

Ellerston Global Mid Small Cap Fund

Monthly Report as at 30 April 2026

APIR Code: ECL8388AU, ECL3306AU | ARSN 609 725 868



Concentrated portfolio of global mid small cap securities, built through a contrarian, high conviction, and benchmark independent approach.



Targets companies which the Portfolio Manager feels are in a period of "price discovery" and which offer an attractive risk/reward dynamic.



Aims to outperform the benchmark with a focus on risk management and capital growth.

Performance Summary - Class A

Performance	1 Month	3 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception (p.a.) ^{^^}
Net [^]	11.4%	8.9%	31.7%	14.4%	7.5%	11.9%
Benchmark*	2.7%	1.0%	10.8%	12.0%	8.2%	10.2%
Alpha	8.7%	7.9%	20.9%	2.4%	-0.7%	1.7%

Performance Summary - Class B

Performance	1 Month	3 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception (p.a.) ^{^^^}
Net [^]	11.5%	9.0%	31.8%	14.4%	7.8%	11.0%
Benchmark*	2.7%	1.0%	10.8%	12.0%	8.2%	10.8%
Alpha	8.8%	8.0%	21.0%	2.4%	-0.4%	0.2%

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

* MSCI World Mid Cap Index NR (AUD).

^{^^} Class A inception is 28 February 2017. ^{^^^} Class B inception is 18 August 2020.

Key Information

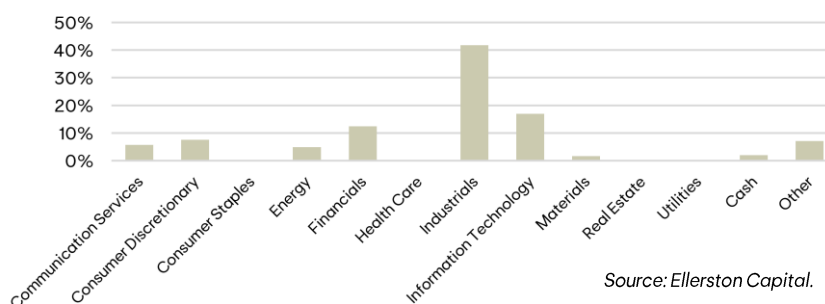
Portfolio Manager(s)	Nick Markiewicz
Investment Objective	To outperform the benchmark by 3% over a 5-year rolling period.
Benchmark	MSCI World Mid Cap Index NR (AUD)
Liquidity	Daily
Target Number of Holdings	20-40
Minimum Investment	Initial - \$25,000 Additional - \$10,000
Distribution Frequency	Half-Yearly (where available)
Management Fee	0.75% p.a.
Performance Fee ¹	10.00%
Buy/Sell Spread	0.25% / 0.25%
Class A Unit Prices & Fund Size	Application - \$1.8904 Net Asset Value - \$1.8857 Redemption - \$1.8810 Fund Size - \$31,351,555
Class B Unit Prices & Fund Size	Net Asset Value - \$1.5956 Redemption - \$1.5916 Fund Size - \$31,615,523

Top Holdings*

Company	Sector
Corpay, Inc.	Financials
GFL Environmental Inc	Industrials
Nexans SA	Industrials
ProPetro Holding Corp.	Energy
SharonAI Inc Convertible Note	Unlisted

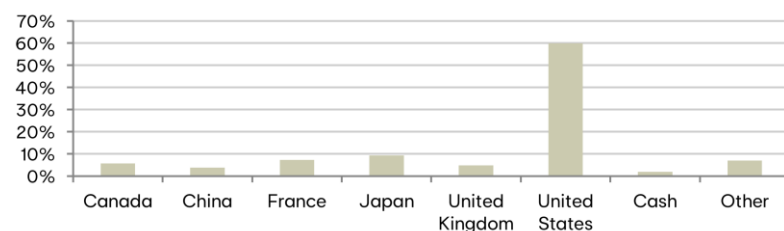
Source: Ellerston Capital. *In alphabetical order.

Sector Allocation



Source: Ellerston Capital.

Regional Exposure



Source: Ellerston Capital.

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

PORTFOLIO COMMENTARY

The Ellerston Global Mid Small Cap Fund (the Fund) increased +11.4% (net AUD) in April relative to the MSCI World Mid Cap Index (the Benchmark) increasing +2.7% (AUD). For the 12 months to April, the Fund has increased +31.7% (net AUD) compared to the index up +10.8% (AUD).

MARKET COMMENTARY

April saw a powerful rally across nearly all markets and factors, driven by a strong relief rally as the US and Iran reached a fragile 'ceasefire', as well as a firming narrative around artificial intelligence ('AI'). The rally was compounded by the light positioning of hedge funds and other market participants, who respectively re-grossed and added US equity exposure through the month. Reflecting this, the tech heavy Nasdaq increased 15% in April, posting its best gain since April 2020. Alternatively, the S&P500 equal weight index, which has less tech exposure and normalises for market capitalisation, returned (a still healthy) 6%.

While a more permanent and palatable peace deal in the Middle East remains far from certain, we believe evidence of real-world AI 'usage' has been accelerating in recent months. In our view, the market's key concern until recently has been whether the trillions of dollars being cumulatively spent on AI development will ever generate a financial return, let alone an economic one. We believe the last few months have likely represented a form of turning point for the market's views on AI.

In short, this has been due to the release of increasingly powerful models from Anthropic and OpenAI that are finally creating useful AI applications for enterprise. Importantly, this has been coupled with evidence of demand, notably accelerating paid token usage, rising GPU rental prices, and further upgrades to the capital expenditure and outlooks of the key AI spenders in 2026 and 2027.

Recent result commentary from companies we track was encouraging. Cloud growth at the major hyper-scalers reaccelerated in 1Q26 (AWS +28%, Google Cloud +63%) and enterprise adoption is broadening from cost-reduction pilots into production workloads. Internally, the productivity claims from AI users are becoming more concrete. For example, Amazon rebuilt a major service with five engineers in 65 days versus an estimated 40 people over a year, and in the real economy, Waste Connections is guiding to ~100 basis points of margin improvement from AI tooling by 2028. The overall picture is one of a capital cycle that is deepening rather than plateauing, with demand signals firm enough that the largest spenders are explicitly committing to further increases in 2027.

One consistent theme from the 1Q26 reporting season is that the AI bottleneck has visibly shifted from model capability to physical infrastructure; power, cooling, and data centre capacity, which will take many years to resolve at the current demand curve. The vast majority our AI portfolio holdings are levered to this specific theme.

KEY CONTRIBUTORS

SharonAI Holdings (Unlisted) increased 69% in the Fund through the month. SharonAI is one of the few Nvidia cloud partners in Australia, with potentially attractive power, financing, and customer opportunities. If realised, we believe the company is likely to grow earnings significantly. The company is expected to complement its US listing with an Australian IPO in the coming months.

Nebius Group (NBIS-US) increased 33% in the Fund through the month. Nebius operates GPU clouds for hyperscalers and enterprises. In March 2026 the company signed a \$27 billion cloud deal with Meta. That same week, NVIDIA announced a \$2 billion direct equity investment in Nebius as a strategic partner for next-generation hyperscale AI infrastructure. In aggregate, Nebius is now sitting on a contracted backlog approaching \$50 billion for the 2027–2031 period, against 2025 revenue of just \$530 million.

Applied Optoelectronics (AAOI-US) increased 90% in the Fund through the month. AAOI makes high-speed optical transceivers, the "fiber-optic plugs" that move data between AI chips and servers inside large data centres. The stock still trades on a very modest earnings multiple versus what management is targeting for 2028 shipments, effectively pricing in a big execution discount on a business that now sits in the slipstream of an exceptionally strong AI infrastructure tailwind, where even "imperfect" delivery against plan could still translate into very attractive long-term returns.

KEY DETRACTORS

TKO Group (TKO-US) fell 8% in the Fund through the month on concerns around the impact conflict in the middle east will have on earnings. We note the Middle East remains a relatively small part of overall group earnings, with TKO entering an attractive cashflow/capital return period, with this likely unaffected by geopolitics.

IREN Limited (IREN-US) fell 12% in the Fund detracting through the month. IREN has one of the largest power and land banks in the AI data centre landscape, which we continue to view as carrying long term strategic value.

Regulatory Guide (RG240) Fund Disclosure Benchmark – Periodic Reporting (monthly)

- **Net Asset Value of the Fund and Redemption Price of Units.**

Please refer to 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 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.**

There have been no changes to the primary investment personnel responsible for managing the Fund.

Find out more:

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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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