Ellerston Asia Growth Fund Complex ETF

Ellerston Capital

Monthly Report as at 31 July 2026

APIR Code: ECL1411AU | ARSN 626 690 686

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

Focus on high quality companies with superior growth characteristics, sustainable earnings, and quality management.

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

Performance Summary

Performance	1 Month	3 Months	1 Year	3 Years (p.a)	Since Inception (p.a.) ^^
Net^	-11.2%	3.4%	17.7%	16.6%	17.1%
Benchmark*	-4.8%	8.0%	24.2%	16.7%	17.1%
Alpha	-6.4%	-4.6%	-6.5%	-0.1%	0.0%

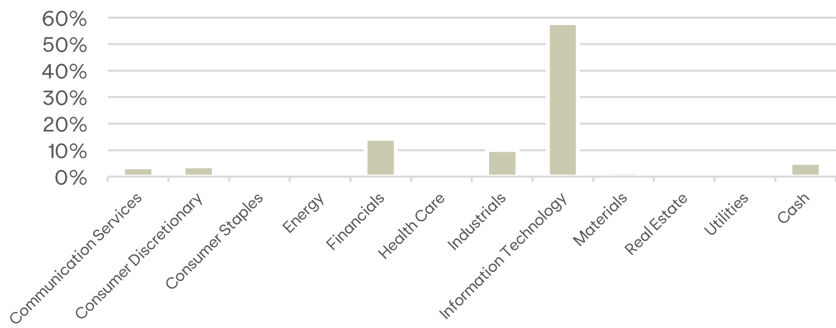
^ The net return figure is calculated after fees & expenses, assuming all distributions are reinvested. Past performance is not a reliable indication of future performance.
** MSCI Asia Ex Japan (non-accumulation) Index in AUD.*
^^ Inception Date is 01/06/2023. The Ellerston Asia Growth FundComplex ETF was formerly known as the Ellerston Asia Growth Fund(Hedge Fund), with a strategy inception date of 04/01/2017. The performance was reset following a restructure of the Fund into an exchange traded managed fund which took effect on 01/06/2023.

Key Information

Investment Objective	To outperform the Benchmark on a net of fees basis, with a focus on capital growth and downside protection.
Benchmark	MSCI Asia Ex Japan (non-accumulation) Index in AUD.
Liquidity	Daily
Target Number of Holdings	20-50
Minimum Investment for Applications Direct with Unit Registry[1]	Initial investment - $10,000
Distribution Frequency	Half-Yearly (where available)
Management Fee	0.75% p.a.
Performance Fee[2]	10%
Buy/Sell Spread[3]	0.25% / 0.25%
Unit Prices	Application – $8.3866 Net Asset Value – $8.3657 Redemption – $8.3448
Fund Size	$37,616,369

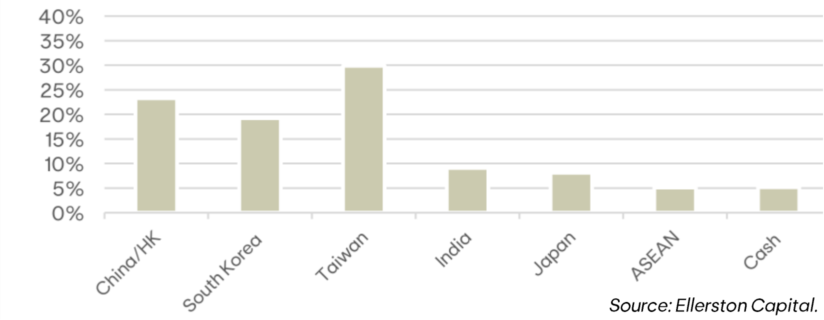
[1] Minimum number of units required for purchases made via the ASX will be dependent on each stockbroker.
[2] Of the investment return above the Benchmark after recovering any underperformance in past periods.
[3] Applicable only to investors buying and selling directly with the manager.

Sector Allocation



Source: Ellerston Capital.

Geographic Allocation



Source: Ellerston Capital.

Top Holdings*

Company	Sector
DBS Group Holdings	Financials
Samsung Electronics Co	Information Technology
SK hynix Inc.	Information Technology
Taiwan Semiconductor Manufacturing	Information Technology
Tencent Holdings	Communication Services

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

FUND COMMENTARY

The Ellerston Asia Growth Fund Complex ETF (EAFZ) declined -11.2% in July, underperforming its Benchmark, the MSCI Asia Ex Japan (non-accumulation) (AUD), which declined -4.8%.

July witnessed one of the most aggressive momentum unwinds in recent history, leading to the forced liquidation of many leveraged positions. One high-profile AI-focused hedge fund, Situational Awareness, was reported to have sold its entire public-equities book to Citadel after being hit by margin calls. Despite being underweight Korea, including memory makers, the Fund was negatively impacted by the severe momentum unwind elsewhere in the market. Our technology positions across China, Japan and Taiwan were hit hard despite very strong fundamentals and attractive valuations. For context, the Fund's five largest detractors for the month—Hyosung Heavy Industries, Fujikura, Zhen Ding Tech, ASMPT and Yageo—all reported beat-and-raise quarters during the period and are trading on mid-cycle multiples. On a country basis, Korea was the main alpha contributor of the Fund for the month, while China was the main detractor.

KEY MONTHLY CONTRIBUTOR

PetroChina (857 HK) is one of China's largest integrated oil and gas companies, with operations spanning upstream exploration and production, refining, chemicals, marketing and natural gas infrastructure. Its share price rose during the month as crude oil prices surged amid the Iran–US conflict. This, combined with the broader rotation from growth to value, supported strong relative performance. PetroChina also paid its semi-annual dividend during the month. We exited the position after the share price reached our target, and on the view that the conflict is likely to be resolved over the coming months.

KEY MONTHLY DETRACTOR

Yageo (2327 TT) is a Taiwanese manufacturer of passive electronic components, including the resistors, capacitors and inductors that are essential building blocks in electronic circuits. After a strong quarter, Yageo's share price fell sharply in July amid the broader unwind in the AI trade. We had taken profits on the way up; however, the magnitude of the correction was material, making Yageo the Fund's largest detractor for the month. Despite the weak share-price performance, Yageo reported a beat-and-raise quarter and saw accelerated monthly sales in July. Management also noted that "demand for their products has become tighter than ever".

OUTLOOK

Our conviction in our AI holdings remains high. We have spoken with and followed companies throughout the Asian AI supply chain, from upstream to downstream, across Taiwan, Korea, Japan and China. Demand signals continued to accelerate rather than deteriorate in July. Our view is that the AI capital-expenditure cycle remains in its early stages, with a peak unlikely before 2028. At the same time, funding sources are broadening beyond US hyperscalers to include Nvidia, which has committed to building its own off-balance-sheet cloud services, as well as governments and credit markets. One could argue that the market is moving towards a bubble, but it is difficult to conclude that we are already in one. We believe the return on investment for AI adopters is materially higher than the market expects, and that model providers are also likely to generate substantially higher profits than consensus anticipates.

Overall, we believe the AI trade will continue, although the effects of deleveraging may take time to dissipate.

We have therefore been actively trimming non-AI holdings that performed strongly during the month, while selectively adding to AI exposure to gradually increase our relative positioning. Our cash level remains higher than usual to help absorb elevated market volatility and provide a buffer against potential tail risks.

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.

- **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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