

Ausbil Global SmallCap Fund - Active ETF ASX: GSCF

Quarterly performance update

December 2025

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'Looking ahead, we continue to be constructive on global markets, and particularly our market of global small caps'

Performance Review

Fund performance for the quarter ending December 2025 was +4.55% (net of fees) versus the benchmark return of +2.20%, as measured by the MSCI World Small Cap Net Total Return Index.

The MSCI World Small Cap was up +2.20% over the quarter in AUD terms. Denmark and the US were the main positive contributors for the Fund, while Switzerland and Israel were the main negative contributions for the Fund.

In terms of sector performance, the Industrials and Materials sectors were the main positive contributors for the Fund. Consumer Staples and Information Technology were the main negative detractors.

Contributors and Detractors

Notable positive contributors over the period were Fortrea Holdings in the US and NKT in Denmark. R&S Group in Switzerland and Concept Therapeutics in the US were the main negative contributors during the quarter.

Fortrea Holding is a global healthcare company. Specifically, it is a contract research organisation (CRO) meaning it provides clinical drug development and medical-device support services to pharmaceutical, biotech, and medical-device companies worldwide. Its offerings span a full lifecycle of clinical services across all stages of drug development. Fortrea supports a broad set of therapeutic areas and its global footprint spans over 90 countries. We believe that ongoing industry trends including increasing R&D spending, growing outsourcing by pharma/biotech companies and greater complexity/scale of trials is likely to mean that demand for Fortrea's CRO services should remain robust. The company performed strongly during the final quarter of the year as the company provided positive guidance for the coming quarters.

R&S Group is a European manufacturer and supplier of electrical infrastructure products. The company manufactures a wide range of transformers and related electrical equipment used in power distribution, utilities, industrial and infrastructure applications. The company is headquartered in Switzerland and serves markets across Europe, the Middle East and beyond. R&S Group's equipment is used in several areas where our top-down analysis has identified strong demand in the coming years including electrical utilities and grid infrastructure, data centres and industrial facilities, and construction and infrastructure projects.

Performance

Returns¹ as at 31 December 2025

Period	Fund Return % Net	Benchmark ² % Net	Out/Under Performance % Net
1 month	-0.61	-0.74	0.13
3 months	4.55	2.20	2.35
6 months	8.28	9.67	-1.39
1 year	7.10	11.30	-4.21
2 years pa	19.33	15.18	4.15
3 years pa	19.32	15.14	4.18
4 years pa	4.92	7.38	-2.46
5 years pa	9.37	10.31	-0.94
7 years pa	11.34	11.78	-0.45
Since inception pa Date: 31 May 2018	9.04	9.27	-0.23

Top 10 Stock Holdings

Name	Fund % Net	Benchmark ² % Net	Tilt %
Mueller Industries	4.84	0.13	4.72
NKT	4.75	0.07	4.68
Fortrea Holdings	4.63	0.02	4.62
thyssenkrupp	3.80	0.06	3.74
Applied Industrial Technologies	3.76	0.10	3.66
Medpace Holdings	3.63	0.13	3.50
SSAB	3.41	0.05	3.36
Outokumpu Oyj	2.69	0.02	2.67
Azimut Holding	2.21	0.05	2.16
NTT DC REIT	2.18	0.01	2.17

Investment Characteristics

	Return on invested capital	Debt to equity	Dividend yield	Price to free cash flow
Fund	11.3	56.7	1.8	21.01
Benchmark ²	6.8	93.3	1.8	21.97

Sector Allocations

Sector	Fund % Net	Benchmark ² % Net	Tilt %
Energy	0.00	4.23	-4.23
Materials	13.22	8.69	4.53
Industrials	28.83	20.34	8.49
Consumer Discretionary	7.81	11.53	-3.72
Consumer Staples	0.80	4.25	-3.45
Health Care	16.36	10.35	6.01
Financials	12.58	15.09	-2.50
Information Technology	8.73	11.48	-2.75
Communication Services	0.00	3.39	-3.39
Utilities	0.00	2.78	-2.78
Real Estate	10.40	7.87	2.53
Cash	1.27	0.00	1.27
Total	100.00	100.00	0.00

1. Fund returns are net of fees.

2. The benchmark is MSCI World Small Cap Net Total Return (TR) Index in AUD.

Outlook

Global markets delivered a positive return in the final quarter of 2025 albeit with some volatility in November. Global manufacturing surveys continued to suggest that growth is returning and broadening out both into the wider economy and geographically. The Fund continues to be overweight Europe as we have been since the start of the year. The manufacturing surveys continue to show an improving trend for the European region, although manufacturing surveys softened a little in December for this region.

The S&P Global Manufacturing PMI series remained above the neutral level of 50 during the quarter with a reading of 50.4 this month, largely unchanged from September's reading of 50.7. Europe and specifically Germany weakened a little into year end with Germany ending the quarter at 47.0 and Europe at 48.8.

Looking ahead, we continue to be constructive on global markets, and particularly our market of global small caps. Global small caps valuations look attractive compared to mid and large caps. Global economic growth should be robust as fiscal spending, especially in Europe, and ongoing interest rate cuts support company earnings. In global small caps, we continue to see opportunities for companies that are niche leaders within their industry which have the ability to deliver unrecognised earnings growth.

Region Allocation

Region	Fund %	Benchmark ² %	Tilt %
North America	49.51	64.75	-15.25
Japan	6.34	12.45	-6.11
United Kingdom	3.49	4.48	-1.00
Europe (Ex United Kingdom)	35.98	11.25	24.73
Asia Pacific (Ex Japan)	3.41	5.43	-2.02
Middle East	0.00	1.63	-1.63
Cash	1.27	0.00	1.27
Total	100.00	100.00	0.00



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