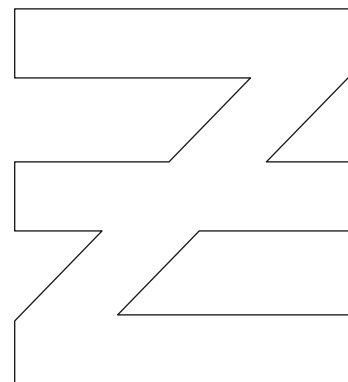


Ellerston Australian Absolute Return Fund – Class A Units



Monthly Newsletter, December 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	\$1.2748
NAV Price	\$1.2716
Redemption Price	\$1.2684
Current Total NAV	\$4,874,211
Liquidity	Daily
Gross Exposure	70.36%
Net Exposure	32.66%
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 [^]	0.8%	0.8%	12.2%	7.8%	2.2%	3.7%	5.8%
Benchmark*	0.3%	0.9%	3.9%	4.0%	2.7%	2.0%	2.0%
Alpha	0.5%	-0.1%	8.3%	3.8%	-0.5%	1.7%	3.8%

[^] 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 ('Fund') rose +0.8% (net) for the quarter underperforming the ASX200 which rose +0.9% (net). Our index protection strategies proved beneficial, cushioning downside during the rapid market sell-off early in November and stock selection made a positive contribution.

Overall, for 2025 the Fund rose +12.2% which was well ahead of the RBA cash rate and ahead of the ASX200 despite typically carrying a net position of only 20%-35% throughout the year, and therefore a lower level of volatility than the broader equity market. This highlighted our ability to manage the downside risks during several market downturns throughout the year and the positive contribution from stock selection.

POSITIVE CONTRIBUTORS

Alcoa Corporation (AAI) rose +60% for the quarter mainly driven by the increase in the Aluminium price which rose along with the Copper price. With Chinese production having met its long-term self-imposed cap, expectations are that prices will rise further as growth in demand is not matched by a commensurate increase in production.

Symal Group (SYL) rose +92% for the quarter following a solid FY25 result which was then followed by a large new contract win and the announcement of several acquisitions. With the stock basically trading sideways for almost a year after the IPO, the re-rating of the company was delayed for a period, with the catch up all occurring in one quarter.

Bellevue Gold (BGL) rose +49% with the increase in the \$A gold price and self-improvement within the mining operations. After a disappointing commencement to mining at the start of the operation, the last six months has seen improvements in development metres and grade control drilling which should lead to greater confidence in meeting gold production targets. This has led to free cash flow generation which has allowed a pro-active reduction in the hedge book.

NEGATIVE CONTRIBUTORS

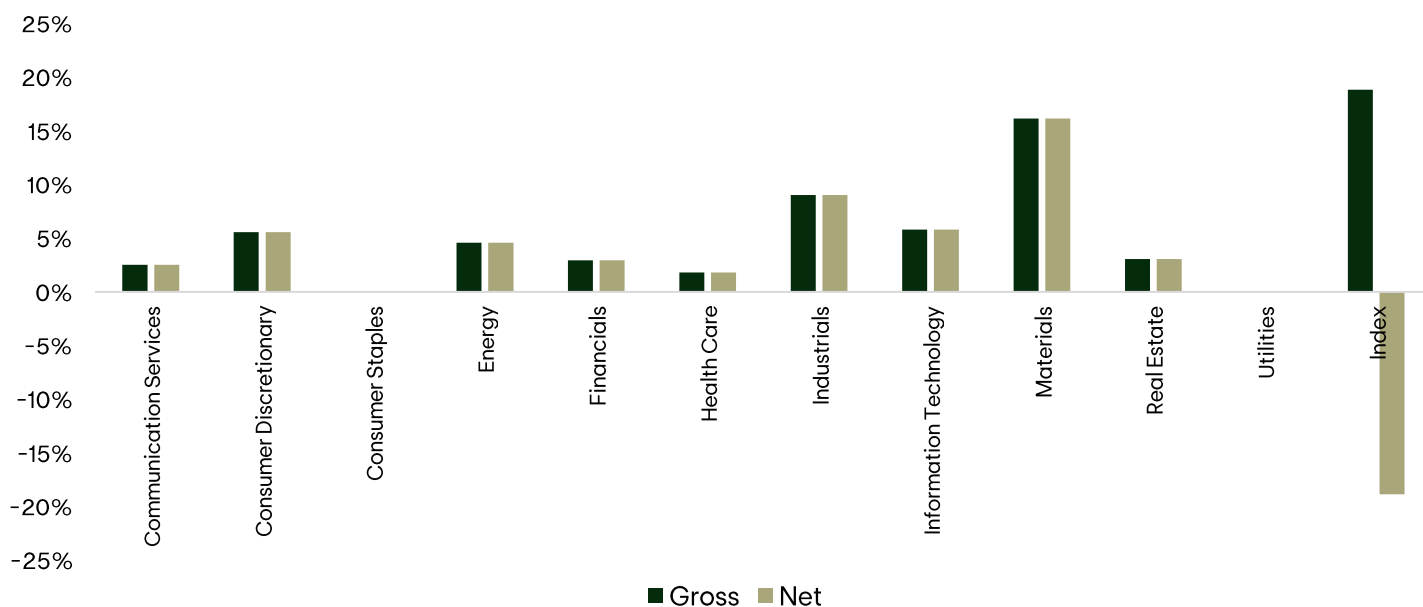
ERoad Ltd (ERD) fell -53% for the quarter and disappointingly wiped-out previous paper gains. The business has now seen a significant de-rating following the loss of a large North American customer and now reflects little value for these operations.

Superloop Ltd (SLC) fell -24% after its AGM trading update disappointed the market. Investors had anticipated upgrades to guidance, but the midpoint instead implied modest downgrades to FY26 forecasts, largely due to slower-than-expected growth from the Origin contract. We exited the position during the quarter following the earnings miss.

Seek Ltd (SEK) fell -19% for the quarter with job ad volumes in Australia being below expectations for the first half of the financial year versus full year guidance of flat expectations. New Zealand has seen growth but not enough to offset the declines in Australia.

PORTFOLIO CHARACTERISTICS

Sector Exposure



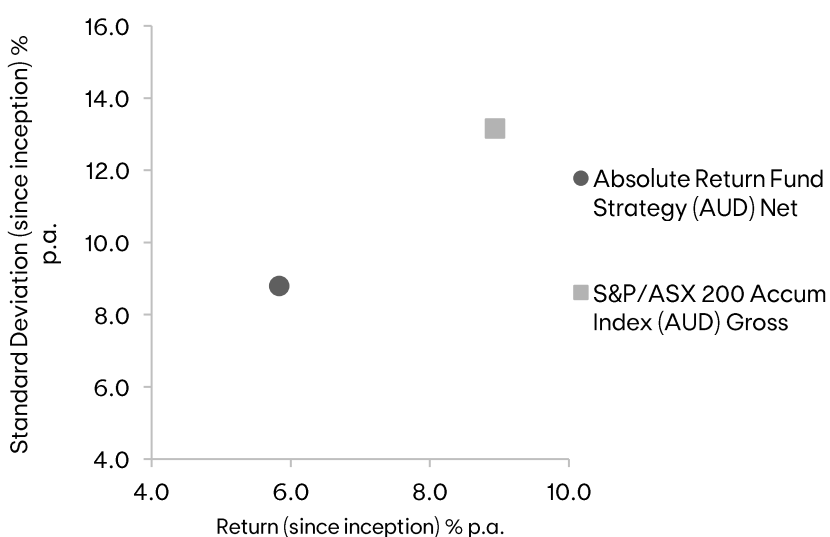
Source: Ellerston Capital.

Top 10 Holdings (Alphabetical, Long Only)

Alcoa Corporation
BHP Group Ltd
Cleanaway Waste Management Ltd.
Fleetwood Limited
GQG Partners, Inc.
hipages Group Holdings Ltd.
MAAS Group Holdings Ltd.
Peter Warren Automotive Holdings Ltd
Regis Healthcare Ltd.
Servcorp Limited

Source: Ellerston Capital.

Strategy Performance & Volatility



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

- **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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