

13 September 2019

Company Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

MONTHLY NTA STATEMENT - August 2019

Ellerston Global Investments Limited (**ASX: EGI**) advises the unaudited Net Tangible Asset backing (**NTA**) per share of the Company as at 31 August 2019 is:

NTA per Share	31 August 2019
NTA before tax	\$1.1619
NTA after realised tax *	\$1.1619
NTA after tax ^	\$1.1346

These figures are unaudited and indicative only
The NTA is based on fully paid share capital of 107,377,693.

* NTA after realised tax - Includes a provision for tax on realised gains from the Company's Investment Portfolio.
^ NTA after tax - Includes any tax on unrealised gains and deferred tax.

On 27 March 2019, EGI announced a new on-market buy-back of up to 10% of its shares, commencing 16 April 2019 and continuing for twelve months. Since 16 April 2019 a total of 2,727,798 shares had been bought back.

The company's net performance before tax for the month was -0.51%.



Ian Kelly
Company Secretary

Contact Details

Should investors have any questions or queries regarding the company, please contact our Investor Relations team on 02 9021 7797. All holding enquiries should be directed to our share registrar, Link Market Services on 1300 551 627 or EGI@linkmarketservices.com.au.

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Ellerston Global Investments Limited (ASX:EGI)

Performance Report | August 19

PERFORMANCE SUMMARY

Performance	1 Month	3 Months	6 Months	1 Year	3 Year p.a.	Since Inception (p.a.)
Net [^]	-0.51%	6.53%	9.67%	1.08%	7.64%	8.77%
Benchmark*	-1.95%	5.06%	4.46%	1.28%	10.08%	7.88%
Alpha	1.44%	1.47%	5.21%	-0.20%	-2.44%	0.89%

Source: Ellerston Capital

[^] The net return figure is calculated before all tax provisions, after fees & expenses, includes the effects of the share buyback, and excluding the effects of option exercise dilution. Past performance is not a reliable indication of future performance

*MSCI World Index (Local)

PORTFOLIO COMMENTARY

The EGI portfolio declined -0.51% net during the month of August. The NTA (before tax) at the end of August was \$1.1619.

Global equity markets had a lot to contend with during the month of August as unabated trade uncertainty continued to weigh on global growth expectations while geopolitical concerns escalated with little positive progress in the ongoing Brexit saga and concerns escalating around what China might do to clamp down on the protests in Hong Kong. As a consequence, the MSCI World Index closed the month down -1.95%.

Contributors to performance this month included **Entertainment One**, **LivePerson** and **Cellnex**. Detractors from performance included **TKH Group**, **Health and Happiness** and **Willscot**. EGI had a very busy month with 14 portfolio companies reporting during August. Overall, we would categorise the results as positive with six companies upgrading guidance, six companies re-iterating full year expectations while just two coming in below our expectations.

Entertainment One delivered the biggest news and contribution to performance during the month as it announced that it had entered into a definitive agreement with Hasbro under which Hasbro will acquire ETO in an all-cash transaction valued at £3.3bn or £5.60 in cash. At the time of the announcement, ETO was the largest position in the fund at just over 8%. Hasbro's offer price represented a 31% premium to ETO's 30-day volume weighted average price as at August 22nd. The stock is currently trading above the proposed acquisition price as there is speculation of other potential bidders being attracted to ETO's library of high-quality content and strong slate of new titles coming to market. This is especially relevant when considering positive early indications of Ricky Zoom popularity with Nickelodeon premiering the series on Sept 9th. While we do not consider £5.60 as a "knock out bid" by Hasbro, the risk/reward has changed markedly at current levels and as such we have trimmed the position following the bid announcement.

Willscot was one of the larger detractors during the month despite delivering a solid set of results in early August in which it upgraded FY19 EBITDA expectations as margins and acquisition synergies are coming in better than expected. The market had some concerns on fleet utilisation metrics however we believe this is more to do with optimisation of units post the Modspace acquisition rather than deterioration of end markets. Management remain confident on exiting FY19 at a \$400m EBITDA run rate which puts the business on a 2 turn multiple discount to its best closest comparable and representing considerable capital upside.

TKH Group delivered 1H19 results which were lower than expected as flat organic growth (trade uncertainty is having an impact on business spending), coupled with investments for future growth, impacted reported margins and subsequent profitability. The result was particularly disappointing given its recent upbeat Capital Markets Day held in mid-June in which it raised mid-term financial targets. We continue to view long term growth drivers in machine vision, industrial connectivity and airfield ground lighting as attractive and have maintained our position.

LivePerson is a relatively new position in the fund however we continue to be impressed by its Total Addressable Market (estimated by the company at \$60bn) and execution in maximising its long-term potential while not being clouded by quarterly expectations. Management raised its revenue expectations for FY19 however also brought forward incremental spend in its salesforce and systems to address unprecedented demand for its messaging products. With its sales pipeline up 120% compared with the same period last year and up c75% since the start of the year, LPSN is well placed to deliver on >20% revenue growth in FY20.

Kind Regards,

Bill Pridham and Arik Star

EGI Co-Portfolio Managers

Key Facts

Listing Date	20 October 2014
NTA (before tax)*	\$1.1619
NTA (after realised tax) [^]	\$1.1619
NTA (after tax)**	\$1.1346
Share Price at 31/08/19	0.95
EGI Market Capitalisation	\$102 Million
Management Fee	0.75%
Performance Fee	15%

* NTA (before tax) – Includes taxes that have been paid.

[^] NTA (after realised tax) - Includes a provision for tax on realised gains from the Company's Investment Portfolio.

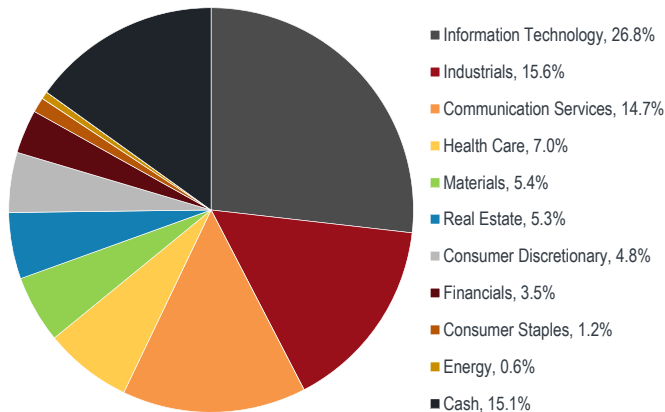
** NTA (after tax) - Includes any tax on unrealised gains and deferred tax.

PORTFOLIO CHARACTERISTICS

HOLDINGS

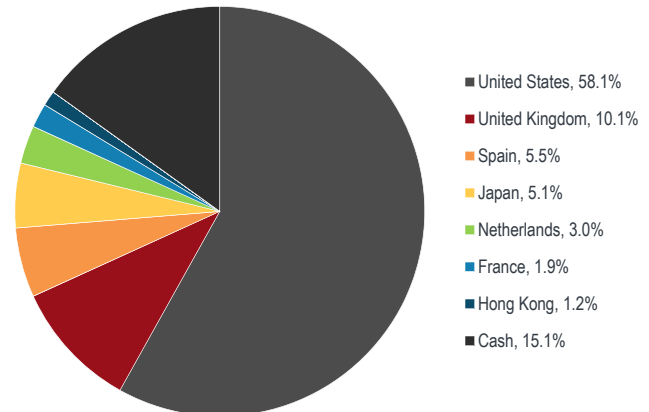
Top 10 Holdings	Country	Sector	%
Entertainment One Ltd.	United Kingdom	Communication Services	7.35%
Cellnex Telecom	Spain	Communication Services	5.47%
Graphic Packaging Holding Co	United States	Materials	5.35%
WillScot Corporation	United States	Industrials	4.80%
Ciena Corporation	United States	Information Technology	4.56%
Nuance Communications Inc.	United States	Information Technology	4.44%
Premier Inc.	United States	Health Care	4.02%
Keysight Technologies Inc	United States	Information Technology	3.74%
Interxion Holding	United States	Information Technology	3.66%
Assurant Inc.	United States	Financials	3.52%

SECTOR ALLOCATION



Source: Ellerston Capital

GEOGRAPHIC ALLOCATION



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