



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 ⁺	-0.4%	6.2%	-21.7%	2.9%	2.5%	6.8%
Benchmark ^{**}	-2.3%	3.3%	-12.1%	2.3%	3.5%	7.8%
Strategy Relative Performance	1.9%	2.9%	-9.6%	0.6%	-1.0%	-1.0%

⁺ 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 [^]	-0.5%	5.3%	-20.1%	-0.3%	0.3%	5.1%
Benchmark ^{**}	-2.3%	3.3%	-12.1%	2.3%	3.5%	7.8%
Investor Relative Performance	1.8%	2.0%	-8.0%	-2.6%	-3.2%	-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 Fee¹	15.00%
Buy/Sell Spread	0.25% / 0.25%
Cumulative Unit Prices	Application - \$0.7744 Net Asset Value - \$0.7725 Redemption - \$0.7706

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

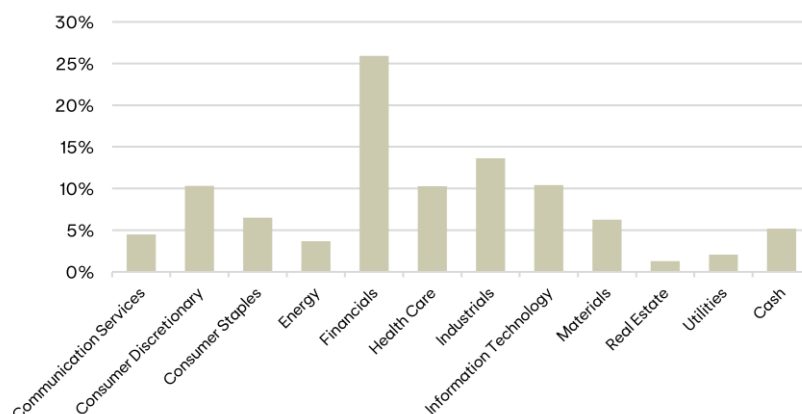
Top Holdings*

Company	Sector
Axis Bank Limited	Financials
Eternal Limited	Consumer Discretionary
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 down 0.45% (net) in August versus the MSCI India Index (MXIN) which was down 2.32%. MXIN was down 0.58% in INR terms for the month. August saw significant market divergence with large-cap benchmark heavyweights declining, weighed down by global macro concerns (elevated crude oil prices and uncertainty surrounding the West Asia conflict), whereas mid and small caps advanced driven by strong earnings and investment inflows supporting the broader market. Capital Goods, Metals, Pharma and IT sectors did well, while FCMG was the worst performing sector amid elevated input costs. The June-2026 quarter results were stronger than expected, with ex-O&G and metals earnings growth accelerating to 18% y/y a 10-quarter high. Revenue growth also reached a 13-quarter high, partly aided by higher nominal GDP growth. Despite concerns, INR has been stabilising due to RBI's capital inflow measures. RBI closed its special concessional USD-INR forex swap window for fresh FCNR(B) deposits on 31 August 2026, ahead of the original schedule, after collecting over USD127 billion (5x of the last round in 2013). For the month of August both, Foreign Institutional Investors (FIIs) and Domestic Institutional Investors (DII)s bought to the tune of USD \$1.1bn and USD \$6.1bn respectively.

KEY MONTHLY CONTRIBUTOR

PTC Industries was the key attributor. It is a uniquely placed manufacturer of precision metal components and advanced titanium and superalloy materials for aerospace, defence and industrial applications. PTC Industries is expanding from castings into integrated production of aerospace materials and finished components. In August, it secured an agreement to develop and supply titanium castings for the Airbus A320neo, A330neo and A350 aircraft programmes, further validating its commercial aerospace growth opportunity and manufacturing capabilities. Its Q1FY27 performance was impressive with revenue up 97% y/y and EBITDA up 457% y/y. EBITDA margin was ~150bps

ahead of street estimates due to execution of higher-margin Titanium and Superalloy castings contracts and ramp-up in Aerolloys operations.

KEY MONTHLY DETRACTOR

Brainbees Solutions (Firstcry) was the key detractor. Firstcry is India's largest multi-channel retailing platform for Mothers', Babies', and Kids' Products; selling through its website, app and physical stores. Its range includes clothing, diapers, toys and comprehensive baby gear. For the June-quarter, the Company reported 18% y/y India revenue growth. However, margins were under pressure (down 289bps y/y) given inflationary pressures from West Asia war and higher competition in diaper category. Looking ahead, network expansion, higher online share and increasing AOV and peak losses in international business being behind should help earnings recovery going forward.

OUTLOOK

De-escalation of the West Asia war remains the most important near-term variable. At the other end, India's corporate earnings trajectory is improving. August GST collections were up 9.9% y/y however, manufacturing PMI dipped to near 5-year low of 52.8 in August from 53.5 in July. August headline CPI inflation rose to a 22-month high of 4.8% y/y (Bloomberg consensus: 4.9%) on a low base, driven by firmer food and core inflation. Food price pressures increased in August but remain relatively contained despite El Niño-related risks. Headline CPI is expected to rise further to more than 5.0% in September 2026 on an unfavourable base and expected to stay above 5% for the rest of 2026. On the policy front, the RBI maintained its policy rate in its August meeting however higher inflation does pose a risk of rate hike from the December review.

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.

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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