10 September 2026

By Electronic Lodgement

Market Announcements
Office ASX Ltd
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Firetrail Australian Small Companies Fund - Active ETF (ASX:FSML) – Monthly Investment Update

Please find attached a copy of the investment update for the month ending 31 August 2026.

For further information, please contact 1300 010 311.

Authorised by:

Terence Kwong
Company Secretary

Pinnacle Fund Services Limited as responsible entity of Firetrail Australian Small Companies Fund - Active ETF

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Firetrail Australian Small Companies Fund – Active ETF[1]

ASX: FSML | Monthly Report | August 2026

Firetrail
Invest with Conviction

Performance (After Fees)[2] as at 31 August 2026

	Month	Quarter	6 Months	1 Year	2 Years (pa)	3 Years (pa)	5 Years (pa)	Fund Inception (pa)
Fund	5.02%	0.09%	(5.59%)	4.77%	19.31%	19.97%	8.59%	15.82%
Benchmark[3]	5.18%	(0.19%)	(6.31%)	(1.22%)	10.40%	9.77%	2.22%	4.57%
Excess Return	**(0.16%)**	**0.28%**	**0.71%**	**5.99%**	**8.91%**	**10.20%**	**6.37%**	**11.25%**

About Firetrail

Firetrail is an investment management boutique which is majority owned by the Firetrail team. The team is invested alongside clients in the investment strategies.

Australian Small Companies Fund

The Australian Small Companies Fund – Active ETF ("Fund") is a concentrated portfolio of our most compelling Australian Small Company ideas. The strategy is built on fundamental, deep dive research guided by the philosophy that 'every company has a price'.

Investment Objective

The Fund aims to outperform the ASX Small Ordinaries Accumulation Index over the medium to long term (after fees).

Your Portfolio Managers

Matthew Fist
Matthew is a Co-Founder at Firetrail with over 16 years' experience. Prior to working in investments, Matthew worked as an engineer and geoscientist.

Eleanor Swanson
Eleanor is a Co-Founder at Firetrail with over 12 years' experience. Eleanor is a qualified immunobiologist.

Patrick Hodgens
Patrick is Co-Founder and Managing Director at Firetrail. He brings over 41 years' experience investing in equity markets.

Three Key Holdings

Channel Infrastructure

GemLife

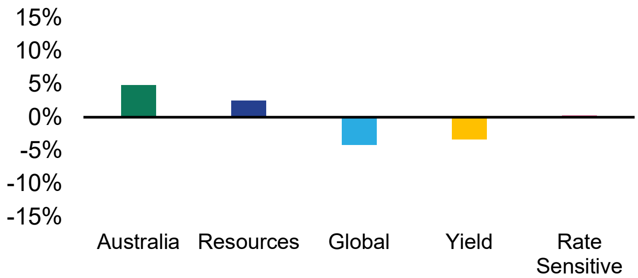
Minerals 260

Fund Details

Unit Prices	August 2026
Application Price	$2.0750
Redemption Price	$2.0626
NAV Price	$2.0688
Fund Details	
APIR Code	WHT3093AU
Benchmark	S&P/ASX Small Ordinaries Accumulation Index
Inception Date	20 February 2020
Risk/Return Profile	Very High
Number of Holdings	68* (45)
Fund Size	$938 mil
Management fee*	0.85% p.a.
Performance fee*	20% of outperformance above an annual hurdle of 2% above Benchmark

*Includes (23) event positions held at <1%.
**Please read the Product Disclosure Statement for more details.

Thematic Positioning – August 2026



Source: Firetrail. Relative to the Benchmark

Contact Us

Pinnacle

For further information, contact the Pinnacle Investment Distribution team

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Zenith HIGHLY RECOMMENDED

5 Highly Recommended Lonsec Research

Past performance is not a reliable indicator of future performance.
1. The name of the fund changed to Australian Small Companies Fund – Active ETF on 18 November 2024 to facilitate quotation of the fund on the ASX. FSML Active ETF listing date is 18 November 2024.
2. Firetrail Australian Small Companies Fund – Active ETF ('Fund'). Net Fund returns are calculated based on exit price with distributions reinvested, after ongoing fees and expenses but excluding taxation.
3. The benchmark is the ASX Small Ordinaries Accumulation Index

Portfolio Commentary

The Fund returned 5.02% (after fees) for the month ending 31 August 2026, underperforming the ASX Small Ordinaries Accumulation Index by 0.16%.

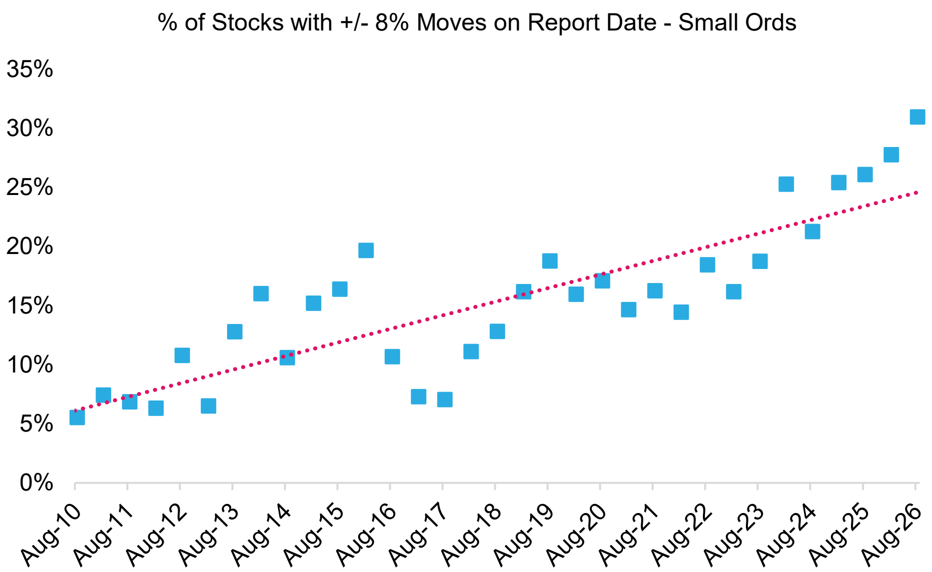
Month in Review

The ASX Small Ordinaries returned 5.2% in August, outperforming the ASX 200 by 4%. Resources significantly outperformed Industrials, with ASX Small Resources up 17.5% and ASX Small Industrials up just 0.2% for the month.

Over the month, the key events were as follows:

- **Reporting season:** Australian listed companies reported their financial year earnings throughout August and we saw the upward trend in single stock volatility on results day continued. Figure 1 shows the percentage of stocks in the Small Ords that moved more than 8% (up or down) on the day they reported. Each dot represents a February or August reporting season since 2010. For the Small Ords, this season was the most volatile in the 16 years shown, with 31% of companies moving more than 8% on results day. As active stock pickers, we see this as an opportunity. Volatility at the individual stock level creates the kind of dispersion where fundamental research and conviction can pay off. We discuss a few of the key themes that emerged from reporting season in the "One Interesting Thing" section of this report.

Figure 1: Single stock volatility at reporting season continues to trend higher…



***Source**: FactSet, Firetrail*

- **Strait of Hormuz and oil:** The US and Iran remained deadlocked, with hopes of a deal repeatedly giving way to renewed tension. Brent traded in a relatively narrow range between US$79 and US$94 and finished the month at US$90/bbl. Some estimates have reported that tanker exits from the Strait have recovered up to 50% of pre-war levels, though refined fuel exports remain depressed.

- **RBA:** The RBA kept rates unchanged at 4.35% at their August meeting. however, RBA Governor Bullock's tone remained hawkish in the press conference that followed where the Governor said she "personally" thinks it's "quite possible we'll need to go again." July CPI later in the month came in hotter than expected, with trimmed mean stuck at 3.6%, and markets moved to price a 50% chance of a September hike and close to 100% by November. Australian bond yields rose 9-16bps across the curve.

- **Global central banks:** None of the major central banks met in August, however expectations for rate hikes increased over the month. In the US, Fed Chair Kevin Warsh used his Jackson Hole speech to reaffirm the 2% inflation target and markets moved to price a 65% chance of a September hike. Hikes are also expected from the ECB and Bank of Japan in September, and long-dated yields hit multi-year highs in the US, Germany, UK and Japan on fiscal and inflation concerns.

Contributors to Returns

Positive Contributors

Genesis Minerals
WA-focused goldminer Genesis Minerals was once again a strong contributor to returns in August with the stock reaching record highs towards the end of the month. There was little stock-specific news to report in August. We expect the Genesis (GMD)/Vault (VAU) merger to complete before the end of 2026 and eagerly await details of a potential spin-off company comprising non-core assets. Given the strong performance of gold equities, there are limited high quality production companies remaining in the S&P Small Ordinaries Index. A GMD/VAU SpinCo could change this dynamic. Our back of the envelope numbers suggest a 100-200 thousand ounces (koz) pa producer with a strong growth outlook, reserves, and management team that could easily warrant a $2bn plus valuation.

Minerals 260
WA gold developer Minerals 260 also surged in August as the USD gold price rose ~9%. During the month Minerals 260 released updated drilling results for the Bullabulling asset. Highlights included an intercept of 7.8 metres at 9 grams per tonne. Despite Bullabulling's current resource of ~6.2 million ounces (moz) (which we expect to grow to ~10moz), consensus for peak annual production rates is just 190 thousand ounces (koz) pa, implying a 32 year resource life! We believe this to be unlikely. Given the location, grade, strip ratio, and scale of the asset, we expect an annual production rate of at least ~250 koz pa is achieveable. Drilling results continue to highlight the potential for a high grade underground to supplement an open pit operation.

PYC Therapeutics
PYC Therapeutics was up 35% in the month of August following the release of safety data from its Phase I of PYC's gene therapy drug PYC-003 in Polycystic Kidney Disease (PKD). The drug was shown to have a clean safety profile with no serious adverse events across patient cohorts. For gene therapies, Phase I safety trials are seen as a significant hurdle to clear given the mechanism of action which drives the efficacy of the drug is better understood. The data read increases the probability of success of PYC-003 in PKD. We expect further safety readouts later in CY2026 and CY2027.

Negative Contributors

Generation Development Group
Financial services company Generation Development Group underperformed in August after releasing an in-line FY26 result that flagged a significant step up in expenses into FY27. Whilst we, and the market, expected a step up in both operating and capital expenditure, the quantum was a surprise. We believe this is the right decision on a 3-year view and back GDG to deliver. We took advantage of share price weakness and increased our position over the month.

Iress

Financial software provider Iress fell 12% on the day of their first-half 2026 result and has continued to be soft in sympathy with the broader technology sector. The company missed consensus revenue expectations by 6%, however the impact at operating EBITDA was mitigated by better cost control and the company actually beat consensus expectations at cash EBITDA due to lower capital expenditure. Iress is in the early days of a turnaround being prosecuted by new CEO Andrew Russell who joined the company late 2025. Iress is trading on a forward one-year P/E of 11.6x. There is significant opportunity for increased cost efficiency coupled with more targeted, commercially orientated product investment to improve the topline. We don't believe the current share price factors in any upside from the success of a turnaround.

Life360

Life360 underperformed during August following the release of its Q2 CY2026 result. This is despite delivering strong subscription and advertising revenue growth and underlying EBITDA +21% ahead of consensus expectations. Subscriber growth remained robust at 27% year-on-year, prompting an upgrade to full-year subscription revenue guidance to approximately 30% growth at the midpoint. We remain positive on the outlook as Life360 strengthens its competitive moat, expands into emerging markets including Mexico and Brazil, scales its advertising business through strategic partnerships, and rolls out its pet-tracking offering.

Portfolio Themes

Theme	Position	Example
Australia	Overweight	regis
Resources	Overweight	NexGen Energy Ltd.
Global Earners	Underweight	Life360
Yield	Underweight	GENESIS MINERALS LIMITED
Rate Sensitive	Underweight	Channel

One interesting thing that happened this month…

August Reporting Season Wrapped Up

The Firetrail Australian Small Companies Fund had a fairly balanced hit/miss rate during August reporting season, which was reflected by the in-line with Benchmark result delivered by the Fund. Of the 29 industrial companies in the portfolio that reported (we exclude resource and biotech companies given quarterly cashflows drive share prices), 13 companies were ahead of expectations, 6 were in-line and 10 disappointed.

It was encouraging to see continued positive progress at companies such as Shape Australia and Australian Clinical Labs, each with strong management teams doing an excellent job of delivering for shareholders. We would also highlight there are a number of companies we own that are executing well but are still very under-appreciated by the market, most notably GemLife and Iress.

Across the month, a number of consistent themes emerged. The following were of particular note:

- **Consumer not reacting well to inflation**
  - Cost of living pressure was flagged at a number of companies. Nick Scali saw written sales orders only marginally up during the first 7 weeks of FY2027, which was in fact viewed as a strong result by the market given the macro economic pressures facing retailers exposed to housing turnover.
  - The pressure is on retailers to optimise their cost base and pricing to maintain gross margins and protect earnings, Baby Bunting and ARB both held in the Fund were 2 examples of retailers executing well in a tough environment.

- **Concerns emerging on data centre completions**
  - Numerous companies with exposure to Australian data centres have espoused the enormous pipeline of proposed developments over coming years.
  - However challenges to the execution of this pipeline continue to rise – through reporting we heard consistent concerns voiced over power/grid limitations, increased Government barriers and softening contract terms.
  - In the data centre space, we maintain a preference for established and experienced players who are prioritising contract quality over quantity such as NextDC.

- **Inflation causing slow-down in non-data centre capex**
  - In housing, not only are raw materials costs rising, but the shortage of trades appears likely to get worse. One of our portfolio companies thinks we will lose 40,000 tradies to retirement over the next few years. With falling house prices further dampening economics, development is likely to slow.
  - In oil and gas, rising costs are leading to delay or cancellation of a number of projects, with negative implications for contractors in the space.
  - We remain wary of any companies undergoing substantial capex programs over the next few years, as we believe the risk of cost disappointment is elevated.

We haven't made many changes to the portfolio post reporting season but have selectively trimmed and topped up positions where appropriate. We remain overweight energy, healthcare and select global growth names, and underweight bond proxies such as infrastructure and REITs.

After meeting with >80% of companies held in our portfolio over the past 3 weeks, we are very excited about the outlook for the Fund. We believe the broader small cap market is set up for a period of strong relative returns. Valuations are compelling and the outlook for growth is robust. Several takeover offers in the small cap part of the market tell us that we are not the only ones with this view!