down 2%. Spodumene prices shot up by a further 18% to US\$1150/t and rare earths Nd PR prices re-bounded by 8%. The bullion price continued its strong ascent, up 6% at US\$4239/oz (A\$6476/oz), delivering a whopping +62% CYTD performance.

Bonds

US treasuries were relatively well behaved, with the US 10-year bond yield finishing 7bp lower to 4.01%. This was against a backdrop of the Fed likely to cut by another 25bp in December to take out any downside risks to the labour market. The Australian 10-year bond yield was 22bp higher at 4.52%, given that interest rates have bottomed and the A\$ was flat at US\$0.65.

Australia

The RBA meeting in November unanimously held the cash rate unchanged at 3.60%, as widely expected. This month, the October CPI showed continued strength, with the headline increasing 3.8% YoY from 3.6% previously and core inflation increasing to 3.3% YoY from 3.2%. The core inflation rate continues to track above the RBA's target band and following a surprisingly dovish RBA Melbourne Cup data meeting, the data prints were skewed hawkish thereafter, prompting many economists to now think the next move from the RBA will be a rate hike in May 2026.

November proved a challenging and volatile month for Australian equities, with the S&P/ASX 200 falling 2.7% to close at 8,614. After reaching an all-time high of 9,115 in mid-October, the market experienced a broad-based correction, hitting a monthly trough of 8,383 (-7.7% pullback), marking it the steepest decline since April. Australian equities again lagged global peers, with Industrials leading the declines, dragged down by the major banks which were down 7%. Health Care (+2.0%) was the best performing sector, driven by Ramsay Health Care (+14.7%), Sonic Healthcare (+10.3%), Healius (+10.1%) and CSL (+4.4%). Materials (+1.5%) also performed relatively well, driven primarily by the Gold sector rallying on renewed expectation of Fed cuts and lithium stocks IGO (+26.1%), Pilbara Minerals (+22.7%) and Liontown Resources (+22.1%).

Information Technology was again the worst performing sector (-11.6%), weighed down by Catapult Sports (-20.1%), Life360 (-18.8%), Technology One (-17.6%) and Xero (-15.7%). The sell off in the Technology sector was not only sentiment driven, but 80% of the fall was due to lower earnings, with Forward EPS for Tech reduced nearly 9.0% in November. Financials (-6.5%) were not spared either, with CBA (-11.1%) having the biggest impact and the Real Estate sector (-3.9%), driven down by Goodman Group -10.1%.

In November, the top stocks that made a positive contribution to the Index's return were CSL (+14bp), Northern Star (+14bp), Pilbara Minerals (+8bp), Evolution Mining (+8bp) and Newmont (+6bp). Conversely, the bottom five stocks detracting from the Index's performance were CBA (-119bp), BHP (-34bp), NAB (-31bp), Goodman Group (-25bp) and Macquarie Group (-25bp). The ASX Small Ordinaries pipped the ASX200 again by delivering a total return of -1.5%, with the Small Resources again doing the heavy lifting, returning +3.1% compared to the Small Industrials, which returned -3.4%.

COMPANY SPECIFIC NEWS

The Market Hits

Light & Wonder Inc. (LNW +39.8%)

Light & Wonder is a very well managed leading global gaming company in the US and internationally, operating in three core segments: Gaming, SciPlay and iGaming. Back in 2023, LNW launched a secondary listing on the ASX and in August this year, decided to leave the Nasdaq and have its sole primary listing on the ASX, which took place on 14 November. LNW shares had been very weak this past quarter, given a combination of index-related selling associated with the migration to a sole Aussie listing and ongoing litigation concerns with rival Aristocrat. However, things turned around when LNW delivered a strong 3Q25 earnings report with NPATA of \$153m, 13% ahead of consensus. This was followed up with the surprise extension of its Share Repurchase Program immediately after the result to include a buy-back of CDIs listed on the ASX. The buy-back commenced on 7 November 2025 and was taken very positively by investors, also attracted to the large valuation discount versus its main competitor Aristocrat.

IGO (IGO +26.1%) / Pilbara Minerals (PLS +22.7%) / Lontown Resources (LTR +22.1%)

Lithium stocks continued to outperform as the spodumene price, after October's 19% went from US\$977/t to US\$1237/t and finished at US\$1150/t. Sell-side analysts have become more positive again on the outlook for the lithium market, driven by the strong demand for Energy Storage Systems (ESS) which are running ahead of installations as the market grows, supported by AI electricity demand, more renewables and policy changes in China. The expected oversupply in 2026 is now looking more like a deficit and with it has improved the profitability of the major spodumene producers LTR, IGO and PLS as well as Mineral Resources.

HMC Capital (HMC +24.8%)

Alternative asset manager HMC continued its slide after peaking at \$12.54/share in late November 2024. One year later HMC hit a 64-month low of \$2.90/share on 14 November and accelerated 33% in the following two weeks, to close the month at \$3.87/share. A major sell-side analyst downgraded earnings pretty materially across FY27-28 due to lower assumed FUM margin and slower assumed FUM growth, yet despite this he saw HMC as being way too cheap and below his downside scenario. It must have resonated with some investors as HMC rallied 20% in the last two days of trading.

The Market Misses

DroneShield (DRO -48.3%)

DRO is an Australian defence manufacturer specialising in counter-drone technology, which after its meteoric rise, was included in the ASX 200 two months ago, hitting a high of \$6.60/share on 9th October, up +763% for the CYTD. Since then, the stock began its slide after the announcement of the Gaza peace deal in late October and this month, absolutely imploded. On 12 November after the market closed, DRO disclosed that three directors had sold \$66m worth of shares. The CEO, Oleg Vornik dumped all his shares at an average price of \$3.34 to pocket \$49m. The exit came as a total shock to investors, driving the shares down 31% the very next day. It also became clear later that the three directors had sold \$2m in stock in the two hours that the market wrongly thought that DRO had signed a new \$7.6m US contract. The company subsequently corrected the initial release, as it was an existing contract and not new business. Note that this episode was prior to the disclosure of the \$66m share sale by directors. To add fuel to the fire, a week later, DRO's US CEO, Matt McCrann, resigned from the business, effective immediately. The DRO stock finished down 48.3% to \$1.98/share with investors late to the party haemorrhaging money!

Temple & Webster Group (TPW -34.8%)

Online furniture and homewares retailer TPW, which sells through both a capital-light 3rd party drop-ship model and its own inventory-held private label range provided an underwhelming trading update, with the growth slow-down driving a material de-rate. For the first 20 weeks, sales were up 18% but given that the first 6 weeks were tracking +28%, this implied that the last 14 weeks had slowed to just 14.6%. Importantly, this period also included the likely benefit from an earlier Black Friday sales period this year vs. pcp, further highlighting a like for like revenue growth slowdown. It means that a re-acceleration to ~40% is required for

remaining 6wks to hit 1H26 consensus growth numbers of +23%. Investors didn't like the declining growth profile for this market darling, which is necessary if you are a company trading at a lofty PE of ~100 times, so investors aggressively sold the stock down 32% on the day.

Iperionx (IPX -25.7%)

IPX aims to become a leading American titanium (Ti) metals company using its patented technologies to produce higher performance alloys from titanium scrap at a lower cost compared to current processes. IPX also owns the Titan Mineral Sands project in Tennessee, which could be developed to support a fully integrated Ti metal's production facility. IPX is currently in the development and expansion phase, going from 125tpa to 200tpa and is aspiring to achieve a commercial rate of 1,400tpa in mid-2027, with 10,000tpa (>10% of the US titanium metal market share) planned from 2030. The market has loved many cashless growth stories and IPX certainly fits the bill. The stock had rallied 137% in the past year to make it into the September ASX 200 rebalance and then rose a further 21% to reach a high of \$9.10 on 15 October. The IPX story then started to unravel after it went into a sudden two-day trading halt due to a short seller report released by Spruce Point Capital Management (SPCM). The SPCM report, amongst other issues, did not believe the end markets for IPX to be attractive, nor did it believe that IPX's highly promoted HAMR™ process would "revolutionize" the industry, or displace the 70-year established Kroll process. IPX responded to the SPCM report refuting their claims and the stock only fell by 3%. However it planted a negative seed in investors' minds and more importantly, the execution risk associated with the ramp up, which saw the stock continue to sell-off for the duration of the month.

Catapult Sports (CAT -20.1%)

CAT is a sports performance analytics tech company which has two core verticals, being wearable tracking technology (Performance & Health segment) and video software analysis (Tactics & Coaching segment). In October, CAT raised \$130m at \$6.68/share in fresh capital for the acquisition of IMPECT GmbH, a discount of 7.7%. IMPECT is a soccer analytics software business for scouting and tactical analysis, providing differentiated insights on player performance and team dynamics. This is done through its unique and proprietary Packing™ metrics software, whose scouting platform was the missing module to CAT's overall video software platform. With limited financial disclosure, the acquisition was taken as dilutive in the short term, with all the focus on future execution. CAT's 1H26 result, with EBITDA of \$10m being 11% below consensus, also disappointed investors.

Bendigo and Adelaide Bank (BEN -19.1%)

Early in the month, BEN delivered a 1Q26 result which was highly disappointing, with an 8% miss to consensus pre-provision expectations, underpinned by far worse expense trends. Management called out seasonality and some impacts from remediation, but unfortunately BAU expenses were meaningfully worse than the prior year (+6% underlying YoY). Despite revenues showing growth (+4% QoQ), with better margins and non-interest income, these trends were insufficient to offset the very poor expense performance (and thus negative jaws). To make matters worse, BEN disclosed that a review they commissioned by Deloitte had identified weaknesses and deficiencies in its control environment with regards to AML/CTF. BEN had previously identified suspicious activity in one particular branch, which they self-reported to AUSTRAC before appointing Deloitte to independently review activity in the branch from 2019-2025. The review focused on that particular branch, however it also highlighted major deficiencies in aspects of its broader AML/CTF risk management. The report found deficiencies during that period relating to identification, mitigation and management of AML and CTF issues and that these issues extended beyond the branch and to the bank's broader risk management approach. While it was too early to speculate on what sort of regulatory response and remedial plan these findings might invite, the uncertainty weighed heavily on the shares. So while the financial impact is unclear, peer experience suggests the costs of uplifting compliance systems alone could be ~\$30-70m (a ~4-10% negative impact on earnings).

FUND PERFORMANCE

In a drawdown and volatile month littered with AGM and quarterly surprises, pleasingly the Fund generated a positive return of +3.60%, significantly outperforming the ASX200 Accumulation benchmark return of -2.66%, helping to deliver our second highest monthly alpha since inception.

This brings the return for the 2026 FYTD to a satisfactory +14.54% compared with the benchmark return of +2.32%. The return for the CYTD now stands at +8.90%, broadly in line, but marks a pleasing second half turnaround.

For the CYTD, the All Industrials have returned +4.1%, but the All Resources have returned +27.6%.

In November, the Health Care (+2.0%), Consumer Staples (+1.6%) and Materials (+1.5%) sectors were the best performers (with CSL acting as the largest positive contributor at 14bp), whilst the Information Technology (-11.6%), Financials (-6.5%) and Real Estate (-3.9%) sectors fared poorly. The major contributors to this month's benchmark return were Materials (+33bp), Health Care (+16bp) and Consumer Staples (+6bp). Conversely, the major detractors were Financials (-227bp), with CBA the largest negative contributor (-119bp), Information Technology (-36bp) and Real Estate (-26bp).

Month of November Attribution

For November, the main positive contributors to the Fund's performance were overweight positions in Amcor (+9.9%), Healius (+10.1%), GQG Partners (+18.2%), Myer Holdings (+16.5%), Orora (+10.9%) and not owning any CBA (-11.1%).

For the month, there were no negative contributors of note and we got through the AGM season unscathed.

FUND ACTIVITY

The Fund was highly active in November to take advantage of opportunities unfolding during the AGM season. We profitably exited BHP, Fortescue, Dexus Property Group (expected rate hikes by the RBA are not good for REITs), Woodside Energy, Woolworths and trimmed Amcor after the shares rallied off their recent lows of \$12.02 and outperformed in November. We added to Bega Cheese ahead of its strong FY25 results and also to Endeavour Group, Orora and Orica. We used the funds raised to selectively pivot back into underperforming stocks, many of which we have held before and we believe now offer a much better risk/return profile going forward. These include Aristocrat Leisure, bombed out Bapcor, Cleanaway Waste, Domino's Pizza, IPH, Medibank Private, Smart Group and Santos. New names added to the portfolio include defensives such as Sonic Healthcare and TPG Telecom, both of which have fallen sharply and offer superior dividend yields of 4.7% and 4.6%, respectively.

Domino's Pizza Enterprises – a turnaround story finally, finally starting to deliver and not a technology stock...

DMP was re-introduced into the Fund after we came away post the Domino's AGM far more positive given franchisee profitability was improving (driven by better margins) and that the fundamental shift in pricing strategy from Discount-led to Every Day Low Pricing Value seemed to be working. This should further be supported by ~2/3 of the cost savings flowing through to franchisees. The WA menu trials also appeared to be going well and most importantly, the balance sheet had been de-risked given the recent debt refinance, providing easier covenants for the next 24 months.

The Executive Chairman stated at the AGM that DMP sees "no requirement" for an equity raise based on current strong free cash flow generation (estimated at >\$100 million pa). This helped to allay investor (and our) concerns. The A\$1.05bn refinance in debt facilities announced on 6th November included an increase in the net leverage ratio covenant cap to 3.5x for 24 months (FY25 net leverage was 2.57x), effectively giving the company more flexibility and time to execute on its much needed turnaround strategy.

While SSS for the first 17 weeks of -1.2% were soft, this was explainable given the strategic shift away from previous heavy price discounting, as low value add customers would have clearly dropped out. This was particularly evident in WA where their new trial menu led to lower volumes, but overall, management were seeing positive signs on delivery basket size, garnering franchisee support. Despite the lower sales volumes, franchisee profitability had actually improved, which we believe is the key metric worth tracking. Whilst the overseas markets of France and Japan remain tough (nothing new there), Management were confident that 1) FY26 NPAT would exceed consensus; 2) the \$60-70m sustainable cost-out program was well on track and aspirationally heading towards the \$100m mark; 3) Unit economics were improving with a "material" increase in ANZ franchisee EBITDA; and 4) Positive early signs on WA pricing trial.

On a PER of 15x consensus FY 2027, the stock is no longer \$160 per share, is now screening incredibly cheap and is right in our contrarian wheelhouse as a high conviction long!

FUND STRATEGY AND OUTLOOK

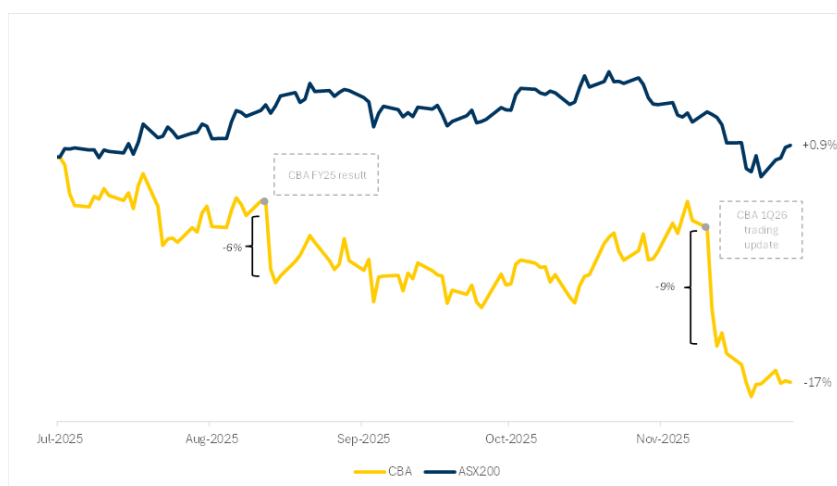
The end of the US Q3 reporting showed that S&P500 company revenues grew ~8% and EPS by ~16%, beating estimates by 9% (~80% of companies topped projections). Not surprisingly, Big Tech drove the earnings boost by delivering 31% EPS growth YoY and Financials (buoyed by higher Bank trading profits) were not far behind at 25%. A combination of strong earnings, fiscal stimulus and the prospect of lower interest rates certainly bodes well for the US economy. The much-improved relationship between President Trump and President Xi has also smoothed earlier tariff tantrum concerns, also a positive for sentiment. Looking ahead, the upcoming December FOMC meeting now has a high probability of a third 25bp interest rate reduction from the current federal funds rate of 3.75-4.0%. More voting members of the FOMC have recently been vocal and are supportive of a December cut, with the possibility of a further 2 rate cuts to come next year.

Closer to home, since our last monthly report, a lot has changed, as inflation remains hot as a stove and the October monthly CPI confirmed that there was nothing transient about Q3 inflation. **Risk of RBA hikes has risen significantly.** In our last monthly, we suggested the RBA was likely to keep rates on hold into the new year. With the latest core inflation print way above the RBA's target band of 2-3%, the risk of official interest rate hikes has clearly increased. **With the rising risk the next move by the RBA in May and June could well be a hike, we have fine-tuned the portfolio accordingly,** hence the exit of our highly interest rate sensitive Dexus holding and small residuals in Mirvac and Waypoint REIT. We also felt that the recent sell off and de-rating has provided us

with a timely opportunity to introduce a few quality and undervalued US earners (given potential for more Fed cuts) and hence Aristocrat being included into the Fund.

We have maintained our zero Banks stance, as the recent sell-off across the sector has started to gain more traction. As reinforced above, the sudden pivot in the domestic inflation story during November and the impact on the outlook for official cash rates (risk of rate hikes by the RBA in May and June), has been the likely catalyst for the sector's sudden change in fortunes. As a reminder, banks have historically outperformed strongly during a rate cutting (or anticipation of cuts) environment and conversely have historically underperformed during the rate hiking environment. This is despite the fact this time around, asset quality has been surprisingly strong and the bad debt cycle incredibly benign (during this whole period since COVID), with the banking sector consistently reporting (relative to previous cycles) a low ~8 bp of BDDs. For investors, the pull back in CBA from highs of over \$190 per share has attracted the most attention due to its significant share price outperformance over the past two years and due to the management team continuing to enjoy the best reputation in the sector.

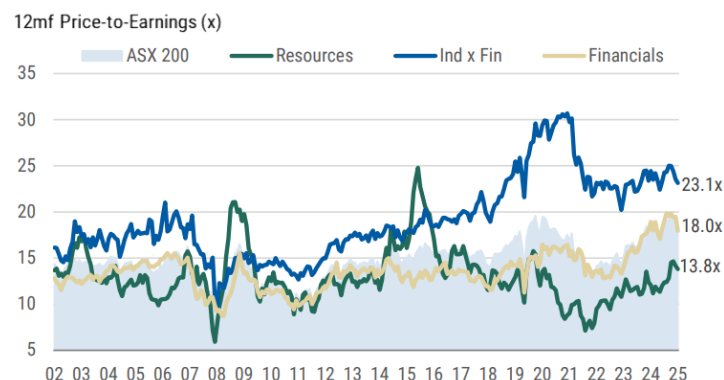
CBA's share price has corrected sharply since 1 July 2025, in a broadly flat Australian market



Source: Goldman Sachs

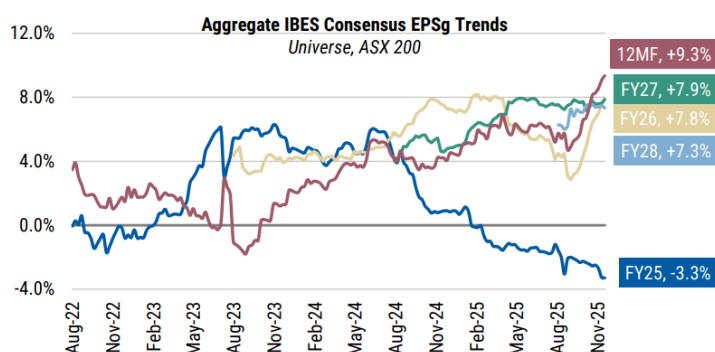
In terms of equity market valuations, despite the 2.7% market setback, multiples remain elevated versus history, but there is nothing new here. The ASX 200 12MF P/E multiple has now adjusted lower by 0.9 P/E pts to 18.1x. Aggregate consensus earnings levels and growth estimates continue to trend higher, with FY26/27 levels now +3.9% / +4.0% above the September trough, whilst growth estimates are now sitting at +7.8% / +7.9%, respectively, for FY26/27. Across sectors, Materials remain the largest contributor in earnings uplift, thanks to favourable commodity price signals, positive supply-side dynamics for key verticals and improved outlook for China's ultimate exit from deflation.

The 12M forward PE of the Industrials ex-Financials at 23.1x



Source: Morgan Stanley.

Annual Consensus EPS Growth Trends FY25-28



Apart from the significant changes articulated in the Activity Section, we continue to hold our more Contrarian and Value biased line, favouring the Defensive Growth stocks (not Tech, as they offer no yield) in that cohort. Many of our key holdings, which are still unloved and mis-priced by the market, have strong turnaround potential with material upside capture. This environment going forward should suit our portfolio positioning and bottom up stock picking approach over the medium term.

For the 2026 Financial Year, the forecast grossed up Dividend Yield for the Fund now sits at 6.8%, superior to the grossed-up Market Dividend Yield of 4.4%.

Contact Us

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Find out more:

For new or additional applications into the Fund, please click [here](#).

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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