

Ausbil Australian SmallCap Fund

Quarterly performance update

June 2025

Ausbil Investment Management Limited
ABN 26 076 316 473
AFSL 229722
Level 27
225 George Street
Sydney NSW 2000
GPO Box 2525
Sydney NSW 2001
Phone 61 2 9259 0200

'2025 financial year (FY25) delivered outstanding results for clients with the Fund delivering +28.62% (net of fees), outperforming the Small Ordinaries Accumulation Index +12.26%'

Performance Review

Fund performance for the quarter ending June 2025 was +14.21% (net of fees) versus the benchmark return of +8.62%, as measured by the S&P/ASX Small Ordinaries Accumulation Index.

Fund Review

2025 financial year (FY25) delivered outstanding results for clients with the Fund delivering +28.62% (net of fees), outperforming the Small Ordinaries Accumulation Index +12.26%. Despite FY25 experiencing multiple bouts of volatility with the 'Yen carry trade' unwind, a US Presidential Election, a Tariff induced market correction and ongoing geopolitical conflict, stock selection was sound. The Fund's FY25 scorecard reflected this, with the largest detractor **WEB Travel** smaller than the Fund's 11th largest winner. Winners were led by **Life360** (+97%), **Genesis Minerals** (+145%), **Generation Development** (+116%), **HUB24** (+93%), **Codan** (+71%) – all existing positions leading into FY25, all successful Microcap 'graduates' and remain high conviction fund holdings. Since inception, the Fund has returned +25.09% p.a. (net of fees), outperforming the Small Ordinaries return of +8.82%.

Moving to the June quarter, the Ausbil Australian SmallCap Fund outperformed strongly, returning +14.2% (net of fees), well ahead of the Small Ordinaries Index which rose +8.6%. It is particularly pleasing that this came on the back of the Fund also outperforming a soft market in the March quarter, where the fund was -0.1% vs the Small Ordinaries benchmark down -2.0%. The ability to position for some capital protection on the downside, while also outperforming on the upside, has been a hallmark of the Fund and speaks to our active risk management process. Contribution over the quarter came from **Life360** (360), **Codan** (CDA) and **Zip** (ZIP). Detractors for the quarter include **OraBanda Mining** (OBM), **Propel Funerals** (PFP) and **Imdex** (IMD).

Key Contributors

Life360 (360) returned +62.4% in the June quarter after an exceptional quarterly result that broadly exceeded consensus expectations across paying circles, revenue and EBITDA. Subscription revenue guidance was upgraded for the full year after delivering strong paying user growth in a seasonally softer quarter. We wrote previously that Life360's vision of a full family ecosystem is beginning to emerge. This result showed further validation, with new partnerships formed with AccuWeather and Aura. We continue to believe the market is underestimating the potential of 360's pet hardware offering to materially accelerate user adoption and lifetime customer value.

Zip (ZIP) zipped along, returning +90.7% in the June quarter, after the early April sell-off, on a combination of a bullish broker initiation report which was supported by very healthy consumer data read-throughs in the US. The real kicker in the ZIP share price came via a strong trading update, highlighting momentum in TTV growth in Australia and the US, a benign bad debt backdrop and importantly, US TTV growth above +40%, which was well-above consensus expectations. While the FY26 outlook is polarizing, we continue to see material upside to consensus forecasts and expect outperformance to continue.

Ora Banda Mining (OBM) fell by -29.9% over the month of June after narrowing its FY25 production guidance range from 100-110koz down to 100-105koz in April, and subsequently coming out with an additional update in June which has seen production estimates cut a further 5% to ~95koz for the quarter. Costs for FY25 are also expected to be marginally higher on decreased throughput at the mill. Management has reconfirmed their production numbers for the final month of June 2025, talking to the mill's ability to run at a rate sufficient to hit the required 150koz ounce run rate (for FY26).

Propel Funerals (PFP) fell -14.7% in the June quarter. While nothing is more certain than death and taxes, the death rate across PFP's end markets has been noticeably weak this CYTD which resulted in a soft trading update in May and a reasonable cut to FY25 consensus forecasts. The good news (or bad news – depending how you view it) is that death volumes ultimate mean-revert and we are seeing early signs of that already with a severe start to influenza season. Accordingly, we are sticking with the position and remain convicted that PFP can capitalise on a number of organic and inorganic opportunities in the future.

Outlook

We remain reasonably optimistic about the outlook for equity markets, despite the recent volatility. So long as broader economic and corporate data doesn't materially underwhelm and the US avoids slipping into recession, there is still ample support available (both fiscal and monetary) to underpin economic growth, which is ultimately good for equity markets. The Small Ordinaries Index has rallied +18% from the April lows, shaking off a number of issues and concerns, including elevated market valuations. Against this backdrop, many have questioned the durability of the rally, however we would expect the breadth of the rally to improve as excess cash on the sidelines is subsequently put to work. This likely signals a shift toward more individual stock-picking, which is more akin to the Ausbil fundamental bottom-up process.

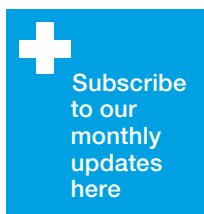
Returns¹ as at 30 June 2025

Period	Fund Return ¹ %	Bench- mark ² %	Out/Under performance %
1 month	0.93	0.85	0.08
3 months	14.21	8.62	5.59
6 months	14.07	6.45	7.63
1 year	28.62	12.26	16.37
2 years pa	27.17	10.79	16.38
3 years pa	21.68	10.00	11.68
4 years pa	14.15	1.74	12.42
5 years pa	23.09	7.37	15.72
Since inception pa Date: 30 April 2020	25.09	8.82	16.27

Top 5 Stocks³

1. Aussie Broadband
2. Codan
3. Generation Development Group
4. Life360
5. Tuas

1. Fund returns are net of fees.
2. S&P/ASX Small Ordinaries Accumulation Index.
3. Top 5 stocks sorted alphabetically.





Ausbil Investment
Management Limited
Level 27
225 George Street
Sydney NSW 2000
Australia
Toll Free 1800 287 245

This material is issued by Ausbil Investment Management Limited (Ausbil) ABN 26 076 316 473, AFSL 229722 as at June 2025 and is subject to change. The material is not intended to provide you with financial product advice. It does not take into consideration the investment objectives, financial situation or needs of any person. For this reason, you should, before acting on this material, obtain professional advice from a licensed financial adviser and read the relevant Product Disclosure Statement which is available at www.ausbil.com.au and the target market determination which is available at www.ausbil.com.au/invest-with-us/design-and-distribution-obligations. Past performance is not a reliable indicator of future performance. Any reference to past performance is for illustrative purposes only and should not be relied upon on. Ausbil, its officers, directors and affiliates do not guarantee the performance of, a particular rate of return for, the repayment of capital of, the payment of distribution or income of, or any particular taxation consequences for investing with or in any Ausbil product or strategy. The performance of any strategy or product depends on the performance of the underlying investment which may rise or fall and can result in both capital gains and loss. Any references to particular securities or sectors are for illustrative purposes only. It is not a recommendation in relation to any named securities or sectors. The material may contain forward looking statements which are not based solely on historical facts but are based on our view or expectations about future events and results. Where we use words such as but are not limited to 'anticipate', 'expect', 'project', 'estimate', 'likely', 'intend', 'could', 'target', 'plan', 'believe', 'think', 'might' we are making a forecast or denote a forward-looking statement. These statements are held at the date of the material and are subject to change. Forecast results may differ materially from results or returns ultimately achieved. The views expressed are the personal opinion of the author, subject to change (without notice) and do not necessarily reflect the views of Ausbil. This information should not be relied upon as a recommendation or investment advice and is not intended to predict the performance of any investment or market. The actual results may differ materially from those expressed or implied in the material. Ausbil gives no representation or warranty (express or implied) as to the completeness or reliability of any forward looking statements. Such forward looking statements should not be considered as advice or a recommendation and has such should not be relied upon. To the extent permitted by law, no liability is accepted by Ausbil, its officers or directors or any affiliates of Ausbil for any loss or damage as a result of any reliance on this information. While efforts have been made to ensure the information is correct, no warranty of accuracy or reliability is given, and no responsibility is accepted for errors or omissions. Any opinions expressed are those of Ausbil as of the date noted on the material and are subject to change without notice.