

ELLERSTON GLOBAL INVESTMENTS LIMITED

ACN 169 464 706

18 May 2020

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

ELLERSTON GLOBAL INVESTMENTS LIMITED PRESENTATION

Ellerston Global Investments Limited (**ASX: EGI**) encloses the presentation for the upcoming Investor Update Call.

The Ellerston Global April 2020 Investment Update will take place on Monday 18 May at 11am AEST. Shareholders and investors can register for the webinar at the following link:

[Register your attendance here](#)

For any further enquiries please contact Link Market Services on 1300 551 627 or Ellerston Capital Limited Investor Relations on 02 9021 7701.

Yours sincerely,



Ian Kelly
Company Secretary



Ellerston Global

May 2020

Connecting Tomorrow's Returns, Today

ELLERSTON GLOBAL


ELLERSTON GLOBAL PHILOSOPHY




Concentrated
Between 20 – 40 global stocks

\$\$\$

Mid/Small Cap Bias
Sweet Spot is sub \$10 billion



Absolute
Benchmark Independent
Active Share consistently above 97%



Contrarian
Where the crowd isn't

Risk/Reward Asymmetry

The trade-off between risk and return is improved by investing in the highest conviction ideas from a filtered universe of securities that are in a period of "Price Discovery"



Why Global Mid Small Caps?

It's not that global mid small cap companies are overlooked by Australian investors, it's actually more often than not that they simply aren't aware of their existence and therefore potentially missing a great investment opportunity.

Global Mid Small Caps in Context

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THE SIZE OF THE AUSTRALIAN MARKET AND OUR DOMESTIC BIAS CAN OFTEN DISTORT THE PERCEPTION OF SIZE AND RISK



What do these Australian companies have in common with:



They are roughly the same 'size', and yet the Australian equivalents are regarded as 'large' and 'safe'

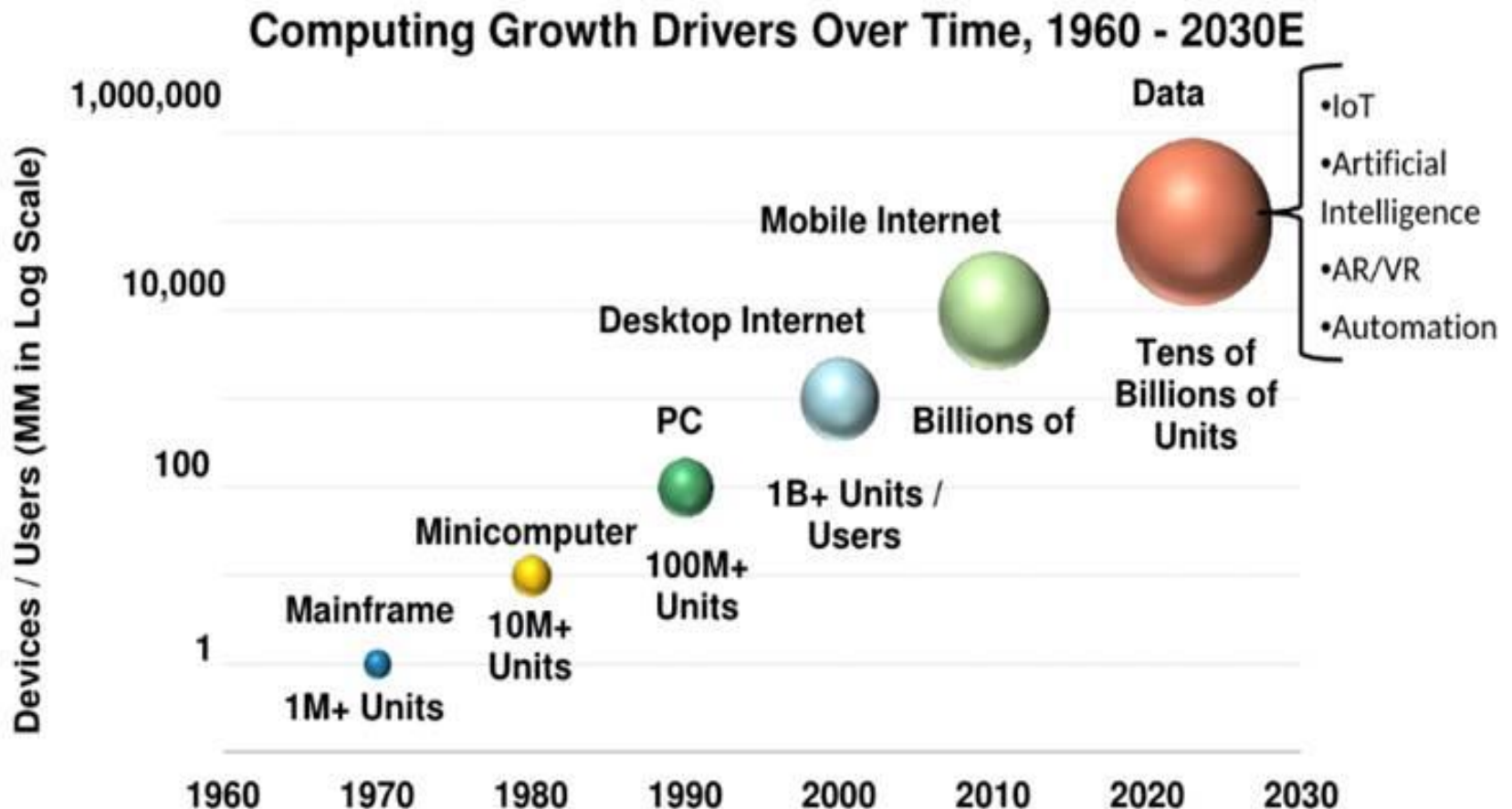


Positioning & Performance

Multigenerational Investment Opportunities

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EACH CYCLE DWARFS THE LAST



5G is Much More Than Just a Mobile Network **ELLERSTON GLOBAL**

5G WILL ENABLE BUSINESS CASES THAT WE CAN'T EVEN IMAGINE TODAY



The New Arms Race

THE EFFORTS TO BUILD OUT 5G INFRASTRUCTURE ARE GLOBAL



I want 5G, and even 6G, technology in the United States as soon as possible. It is far more powerful, faster, and smarter than the current standard. American companies must step up their efforts, or get left behind. There is no reason that we should be lagging behind on.....

140K 11:55 PM - Feb 21, 2019

57.6K people are talking about this



....something that is so obviously the future. I want the United States to win through competition, not by blocking out currently more advanced technologies. We must always be the leader in everything we do, especially when it comes to the very exciting world of technology!

123K 11:59 PM - Feb 21, 2019

37K people are talking about this

BUSINESS
INSIDER
SINGAPORE

TRENDING NEWS TECH INSIDER FINANCE CARE

'Ultra reliable' 5G is coming to Singapore next year – here's what to expect

Rachel Genevieve Chia
May 8, 2019

BBC

Sign in

Vodafone switches on 5G network in seven UK cities

NEWS

By Jane Wakefield
Technology reporter

5G NETWORKS

South Korea to seize on world's first full 5G network

NIKKEI
ASIAN REVIEW

Huawei to build Russia's first 5G network

Finance 3 Weeks Ago
Fox Business

South China Morning Post

Enterprises

'Made in China 2025': How 5G could put China in charge of the wireless backbone and ahead of the pack

5G Today

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5G THEME CONFIRMED



"It's also clear that this is the first major pandemic taking place in a digital world"

"Traffic reached a peak of 167 terabits per second, which was more than double the peak in the first quarter of 2019"



"Companies realising they have a fair amount of technical debt and they have a lot of aged equipment. 5G is a little bit mixed but generally there is a tendency for our customers to want to sort of put their foot on the accelerator"

"COVID-19 has made the Internet an essential fixture of societal life and telecommuting and has suggested that network expansion will become even more important for regional development and corporate growth."



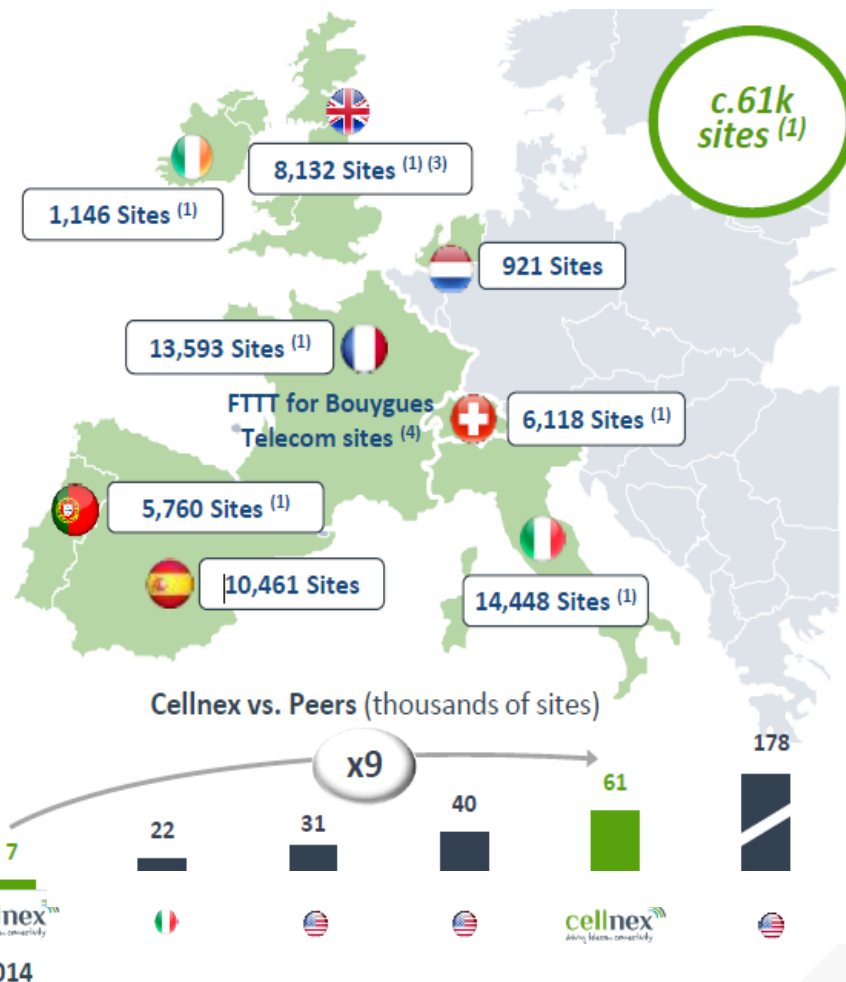
WORLD-CLASS ELECTRONIC MEASUREMENT CAPABILITIES POWERING TECHNOLOGICAL CHANGE

- **Industry leader with almost 25% global market share**
- Keysight is strongly positioned to win in 5G: first innings of growth cycle
- #1 globally in autonomous cars, electric/hybrid vehicle and battery testing
- #1 globally in electronic aerospace and defense testing



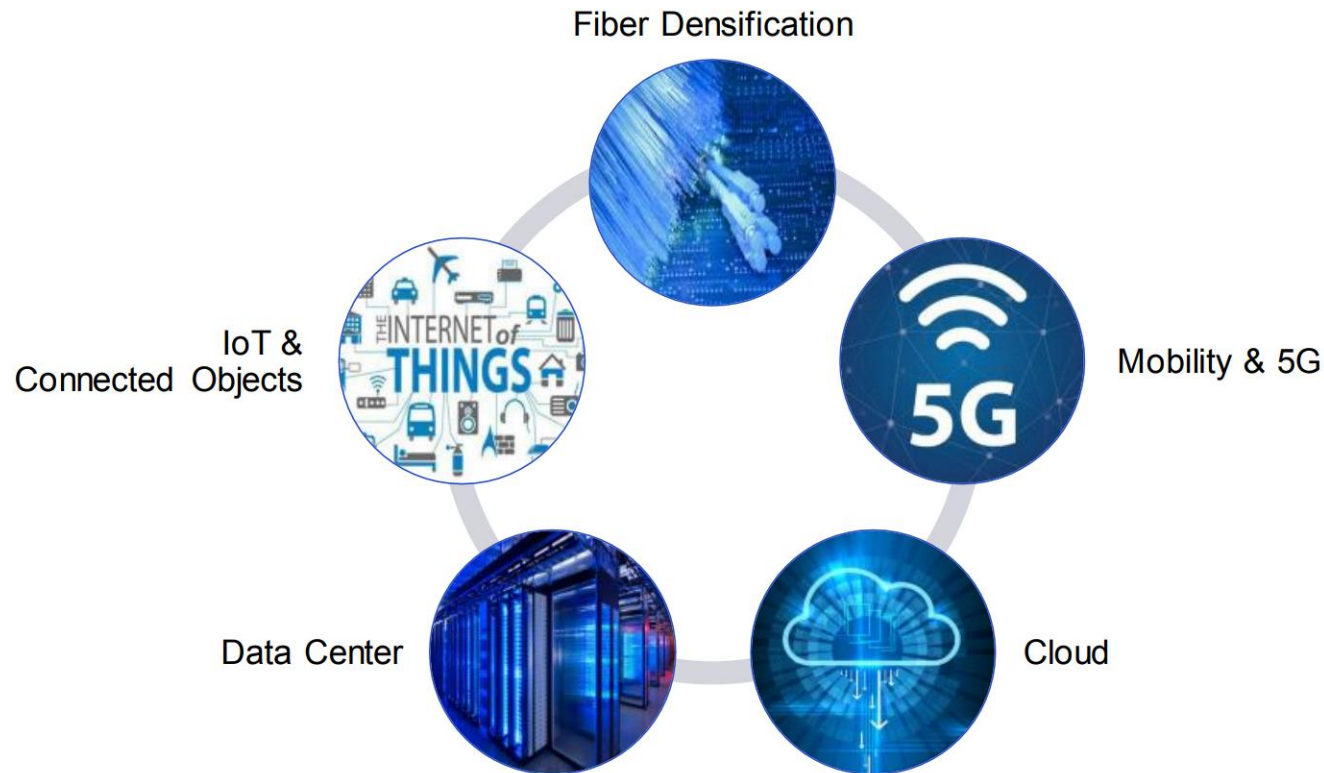
#1 INDEPENDENT OWNER OF WIRELESS TELECOMMUNICATION INFRASTRUCTURE IN EUROPE

- Macro towers and small cells are critical infrastructure
- Revenues 100% linked to inflation with c.20 years of contracted revenue in place
- Long term outsourcing tailwinds for passive owners
- Long term strategic investors in place



LEADING PLAYER ENABLING DATA TO MOVE FASTER AND FARTHER THAN EVER BEFORE

- #1 market share globally outside of China
- Business driven by anything requiring higher bandwidth; connecting content to content
- Leader with global web-scalers with 50% market share connecting data centers and 50% of subsea cables
- Driving the pace of innovation with next generation solutions

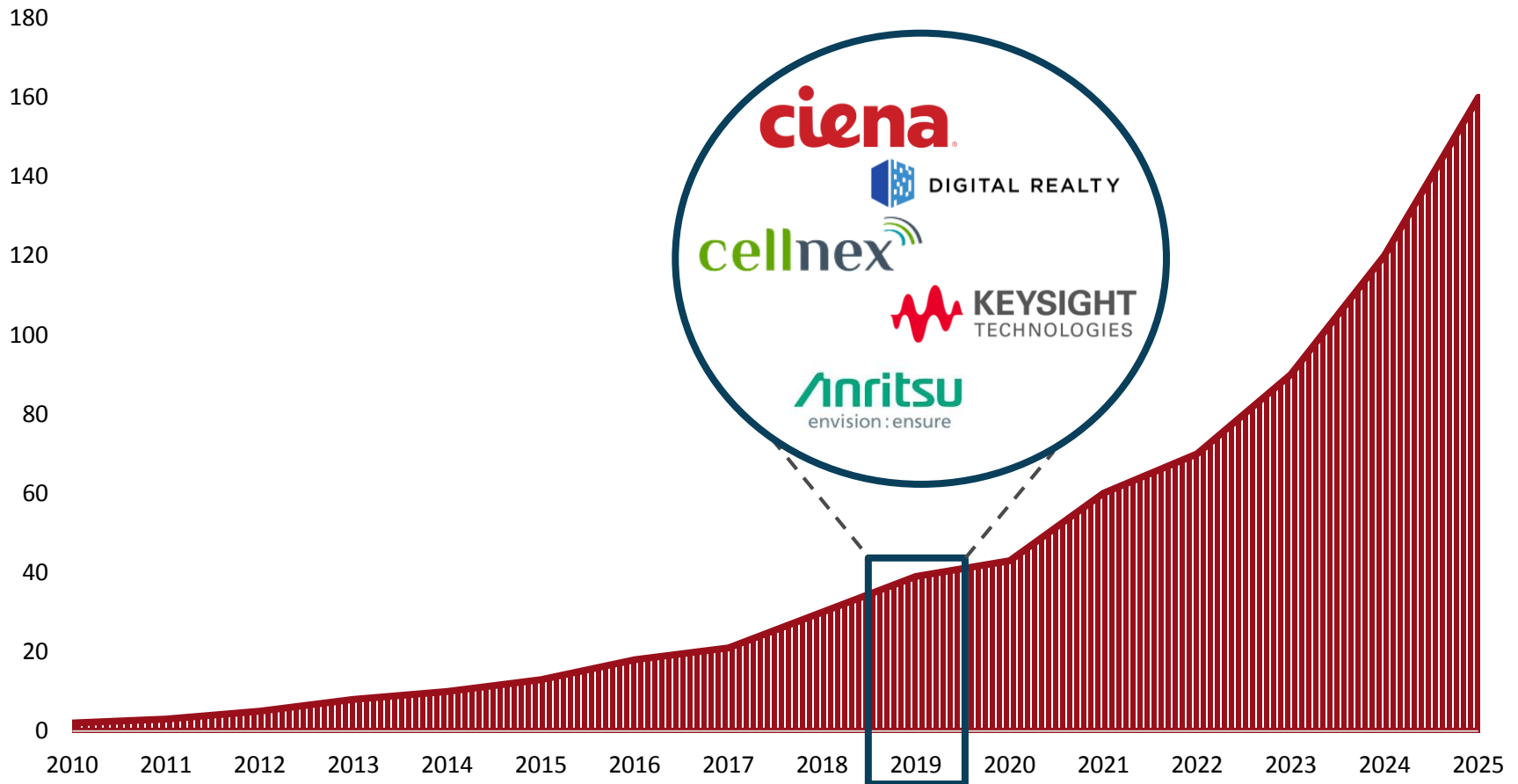


Portfolio 5G Positioning Today

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WHO KNOWS THE INVESTMENT OPPORTUNITIES THAT 5G WILL ENABLE IN THE YEARS AHEAD

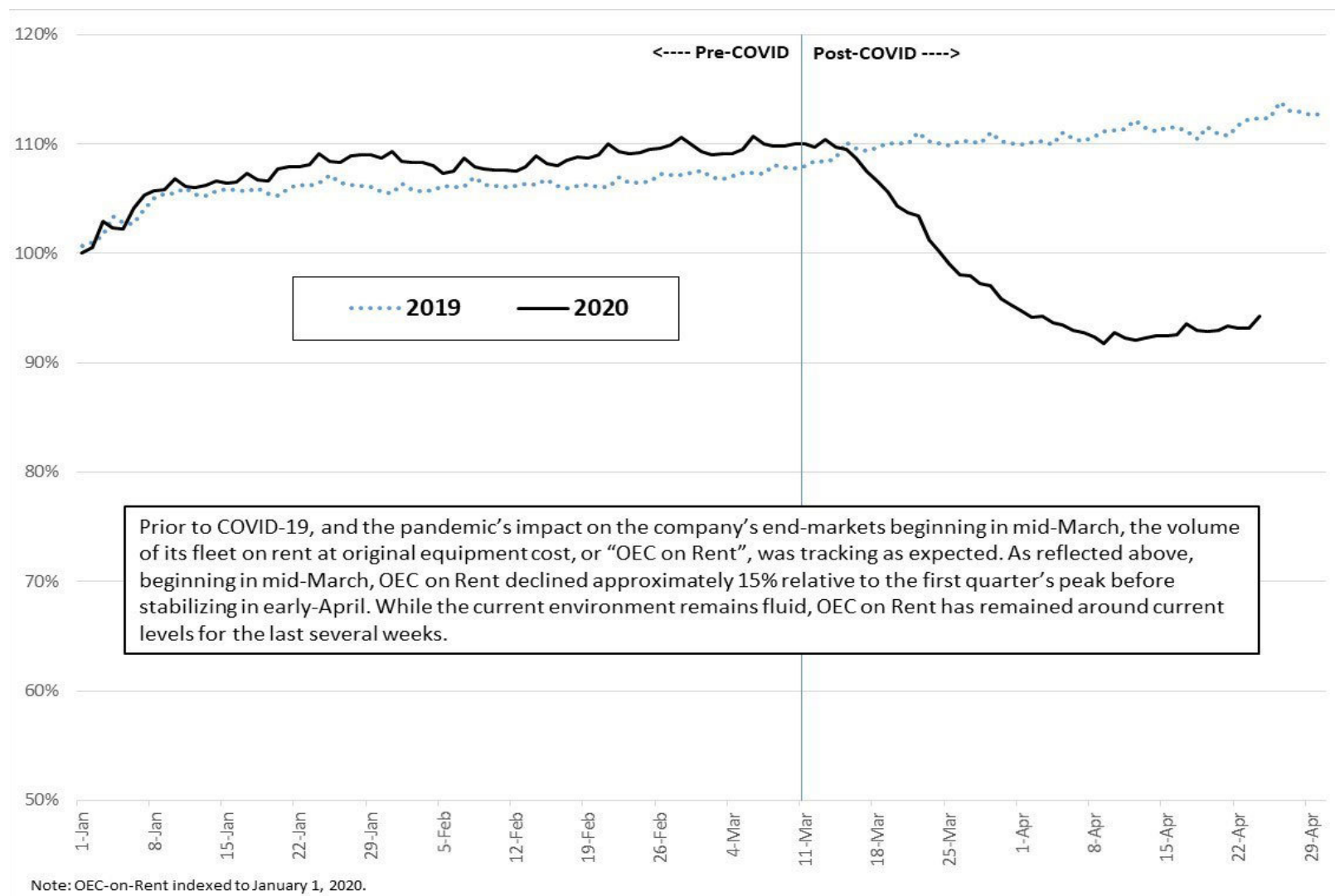
Data Created in Zettabytes



LOOKING THROUGH THE WINDSHIELD

- 1. Containment** - travel restrictions and social distancing and work from home orders
- 2. Stabilization** - spending stabilizes around a new lower level
- 3. Normalization** - where governments gradually relax mitigation practices and the environment becomes safer for the population
- 4. Growth** - where spending levels gradually trend higher than pre-COVID levels

Stabilisation



NEAR TERM OBSERVATIONS

- Intel - Bad companies are destroyed by crisis, Good companies survive them, Great companies are improved by them – **STRONG will get STRONGER**
- March quarter reporting season generally **positive**
 - good momentum, aggressive operating and financial actions being taken
- You want to be “**essential**”
- You want to “**get to the other side**”
- Now about staggered **reopening** and focus on **resurgence**
 - Headlines back to Covid-19 from earnings
- Healthcare system is **fragile**
- **Active approach with balanced portfolio**

Portfolio Positioning

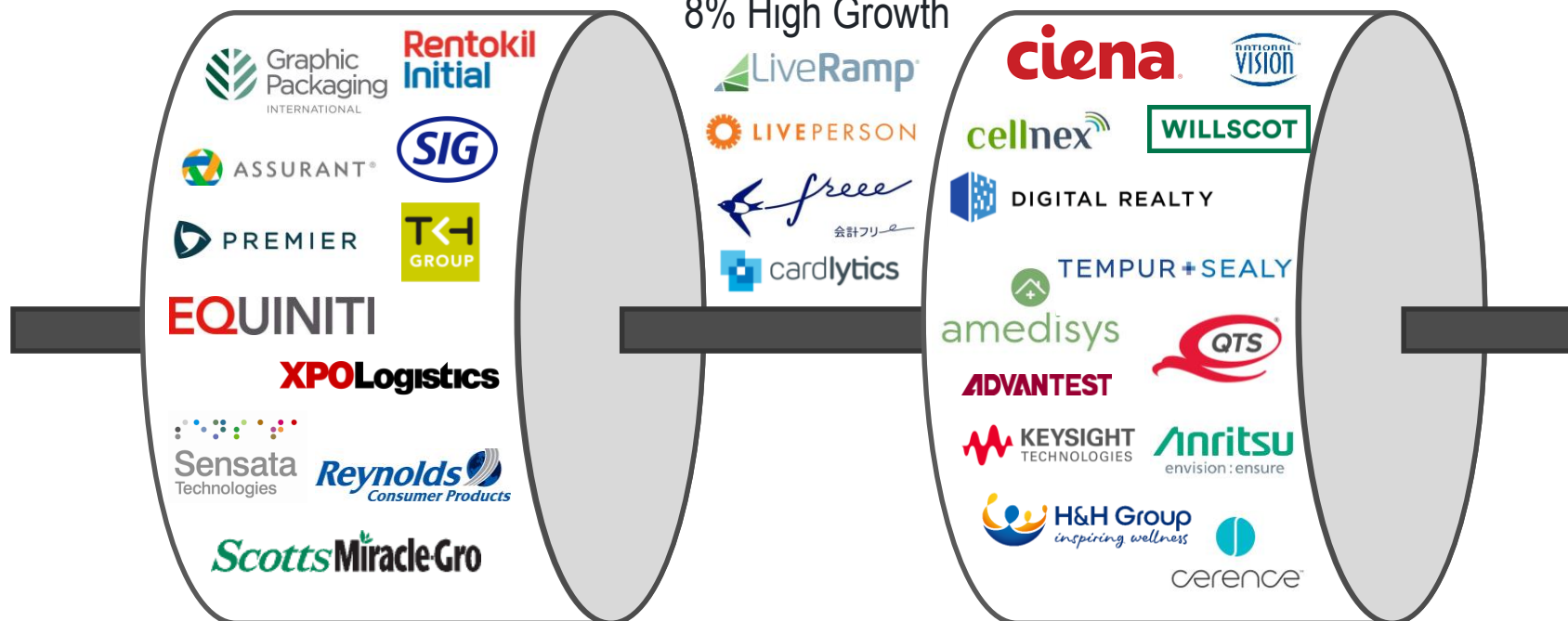
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CURRENTLY “ALL SEASON” APPROACH

29% Value/Defensive

49% Secular/Embedded Growth

8% High Growth



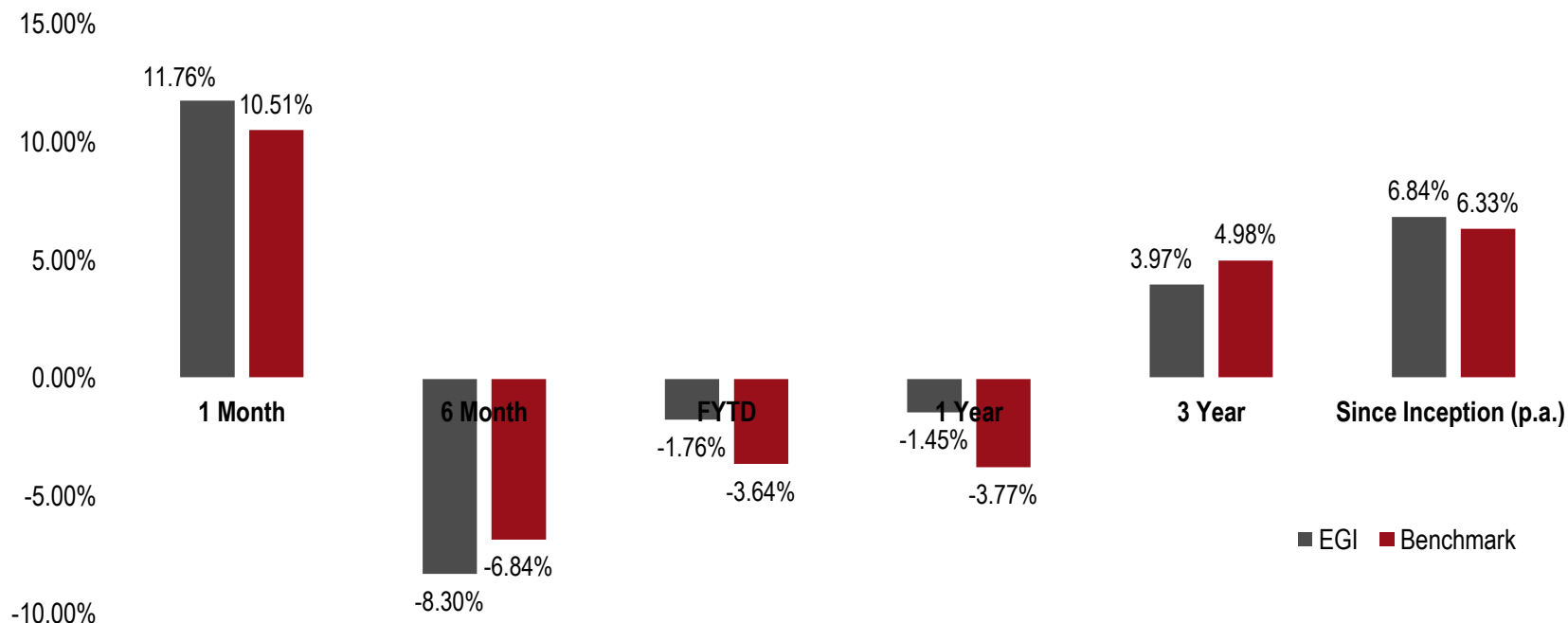
LONG TERM CONSIDERATIONS

- **Permanent shifts in behaviour** – Work from Home, Travel, Restaurants, Entertainment
- **Tectonic shift in Supply Chains** – business continuity
- **Localisation rather than globalisation** – US manufacturing renaissance
- **Debt levels at extremes** – negative rates?
- **Inflation** – not any time soon but is a longer term risk

EGI Performance

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NET PORTFOLIO PERFORMANCE TO 30 APRIL 2020



Performance	1 Month	6 Months	FYTD	1 Year	3 Years (p.a.)	Since Inception (p.a.)
Net [^]	11.76%	-8.30%	-1.76%	-1.45%	3.97%	6.84%
Benchmark*	10.51%	-6.84%	-3.64%	-3.77%	4.98%	6.33%

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)

Past performance is not a reliable indication of future performance.













Q&A



Appendix

TOP 10 HOLDINGS AS OF 30 APRIL 2020

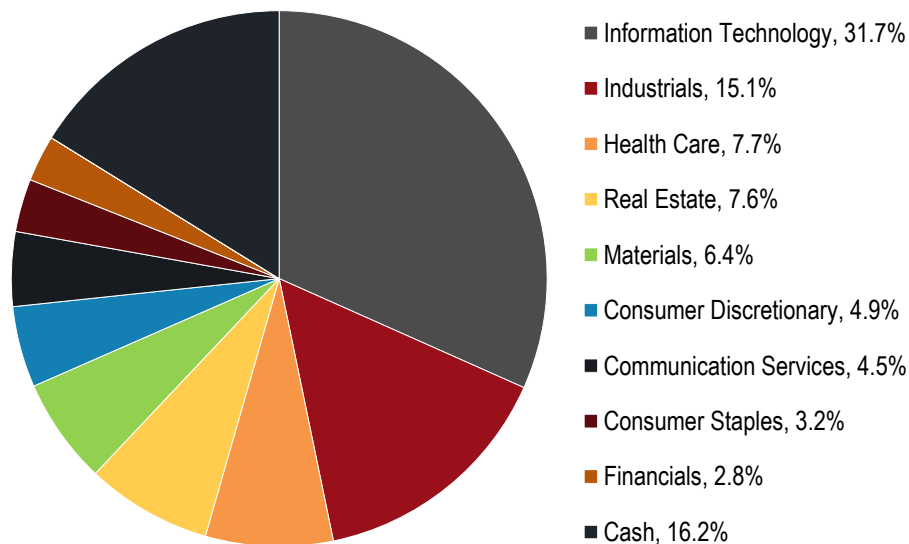
Company	Portfolio Weight (%)	Country	Sector
 KEYSIGHT TECHNOLOGIES	5.50%	US	Information Technology
 ciena	4.89%	US	Information Technology
 cellnex	4.49%	Spain	Communication Services
 Anritsu envision : ensure	4.24%	Japan	Information Technology
 DIGITAL REALTY	4.15%	US	Real Estate
 amedisys	3.69%	US	Health Care
 Graphic Packaging INTERNATIONAL	3.66%	US	Materials
 QTS	3.47%	US	Real Estate
 LiveRamp	3.44%	US	Information Technology
 H&H Group inspiring wellness	3.17%	Hong Kong	Consumer Staples

EGI Allocation

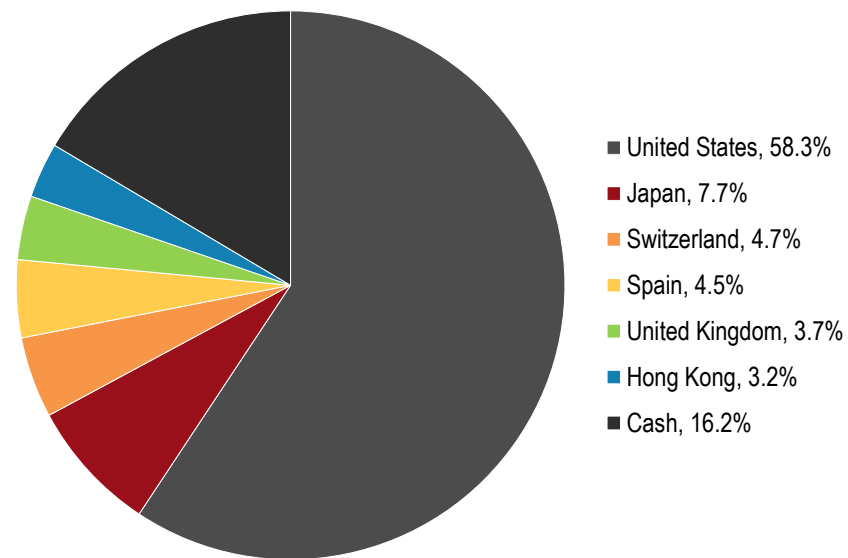
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ALLOCATION AS AT 30 APRIL 2020

SECTOR ALLOCATION



GEOGRAPHIC ALLOCATION



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