Ausbil Australian SmallCap Fund

ARSN 630 022 909

Annual report for the year ended 30 June 2026

Contents

	Page
Directors' report	1
Auditor's independence declaration	4
Statement of comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9
Directors' declaration	24
Independent auditor's audit report to the unitholders	25

Directors' report

The directors of Ausbil Investment Management Limited, the Responsible Entity ("Responsible Entity") of Ausbil Australian SmallCap Fund ("the Scheme"), present their report together with the financial report of the Scheme for the year ended 30 June 2026 ("the year").

The Scheme is an Australian registered scheme as defined in the *Corporations Act 2001*.

Responsible Entity

The Responsible Entity of the Scheme is Ausbil Investment Management Limited (ABN 26 076 316 473). The Responsible Entity's registered office is Level 27, Grosvenor Place, 225 George Street, Sydney NSW 2000.

Principal activities

The Scheme provides exposure to an actively managed portfolio, predominantly made up of listed Australian small cap equities.

The objective is to achieve returns (before fees and taxes) in excess of the S&P/ASX Small Ordinaries Accumulation Index over the medium to long term.

There were no significant changes in the nature of the Scheme's activities during the year.

The Scheme did not have any employees during the year.

Directors

The following persons held office as directors of the Responsible Entity during the year or since the end of the year and up to the date of this report:

Frank Harte
Mark Knight
Melissa Kuan
Morgan Glaser
Naim Abou-Jaoudé
Paul Xiradis
Vicki Gemisis

Review and results of operations

There have been no significant changes to the operations of the Scheme during the year. The Scheme continued to invest in accordance with target asset allocations as set out in the governing documents of the Scheme and in accordance with the provisions of the Scheme's Constitution.

The performance of the Scheme, as represented by the results of its operations, was as follows:

	For the year ended	
	30 June 2026	30 June 2025
Total comprehensive income/(loss) ($'000)	**(37,067)**	80,173
Distributions paid and payable ($'000)	**5,045**	2,163
Distributions (cents per unit - CPU)	**2.5646**	1.4434

Directors' report (continued)

Significant changes in state of affairs

In the opinion of the directors, there were no significant change in the state of affairs of the Scheme that occurred during the year.

Events occurring after the financial year

Except as disclosed in note 14 in the financial statements, no other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect:

(i) the operations of the Scheme in future financial years, or
(ii) the results of those operations in future financial years, or
(iii) the state of affairs of the Scheme in future financial years.

Likely developments and expected results of operations

The Scheme will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Scheme and in accordance with the provisions of the Scheme's Constitution.

The results of the Scheme's operations will be affected by a number of factors, including the performance of investment markets in which the Scheme invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Scheme in regards to insurance cover provided to either the officers of Ausbil Investment Management Limited or the auditors of the Scheme. So long as the officers of Ausbil Investment Management Limited act in accordance with the Scheme's Constitution and the *Corporations Act 2001*, the officers remain indemnified out of the assets of the Scheme against losses incurred while acting on behalf of the Scheme. The auditors of the Scheme are in no way indemnified out of the assets of the Scheme.

Fees paid to and interests held in the Scheme by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of Scheme property during the year are disclosed in note 12 of the financial statements.

No fees were paid out of Scheme property to the directors of the Responsible Entity during the year.

The number of interests in the Scheme held by the Responsible Entity or its associates as at the end of the year are disclosed in note 12 of the financial statements.

Interests in the Scheme

The movements in units on issue in the Scheme during the year are disclosed in note 5 of the financial statements.

The value of the Scheme's assets and liabilities are disclosed in the statement of financial position and derived using the basis set out in note 2 of the financial statements.

Environmental regulation

The operations of the Scheme are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

Environmental, social and governance (ESG) risks, including climate change, are identified, measured, monitored, reported and overseen in accordance with the Scheme’s Risk Management Framework.

Directors' report (continued)

Rounding of amounts to the nearest thousand dollars

The Scheme is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183* issued by the Australian Securities and Investments Commission ("ASIC"), relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with that ASIC Instrument, unless otherwise indicated.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

This report is made in accordance with a resolution of the directors.

Mark Knight
Director

Sydney
29 September 2026

Auditor's Independence Declaration

As lead auditor of Ausbil Australian SmallCap Fund's financial report for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report.

BSS Tompsett
Partner
PricewaterhouseCoopers

Sydney
29 September 2026

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, BARANGAROO NSW 2000,
GPO BOX 2650 SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

Statement of comprehensive income

		For the year ended	
	Notes	**30 June 2026 $'000**	30 June 2025 $'000
Investment income			
Interest income		**1,062**	653
Dividend/distribution income		**6,366**	3,688
Net gains/(losses) on financial instruments at fair value through profit or loss	3	**(28,975)**	92,979
Other incomes		**-**	25
Total net investment income/(loss)		**(21,547)**	97,345
Expenses			
Management fees	12(f)	**6,462**	3,507
Performance fees	12(f)	**7,345**	12,641
Transaction costs		**1,704**	1,022
Withholding tax expense		**9**	2
Total operating expenses		**15,520**	17,172
Other comprehensive income for the year		**-**	-
Total comprehensive income/(loss) for the year		**(37,067)**	80,173

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

	Notes	As at **30 June 2026 $'000**	30 June 2025 $'000
Assets			
Cash and cash equivalents	7	**10,870**	18,043
Receivables	8	**326**	856
Financial assets at fair value through profit or loss	9	**544,682**	426,275
Total assets		**555,878**	445,174
Liabilities			
Distributions payable	6	**3,328**	2,163
Payables	10	**1,317**	2,813
Total liabilities		**4,645**	4,976
Net assets attributable to unitholders – equity	5	**551,233**	440,198

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

	For the year ended	
	30 June 2026 $'000	30 June 2025 $'000
Total equity at the beginning of the year	**440,198**	165,234
Comprehensive income/(loss) for the year		
Profit/(loss) for the year	**(37,067)**	80,173
Other comprehensive income	**-**	-
Total comprehensive income/(loss) for the year	**(37,067)**	80,173
Transactions with unitholders		
Applications	**299,331**	247,686
Redemptions	**(146,512)**	(50,786)
Units issued upon reinvestment of distributions	**328**	54
Distributions paid and payable	**(5,045)**	(2,163)
Total transactions with unitholders	**148,102**	194,791
Total equity at the end of the year	**551,233**	440,198

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

	Notes	For the year ended **30 June 2026 $'000**	30 June 2025 $'000
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		**575,823**	317,205
Purchase of financial instruments at fair value through profit or loss		**(724,826)**	(490,932)
Transaction costs paid		**(1,704)**	(1,022)
Interest received		**1,062**	653
Dividend/distribution received		**6,300**	3,859
Management fees paid		**(7,493)**	(4,517)
Performance fees paid		**(7,774)**	(13,209)
RITC received		**1,404**	981
Other income received		**-**	25
Net cash inflow/(outflow) from operating activities	13(a)	**(157,208)**	(186,957)
Cash flows from financing activities			
Proceeds from applications by unitholders		**299,667**	247,992
Payments for redemptions by unitholders		**(146,080)**	(50,497)
Distributions paid		**(3,552)**	(31)
Net cash inflow/(outflow) from financing activities		**150,035**	197,464
Net increase/(decrease) in cash and cash equivalents		**(7,173)**	10,507
Cash and cash equivalents at the beginning of the year		**18,043**	7,536
Cash and cash equivalents at the end of the year	7,13(b)	**10,870**	18,043

The above statement of cash flows should be read in conjunction with the accompanying notes.

Contents

		Page
1	General information	10
2	Summary of material accounting policies	10
3	Net gains/(losses) on financial instruments at fair value through profit or loss	15
4	Auditor's remuneration	15
5	Net assets attributable to unitholders	16
6	Distributions to unitholders	16
7	Cash and cash equivalents	17
8	Receivables	17
9	Financial assets at fair value through profit or loss	17
10	Payables	17
11	Financial risk management	18
12	Related party transactions	21
13	Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	23
14	Events occurring after the year end	23
15	Contingent assets and liabilities and commitments	23

1 General information

These financial statements cover Ausbil Australian SmallCap Fund ("the Scheme") as an individual entity. The Scheme was constituted on 21 November 2018. The Scheme will terminate on 20 November 2098 unless terminated earlier in accordance with the provision of the Scheme's Constitution. The Scheme invests in listed equities and listed unit trusts in accordance with the provisions of the Scheme's Constitution.

The Responsible Entity of the Scheme is Ausbil Investment Management Limited ("the Responsible Entity"). The Responsible Entity's registered office is Level 27, Grosvenor Place, 225 George Street, Sydney 2000.

The Scheme is an Australian registered scheme as defined in the *Corporations Act 2001*.

The Responsible Entity is incorporated and domiciled in Australia.

The financial statements are presented in the Australian currency.

The financial statements are for the period from 1 July 2025 to 30 June 2026.

The financial statements were authorised for issue by the directors on 29 September 2026. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001* in Australia.

The Scheme is a for-profit entity for the purposes of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unitholders where the amount expected to be recovered or settled within twelve months after the end of the year cannot be reliably determined. The Scheme manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at balance date.

Compliance with Australian Accounting Standards and International Financial Reporting Standards

The financial statements of the Scheme comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board ("AASB") and also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

New and amended standards and interpretations adopted by the Scheme

There are no new standards, amendments to existing standards or interpretations that are effective for the first time for annual periods beginning on 1 July 2025 that have a material effect on the financial statements of the Scheme.

New standards, amendments and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for the annual periods beginning 1 July 2026, and have not been early adopted in preparing these financial statements. Management is currently assessing the detailed implications of applying these new standards, amendments or interpretations on the Scheme's financial statements.

- Amendments to the *Classification and Measurement of Financial Instruments* - Amendments to AASB 9 and AASB 7 (effective for annual periods beginning on or after 1 January 2026)
- AASB 18 *Presentation and Disclosure in Financial Statements* (effective for annual reporting periods beginning on or after 1 January 2027)

No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Scheme.

2 Summary of material accounting policies (continued)

(b) Financial instruments

(i) Classification

Equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income.

Assets

The Scheme classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Scheme's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Scheme's documented investment strategy. The Scheme uses fair value information to assess performance of the portfolio and to make decisions to rebalance the portfolio or to realise fair value gains or minimise losses through sales or other trading strategies. The Responsible Entity evaluates the information about these financial assets on a fair value basis together with other related financial information.

For equity securities, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

The Scheme holds listed equities and listed unit trusts at fair value through profit or loss in accordance with AASB 9.

For other receivables and payables, including amounts due to/from brokers, these balances are classified at amortised cost as they are deemed to be held in a business model with the objective to collect contractual cash flows through to maturity, and whose terms meet the solely payments of principal and interest ("SPPI") criterion by virtue of the fact that payments pertain to only principal and/or simple interest and have a maturity of less than 12 months.

(ii) Impairment

AASB 9 requires the Scheme to record an allowance for expected credit loss ("ECL") for all financial assets not held at fair value through profit or loss.

The ECL approach is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Scheme expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For receivables, due from brokers and applications receivable, the Scheme has applied the standard's general approach and has calculated ECLs based on lifetime expected credit losses. The Scheme has established a provision matrix that is based on the Scheme's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Scheme considers a financial asset in default when contractual payment are 90 days past due. However, in certain cases, the Scheme may also consider a financial asset to be in default when internal or external information indicates that the Scheme is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Scheme.

(iii) Recognition/derecognition

The Scheme recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or have been transferred and the Scheme has transferred substantially all of the risks and rewards of ownership.

2 Summary of material accounting policies (continued)

(b) Financial instruments (continued)

(iv) Measurement

Financial assets and liabilities at fair value through profit or loss

Financial assets and financial liabilities at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the statement of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise.

Fair value in an active market

The fair value of financial assets and financial liabilities traded in active markets is based on their quoted market prices at the end of the year without any deduction for estimated future selling costs. Financial assets are priced at current last prices, while they were priced at current bid prices previously. Financial liabilities, except bonds, are priced at current last prices, and bonds are priced at current mid prices, while they were priced at current asking prices previously.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Scheme's financial instruments that are valued based on active markets generally include listed instruments, ranging from listed equity and/or debt securities to derivatives, where applicable.

(v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when, and only when, there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders. The units can be put back to the Scheme at any time for cash based on the redemption price, which is equal to a proportionate share of the Scheme's net asset value attributable to the unitholders. The units are carried at the redemption amount that is payable at balance sheet date if unitholders were to exercise their right to put the unit back to the Scheme. This amount represents the expected cash flows on redemption of these units.

Units are classified as equity when they satisfy the following criteria under AASB 132 *Financial instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Scheme's liquidation
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Scheme, and it is not a contract settled in the Scheme's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss

The Scheme classifies the net assets attributable to unitholders on equity as they satisfy the above criteria.

(d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts, if any, are shown within borrowings in the statement of financial position.

2 Summary of material accounting policies (continued)

(d) Cash and cash equivalents (continued)

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Scheme's main income generating activity.

(e) Investment income

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents.

Dividend and distribution income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income and trust distributions when the Scheme's right to receive payments is established.

Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(b) to the financial statements.

(f) Expenses

All expenses, including Responsible Entity fees, are recognised in the statement of comprehensive income on an accruals basis.

(g) Income tax

Under current legislation, the Scheme is not subject to income tax provided it attributes the entirety of its taxable income to its unitholders.

Financial instruments at fair value may include unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be distributed so that the Scheme is not subject to capital gains tax.

The benefit of imputation credits and foreign tax paid are passed on to unitholders.

The Scheme currently incurs withholding tax imposed by certain countries on investment income and capital gains. Such incomes and gains are recorded gross in the statement of comprehensive income, and withholding taxes shown as a separate item in the statement of comprehensive income.

(h) Distributions

The Scheme may distribute its distributable income, in accordance with the Scheme's Constitution and/or Scheme's Product Disclosure Statement ("PDS"), to unitholders by cash or reinvestment. Such distributions are recognised as payable when they are determined by the Responsible Entity of the Scheme.

(i) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. The due from brokers balance is held for collection and consequently measured at amortised cost.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Scheme shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Scheme shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(j) Receivables

Receivables may include amounts for dividends, interest, trust distributions, Reduced Input Tax Credits (RITC) and application monies receivable from unitholders. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each year from the time of last payment in accordance with the policy set out in note 2(e) above. Amounts are generally received within 30 days of being recorded as receivables.

Trades are recorded on trade date, and normally settled within two business days. Sales of financial instruments that are unsettled at the end of the year are included in receivables.

2 Summary of material accounting policies (continued)

(j) Receivables (continued)

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Scheme shall measure the loss allowance on receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Scheme shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(k) Payables

Payables include liabilities and accrued expenses owing by the Scheme which are unpaid as at the end of the year.

Trades are recorded on trade date, and normally settled within two business days. Purchases of financial instruments that are unsettled at the end of the year are included in payables.

The distribution amount payable to unitholders as at the end of each year is recognised separately in the statement of financial position.

Amounts are generally paid within 30 days of being recorded as payables.

(l) Applications and redemptions

Applications received for units in the Scheme are recorded net of any entry fees payable prior to the issue of units in the Scheme. Redemptions from the Scheme are recorded gross of any exit fees payable after the cancellation of units redeemed.

(m) Goods and services tax (GST)

Expenses of various services provided to the Scheme by third parties such as investment management fees etc. are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the related expense or cost item.

Accounts payable and receivable are stated inclusive of the GST receivable and payable. The net amount of GST recoverable from, or payable to, the taxation authority is included in receivables or payables in the statement of financial position.

Cash flows relating to GST are included in the statement of cash flows on a gross basis.

(n) Use of estimates

The Scheme makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For certain other financial instruments, including amounts due from/to brokers, accounts payable and accounts receivable, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

For the years ended 30 June 2026 and 30 June 2025, the fair values of the majority of the Scheme's financial assets and financial liabilities were determined directly, in full or in part, by reference to quoted prices that were available from various sources, such as exchanges, dealers, brokers, industry groups and pricing services.

2 Summary of material accounting policies (continued)

(o) Rounding of amounts

The Scheme is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183* issued by the Australian Securities and Investments Commission ("ASIC"), relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that ASIC Instrument to the nearest thousand dollars, unless otherwise indicated.

(p) Comparative information

Where appropriate, comparative disclosures have been reclassified/amended to be consistent with the current year's presentation.

3 Net gains/(losses) on financial instruments at fair value through profit or loss

Net gains/(losses) recognised in relation to financial instruments at fair value through profit or loss:

	For the year ended	
	30 June 2026 $'000	30 June 2025 $'000
Net gains/(losses) on financial instruments at fair value through profit or loss	**(28,975)**	92,979
Total net gains/(losses) on financial instruments at fair value through profit or loss	**(28,975)**	92,979

4 Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Scheme:

	For the year ended	
	30 June 2026 $	30 June 2025 $
Audit and other assurance services		
Audit and review of financial statements	**33,646**	33,384
Other assurance services	**3,608**	3,849
Total remuneration for audit and other assurance services	**37,254**	37,233
Total auditor's remuneration	**37,254**	37,233

Total remuneration is paid directly by the Responsible Entity.

5 Net assets attributable to unitholders

As stipulated within the Scheme's Constitution, each unit represents a right to an individual share in the Scheme and does not extend to a right to the underlying assets of the Scheme. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Scheme.

Units are redeemed on demand at the unitholder's option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the year cannot be reliably determined.

Movements in number of units and net assets attributable to unitholders during the year were as follows:

	For the year ended			
	30 June 2026 No '000	30 June 2025 No '000	**30 June 2026 $'000**	30 June 2025 $'000
Opening balance	**149,785**	71,963	**440,198**	165,234
Applications	**92,298**	96,893	**299,331**	247,686
Redemptions	**(48,744)**	(19,093)	**(146,512)**	(50,786)
Units issued upon reinvestment of distributions	**108**	22	**328**	54
Distributions paid and payable	**-**	-	**(5,045)**	(2,163)
Profit/(loss) for the year	**-**	-	**(37,067)**	80,173
Closing balance	**193,447**	149,785	**551,233**	440,198

Capital risk management

The Scheme considers its net assets attributable to unitholders as capital. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Scheme is subject to daily applications and redemptions at the discretion of unitholders.

The Scheme's strategy is to hold a certain portion of the net assets attributable to unitholders in liquid investments. As such, the Scheme will meet any capital requirements from the liquidation of liquid assets which include cash and cash equivalents, listed equities and listed unit trusts. Under the terms of the Scheme's Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

6 Distributions to unitholders

The distributions for the year were as follows:

	For the year ended			
	30 June 2026 $'000	**30 June 2026 CPU**	30 June 2025 $'000	30 June 2025 CPU
Distributions				
31 December distribution paid	**1,717**	**0.8444**	-	-
30 June distribution payable	**3,328**	**1.7202**	2,163	1.4434
Total distributions	**5,045**	**2.5646**	2,163	1.4434

7 Cash and cash equivalents

	As at	
	30 June 2026 $'000	30 June 2025 $'000
Cash at bank	**10,870**	18,043
Total cash and cash equivalents	**10,870**	18,043

8 Receivables

	As at	
	30 June 2026 $'000	30 June 2025 $'000
Accrued income	**57**	-
Applications receivables	**112**	448
RITC receivable	**157**	408
Total receivables	**326**	856

9 Financial assets at fair value through profit or loss

	As at	
	30 June 2026 $'000	30 June 2025 $'000
Financial assets at fair value through profit or loss		
Listed equities	**521,252**	419,577
Unlisted equities	**8,959**	-
Listed unit trusts	**14,471**	6,698
Total financial assets at fair value through profit or loss	**544,682**	426,275

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in note 11.

10 Payables

	As at	
	30 June 2026 $'000	30 June 2025 $'000
Due to brokers	**-**	1,621
Accrued expenses	**518**	825
Redemption payable	**799**	367
Total payables	**1,317**	2,813

11 Financial risk management

(a) Objectives, strategies, policies and processes

The Scheme's activities may expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Scheme's overall risk management program focuses on ensuring compliance with the Scheme's PDS and seeks to maximise the returns derived for the level of risk to which the Scheme is exposed. Financial risk management is carried out by Ausbil Investment Management Limited, as Investment Manager, under policies approved by the Board of Directors of the Responsible Entity ("the Board").

The Scheme uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of price and interest rate risks, and maturity analysis for liquidity risk.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk, foreign exchange risk and interest rate risk. Market risk is managed and monitored using sensitivity analysis, and minimised through ensuring that all investment activities are undertaken in accordance with established mandates and investment strategies.

Market disruptions associated with current economic volatility and geopolitical events have had a global impact and uncertainty exists as to their implications. Such disruptions can adversely affect assets of the Scheme and thus performance of the Scheme. Management is continuing to monitor this development and evaluate its impact on the Scheme.

The market risk disclosures are prepared on the basis of the Scheme's direct investments and not on a look through basis for investments held in the Scheme.

(i) Price risk

The Scheme is exposed to equity securities price risk. This arises from investments held by the Scheme for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than Australian dollar, the price will also fluctuate because of changes in foreign exchange rates. Paragraph (ii) below sets out how this component of price risk is managed and measured. The investments are classified on the statement of financial position as at fair value through profit or loss. All securities investments present a risk of loss of capital and the maximum risk resulting from financial assets is determined by the fair value of the financial instruments.

The Investment Manager mitigates this price risk through a careful selection of securities within specified limits set by the Investment Committee. Between 80% to 100% of the net assets attributable to unitholders are invested in listed Australian small cap securities that are primarily chosen from S&P/ASX Small Ordinaries Accumulation Index.

As at 30 June 2026, if the equity prices had increased by 10% (2025: 10%) with all other variables held constant, this would have increased net assets attributable to unitholders (and net operating profit/(loss)) by **$54,468,169** (2025: $42,627,516). Conversely, if the equity prices had decreased by 10% (2025: 10%), this would have decreased net assets attributable to unitholders (and net operating profit/(loss)) by **$54,468,169** (2025: $42,627,516).

(ii) Foreign exchange risk

The foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Scheme holds no non-monetary assets denominated in currencies other than the Australian dollar at 30 June 2026 and 30 June 2025.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

For the years ended 30 June 2026 and 30 June 2025, the Scheme did not hold fixed interest securities and therefore the Scheme's financial position was not exposed to interest rate movements. The impact of interest rate movements on cash deposits is not considered material.

11 Financial risk management (continued)

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Scheme's exposure to credit risk arises from cash deposited with Citigroup Pty Ltd, which has a Standard & Poor's investment rating of A (S&P), and from amounts due from brokers. The credit risk arising from amounts due from brokers is mitigated by the contractual settlement arrangement with the Scheme's custodian, Citigroup Pty Ltd.

The Scheme holds no collateral as security or any other credit enhancements. There are no financial assets that are past due or impaired, or would otherwise be past due or impaired.

The ECL model under AASB 9 applies to the financial assets classified at amortised cost and measured at FVOCI, contract asset, lease receivable, loan commitments and certain financial guarantee contracts. Financial assets are assessed for indicators of expected credit losses at each balance sheet date. The Scheme has concluded that there are no impairment indicators subject to the impairment requirements of AASB 9 and thus the impact on credit risk is immaterial.

(d) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. This risk is controlled through the Scheme's investment in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Scheme maintains sufficient cash and cash equivalents to meet normal operating requirements.

The Scheme is exposed to liquidity risk arising from its obligation to meet valid redemption requests. The Responsible Entity manages this risk by monitoring expected redemptions and cash flows, assessing how readily the Scheme's investments can be sold and seeking to maintain sufficient cash and readily realisable investments to meet payments when due.

While the Scheme is liquid, valid redemption requests are processed and paid in accordance with the Constitution. In certain circumstances, the Constitution allows the Responsible Entity to delay or suspend redemptions or their payment. Where applicable, the Responsible Entity may also limit the amount redeemed, carry forward the balance or extend the payment period. If the Scheme becomes non-liquid, withdrawals can only be made in accordance with the Constitution and the *Corporations Act 2001*.

Maturity analysis for non-derivative financial liabilities

The table below analyses the Scheme's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month $'000	**1-3 months $'000**	**4-12 months $'000**	**More than 12 months $'000**
As at 30 June 2026				
Distributions payable	**3,328**	**-**	**-**	**-**
Accrued expenses	**518**	**-**	**-**	**-**
Redemptions payables	**799**	**-**	**-**	**-**
Total liabilities	**4,645**	**-**	**-**	**-**

	Less than 1 month $'000	1-3 months $'000	4-12 months $'000	More than 12 months $'000
As at 30 June 2025				
Distributions payable	2,163	-	-	-
Due to brokers	1,621	-	-	-
Accrued expenses	825	-	-	-
Redemptions payables	367	-	-	-
Total liabilities	4,976	-	-	-

11 Financial risk management (continued)

(e) Estimation of fair values of financial assets and liabilities

The carrying amounts of all the Scheme's financial assets and financial liabilities at the end of the year approximated their fair values as all financial assets and financial liabilities not fair valued are short-term in nature.

The fair values of the Scheme's financial assets and financial liabilities for the years then ended was determined directly, in full or in part, by reference to quoted prices that were available from various sources, such as exchanges, dealers, brokers, industry groups and pricing services.

Market disruptions associated with current geopolitical events have had a global impact, and uncertainty exists as to their implications. Such disruptions can adversely affect assets of the Scheme and thus performance of the Scheme. Management is continuing to monitor this development and evaluate its impact on the Scheme.

(f) Fair value hierarchy

The Scheme is required to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); quoted prices for similar securities in active and/or inactive markets; market-corroborated inputs; inputs that are developed based on available market data and reflect assumptions that markets would use when pricing similar securities (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Scheme. The Scheme considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below sets out the Scheme's financial assets measured at fair value according to the fair value hierarchy at the end of the year.

30 June 2026	**Level 1**	**Level 2**	**Level 3**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets				
Financial assets at fair value through profit or loss:				
Listed equities	**521,252**	**-**	**-**	**521,252**
Unlisted equities	**-**	**-**	**8,959**	**8,959**
Listed unit trusts	**14,471**	**-**	**-**	**14,471**
Total	**535,723**	**-**	**8,959**	**544,682**

30 June 2025	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
Financial assets				
Financial assets at fair value through profit or loss:				
Listed equities	419,577	-	-	419,577
Listed unit trusts	6,698	-	-	6,698
Total	426,275	-	-	426,275

11 Financial risk management (continued)

(f) Fair value hierarchy (continued)

Investments, the values of which are based on quoted market prices in active markets, e.g. recognised stock exchanges, and therefore classified within level 1, include active listed equities and listed unit trusts.

As at 30 June 2025, there were no financial assets classified as level 2 or 3.

(g) Reconciliation of Level 3 fair value measurements of financial instruments

The table below presents the movement in the level 3 unlisted equities for the year ended 30 June 2026 and 30 June 2025.

	As at	
	30 June 2026 $'000	30 June 2025 $'000
Opening balance	**-**	-
Purchases	**7,660**	-
Gains/(losses) recognised in the Statement of Comprehensive Income	**1,299**	-
Closing balance	**8,959**	-

12 Related party transactions

(a) Responsible Entity

The Responsible Entity of Ausbil Australian SmallCap Fund is Ausbil Investment Management Limited.

(b) Directors

Key management personnel includes persons who were directors of the Responsible Entity at any time during the year.

(c) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Scheme, directly or indirectly during the year.

(d) Related party Scheme's unitholdings

Parties related to the Scheme (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity), held units in the Scheme as follows:

30 June 2026 Unitholder	**No. of units held opening Units**	**No. of units acquired Units**	**No. of units disposed Units**	**No. of units held closing Units**	**Fair Value of investment $**	**Interest held %**	**Distributions paid/payable by the Scheme $**
Ausbil Balanced Fund	**2,699,721**	**-**	**-**	**2,699,721**	**7,692,915**	**1.40%**	**69,237**

30 June 2025 Unitholder	No. of units held opening Units	No. of units acquired Units	No. of units disposed Units	No. of units held closing Units	Fair Value of investment $	Interest held %	Distributions paid/payable by the Scheme $
Ausbil Balanced Fund	3,404,624	-	704,903	2,699,721	7,934,071	1.80%	38,969

12 Related party transactions (continued)

(e) Other transactions within the Scheme

From time to time directors of the Responsible Entity of the Scheme, or their director-related entities, may invest in or withdraw from the Scheme. These investments or withdrawals are on the same terms and conditions as those entered into by other Scheme investors.

Apart from those details disclosed in this note, no key management personnel of the Responsible Entity have entered into a material contract with the Scheme since the end of the previous financial year and there were no material contracts involving director's interests at the end of the year.

The following transactions occurred with key management personnel during the year:

	30 June 2026 $	30 June 2025 $
Application for units	**16,992**	4,461

The Scheme has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the year.

(f) Responsible entity's/manager's fees and other transactions

Under the terms of the Scheme's Constitution, the Responsible Entity is entitled to receive management fees of 1.10% pa, calculated by reference to the gross asset value of the Scheme.

In addition to the management fee, the Responsible Entity is entitled to receive performance fees. This fee is only receivable where the Scheme outperforms the relevant investment benchmark. The performance fee is set at 20.50% inclusive of the net effect of GST of the Scheme's performance above the performance hurdle. The performance hurdle is the S&P/ASX Small Ordinaries Accumulation Index, including a hurdle of 1.10% pa, multiplied by the Scheme's gross asset value. The fee is accrued daily and paid monthly in arrears from the Scheme's assets.

The Responsible Entity does not charge any contribution fees to the Scheme.

The transactions during the year and amounts payable at year end between the Scheme and the Responsible Entity were as follows:

	30 June 2026 $	30 June 2025 $
Management fees for the year paid/payable by the Scheme to the Responsible Entity	**6,461,642**	3,507,374
Performance fees for the year paid/payable by the Scheme to the Responsible Entity	**7,345,229**	12,641,041
Aggregate amounts payable to the Responsible Entity at the end of the year	**518,864**	825,881

(g) Investments

The Scheme did not hold any investments in the Responsible Entity or its related parties during the year (2025: Nil).

13 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	For the year ended	
	30 June 2026 $'000	30 June 2025 $'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities		
Profit/(loss) for the year	**(37,067)**	80,173
Proceeds from sale of financial instruments at fair value through profit or loss	**575,823**	317,205
Purchase of financial instruments at fair value through profit or loss	**(724,826)**	(490,932)
Net (gains)/losses on financial instruments at fair value through profit or loss	**28,975**	(92,979)
Net change in receivables and other assets	**194**	(121)
Net change in payables and other liabilities	**(307)**	(303)
Net cash inflow/(outflow) from operating activities	**(157,208)**	(186,957)
(b) Components of cash and cash equivalents		
Cash as at the end of the year as shown in the statement of cash flows is reconciled to the statement of financial position as follows:		
Cash and cash equivalents	**10,870**	18,043
(c) Non-cash operating and financing activities		
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	**328**	54

14 Events occurring after the year end

There are no items, transactions or events of a material and unusual nature have arisen between the end of the financial period and the date of this report, which are likely, in the opinion of the Directors, to affect significantly the operations of the Scheme, the results of those operations, or the state of affairs of the Scheme in future financial years.

15 Contingent assets and liabilities and commitments

There are no outstanding contingent assets and liabilities or commitments as at 30 June 2026 and 30 June 2025.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

(a) the financial statements and notes set out on pages 5 to 23 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the Scheme's financial position as at 30 June 2026 and of its performance, as represented by the results of its operations and cash flows, for the year ended on that date.

(b) there are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

(c) the financial statements are in accordance with the Scheme's Constitution.

(d) Note 2(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.

Mark Knight
Director

Sydney
29 September 2026

Independent auditor's report

To the unitholders of Ausbil Australian SmallCap Fund

Our opinion

In our opinion, the accompanying financial report of Ausbil Australian SmallCap Fund (the "Registered Scheme" or "Scheme") is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Registered Scheme's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2026;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended;
- the notes to the financial statements, including material accounting policy information and other explanatory information; and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo NSW 2000,
GPO BOX 2650 Sydney NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

Independence

We are independent of the Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors of the Responsible Entity of the Registered Scheme are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors of the Responsible Entity of the Registered Scheme for the financial report

The directors of the Responsible Entity of the Registered Scheme are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the Responsible Entity are responsible for assessing the ability of the Registered Scheme to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Responsible Entity either intend to liquidate the Registered Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

PricewaterhouseCoopers

BSS Tompsett
Partner

Sydney
29 September 2026