



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 that 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 [^]	8.2%	13.0%	45.0%	29.5%	26.3%	16.4%
Benchmark*	1.7%	-4.5%	-2.4%	2.8%	5.6%	3.4%
Alpha	6.5%	17.5%	47.4%	26.7%	20.7%	13.0%

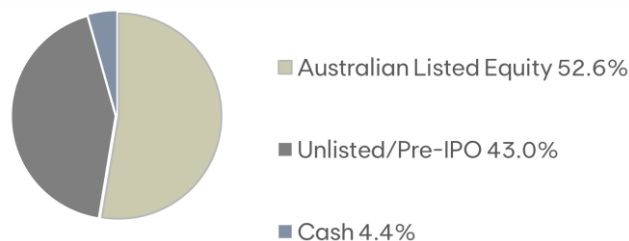
[^] The net return figure is calculated after fees & expenses, assuming all distributions are reinvested. Past performance is not a reliable indication of future performance.

* S&P/ASX Small Industrials Accumulation Index. ^^ Inception date is 30 May 2022.

Key Information

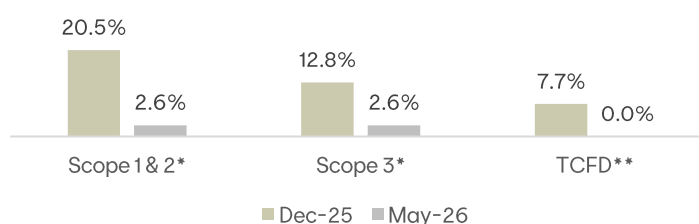
Portfolio Manager(s)	David Keelan James Barker Jack Briggs
Investment Objective	To outperform the Benchmark over a rolling three-year period.
Benchmark	S&P/ASX Small Industrials Accumulation Index
Target Number of Holdings	Unlisted/Pre-IPO Investments – 10-30 & Listed Micro & Small Cap Investments –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

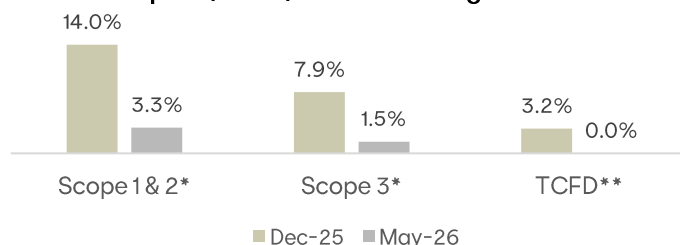


Source: Ellerston Capital.

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.

FUND COMMENTARY

The Ellerston 2050 Fund (the Fund) delivered a return of 8.2% (net) in May, outperforming the S&P/ASX Small Industrials Accumulation Index (the Benchmark) return of 1.7% over the period. May proved to be another highly active month across both geopolitical and macroeconomic fronts. While progress in the US/Iran peace negotiations has been slower than markets initially anticipated, developments have nevertheless contributed to a moderation in global energy prices, with oil prices declining approximately 20% from the highs experienced during the peak of the conflict.

Domestically, economic data remained mixed, with unemployment rising to 4.5%, the highest level in five years and above expectations, while inflation eased to 4.2% and GDP growth also undershot forecasts. Taken together, these data points suggest the impact of elevated interest rates and higher fuel costs is continuing to weigh on consumer confidence and spending behaviour. This was further compounded by the sweeping tax changes announced in the Federal Budget, particularly proposed reforms to negative gearing and capital gains tax concessions, which have added another layer of uncertainty for households, investors and the broader housing market.

On a more positive note, bond yields have stabilised in recent months, reinforcing the view that the RBA is likely approaching the end of its hiking cycle. Encouragingly, despite softer economic conditions, capital markets remain selectively supportive for high-quality businesses, as demonstrated by the successful IPO of SkinKandy and capital raisings completed by both NextDC and CDC, underscoring the market's ongoing enthusiasm for AI and data centre-related investment themes.

KEY CONTRIBUTOR*

SKS Technologies (SKS AU) was one of the Fund's top contributors for the month of May 2026. The company saw its share price rise 36.2% for the month and continues a strong run in recent months. Early in the month the company updated the market with a \$22m contract win for a major retailer's new headquarters. Accompanying this announcement was an updated work-in-hand figure of \$355m and FY27 secured

revenue at \$270m in May 2026, which is 35% higher than where FY26 secured revenue was at the start of July 2025. When this is framed with the increase in pipeline from \$572m in February 2026 to \$1.25bn at the start of May, it is easy to get excited about SKS's growth prospects in FY27 and beyond. We see SKS as a critical delivery partner for some of the major Australian hyperscale data centre providers, each with significantly increasing levels of pipeline to deliver on in the coming years.

KEY DETRACTOR*

Wrkr (WRK AU) had a tough month giving up over 20% after a mixed third quarter trading update. Cash receipts were stronger than expected, driven by recurring revenue from Wrk Pay transaction activity and the Paidright acquisition. However free cashflow was softer reflecting increased investment in growth, and additional headcount through the period. Pleasingly, REST Pay is live and off to a good start, and Australian Super reported strong take-up following its release. The company has continued to onboard multiple smaller super funds, and the story remains intact. The company expects to be profitable in FY27, underpinned by customer wins, and structural regulatory tailwinds. The company helps decarbonisation by digitising workforce compliance, onboarding and superannuation processes, reducing paper-based administration and manual processing across employers, payroll providers and super funds.

OUTLOOK

We are using the period between reporting seasons to continue attending broker conferences, sourcing new investment ideas and meeting with portfolio companies ahead of blackout periods. It provides a valuable opportunity to revisit existing positions, challenge our investment theses and identify emerging opportunities, particularly as recent market volatility has created several dislocations across our universe. We continue to focus on finding high-quality businesses with strong balance sheets, pricing power and structural tailwinds. We continue to rigorously stress-test the portfolio to ensure our highest conviction positions remain the most catalyst-rich and offer the most attractive risk-adjusted return opportunities.

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All holding enquiries should be directed to our registry, Automic Group on 1300 101 595 or ellerstonfunds@automicgroup.com.au.

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