Ellerston India Fund

Quarterly Report as at 30 June 2026

APIR Code: ECL0339AU | ARSN 618 549 796

Portfolio of 20-50 Indian Companies built through a distinctive high growth, high conviction, and benchmark independent investment approach.

Targets companies which offer attractive risk/reward profiles, utilising 'bottom up' analysis, along with a 'top down' analysis of macroeconomic conditions and structural themes.

Aims to outperform the Benchmark with a focus on capital growth and downside protection.

Strategy Performance Summary

Period	1 Month	3 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception^^ (p.a.)
Gross Return Before Tax+	7.1%	11.5%	-25.3%	3.1%	4.9%	7.4%
Benchmark**	5.4%	8.8%	-17.5%	4.3%	6.8%	8.1%
Strategy Relative Performance	1.7%	2.7%	-7.8%	-1.2%	-1.9%	-0.7%

+ Strategy performance before taking into account fees, costs and applicable capital gains taxes. Past performance is not a reliable indication of future performance.
*** Benchmark is MSCI India Net Return Index (AUD) and does not take into account capital gains taxes.*
^^ Inception date is 4 May 2017.

Investor Performance Summary

Period	1 Month	3 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception^^ (p.a.)
Net Return After Tax^	6.4%	9.1%	-23.7%	0.8%	2.9%	5.4%
Benchmark**	5.4%	8.8%	-17.5%	4.3%	6.8%	8.1%
Investor Relative Performance	1.0%	0.3%	-6.2%	-3.5%	-3.9%	-2.7%

^Fund return is calculated after taking into account management fees and expenses as well as capital gains taxes on unrealised gains/losses. This return is based on the NAV calculation and reflects the return received by investors in the Fund. Past performance is not a reliable indication of future performance.
*** Benchmark is MSCI India Net Return Index (AUD) and does not take into account capital gains taxes.*
^^ Inception date is 4 May 2017.

Key Information

Investment Objective	To outperform the Benchmark on a net of fees and tax basis, with a focus on capital growth and downside protection.
Benchmark	MSCI India Net Return Index (AUD)
Liquidity	Daily
Target Number of Holdings	20-50
Minimum Investment	Initial investment - $10,000 Additional investment - $5,000
Distribution Frequency	Half-Yearly (where available)
Management Fee	1.10% p.a.
Performance Fee[1]	15.00%
Buy/Sell Spread	0.25% / 0.25%
Cumulative Unit Prices	Application –$0.7825 Net Asset Value – $0.7805 Redemption – $0.7785

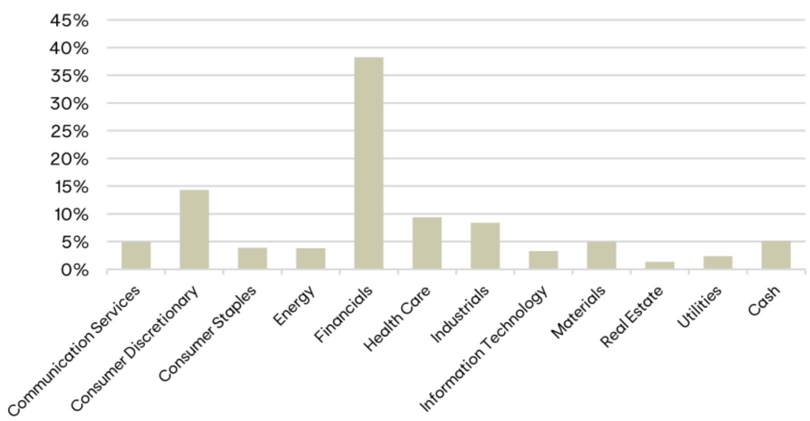
[1]Of the investment return above the benchmark, after recovering any underperformance in past periods.

Top Holdings*

Company	Sector
Axis Bank Limited	Financials
Bharti Airtel Limited	Communication Services
HDFC Bank Limited	Financials
ICICI Bank Limited	Financials
Reliance Industries Limited	Energy

**In alphabetical order.*
Source: Ellerston Capital.

Sector Allocation



Source: Ellerston Capital

MARKET COMMENTARY

Ellerston India Fund (EIF) was up 6.4% (net) in June versus the MSCI India Index (MXIN) was up 5.4%. For the April to June Quarter 2026, EIF was up 9.1% (net) versus MXIN up 8.8%. In INR, MXIN was up 1.1% for June and was up 9.9% for the June Quarter. The June quarter saw a sharp relief rally driven by a likely de-escalation in the West Asia War, leading to lower costs for energy imports and further efforts by Government and the RBI to stabilise the INR. In June, the RBI kept rates unchanged at 5.25% while simultaneously unveiling multiple capital-account measures, including FCNR (Foreign Currency Non-Resident) deposit incentives, ECB swap facilities and measures to improve broader foreign investor access. The government also introduced exemption of capital gains tax on foreign holdings of G-sec. The quarter saw broad based performance across sectors barring IT which was the laggard, driven by weak discretionary technology spend and renewed AI-disruption concerns. Foreign Institution Investors (FIIs) sold USD $3.7bn in June (USD $14.8bn for the quarter). Conversely, Domestic Institutional Investors (DIIs) continued buying to the tune USD $9bn in June (USD $19.4bn for the quarter).

KEY CONTRIBUTORS

Our under-weight positioning to the IT Sector (Infosys/TCS) and owning **Tata Communications** and **Suzlon Energy** were key attributors.

We continue to hold an under-weight position in the IT sector as growth and profitability rebases lower, creating the risk of further corrections in sector multiples.

Tata Communications is a Telecom services provider with its key businesses being Core Connectivity and Digital Portfolio. The Core Connectivity business provides traditional point-to-point connectivity solutions for enterprises, with the Digital Portfolio segment offering a new-gen, hi-tech digital portfolio built around connectivity solutions. The Company experienced a re-rating over the quarter, with the market viewing it is a play on AI connectivity/digital infrastructure, given its suite of offerings covering digital enterprise infrastructure, NextGen connectivity platforms, multi-cloud connectivity and network transformation service. Tata Communications operates the largest subsea fibre network in the world (internet backbone), with its network carrying around 30% of the world's internet traffic.

Suzlon Energy is the market leader with >30% market share in the domestic wind turbine generation. The company offers a vertically and backward integrated system across manufacturing, EPC, O&M, sourcing, R&D and technology. It has a lean cost structure and net cash balance sheet. The two-player industry is seeing tailwinds from increasing power demand and shift towards renewable energy as India focuses on energy security.

KEY DETRACTORS

Not owning **Bajaj Finance** and our position in **HDFC Bank** were the key quarterly detractors.

While we do not own Bajaj Finance, we hold a significant overweight in Bajaj Finserv, the holding company of Bajaj Finance. Bajaj Finserv also posted strong performance, given it derives ~70% of its value from Bajaj Finance with the remaining coming from its General Insurance and Life Insurance businesses.

HDFC Bank was a positive contributor for the quarter, although it lagged the index due to a continuance in broad based FII selling. HDFC bank is more sensitive to FII selling as it is the largest index weight and has a large ownership / overweight positioning amongst FIIs. The Bank is working its way from decent / in-line growth towards a higher growth trajectory while continuing to fix its internal operations.

OUTLOOK

We believe that after nearly two years of correction, many of the key headwinds are now moderating. We are increasingly seeing signs of earnings downgrade cycles bottoming, valuations now being relatively attractive and positioning being reset. Government data released in June showed that India's economy grew 7.8% year-on-year in January–March quarter, while full-year FY26 growth was reported at 7.7%. Macro factors particularly further de-escalation of the West Asia war remains the most important near-term variable.

As always, if you have any questions regarding any aspect of the Fund or the portfolio, please feel free to contact us at info@ellerstoncapital.com.

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.

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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