PURE MICROCAP
VALUE FUND

Microequities Asset Management

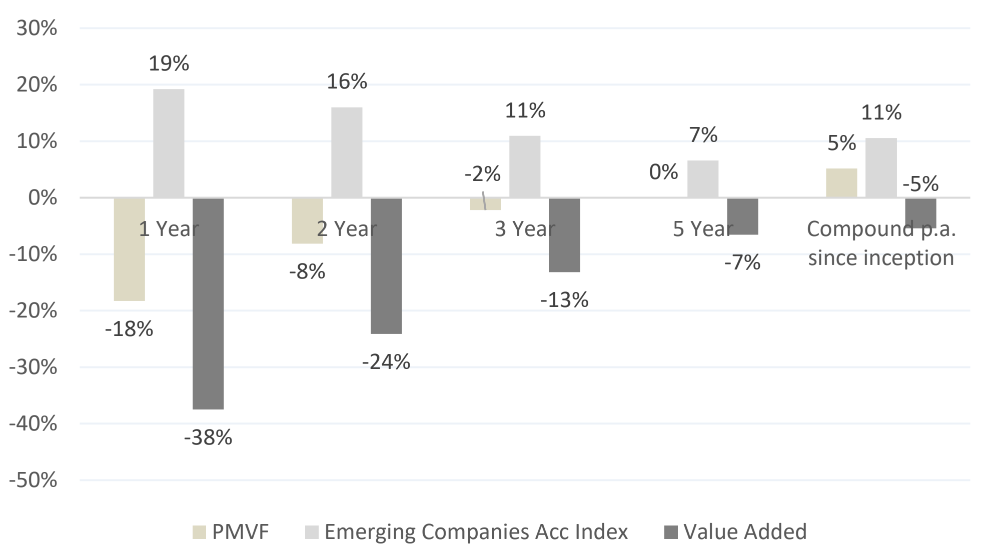
MONTHLY PERFORMANCE AS AT 31/08/2026

latest unit price	return since inception (Oct 2017)	return 1 month
$1.1746	62.17%	4.04%

FUND OUTLINE

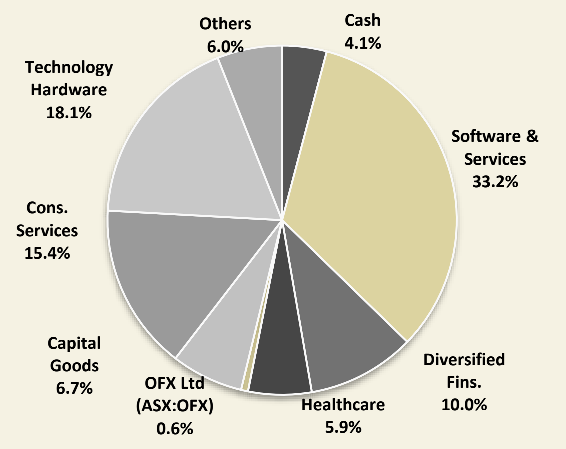
The Pure Microcap Value Fund is a wholesale fund investing in a portfolio of undervalued, profitable and growing ASX microcap companies.

VALUE OF $1,000,000 INVESTED AT INCEPTION > $1,621,665

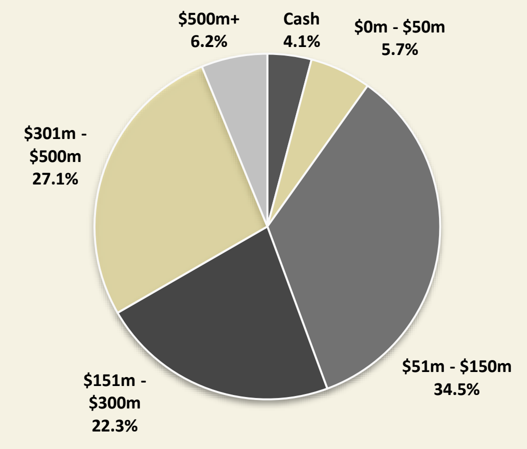


	Compound p.a. since inception	Total since inception	7 Year Annual Compound	5 Year Annual Compound	3 Year Annual Compound	1 Year	1 Month
PMVF	**5.57%**	**62.17%**	**9.19%**	**-0.23%**	**-1.19%**	**-21.32%**	**4.04%**

SECTOR BREAKDOWN



MARKET CAP



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MARKET UPDATE AND COMMENTARY

As we noted last month, we believed there was upside risk to inflationary pressures in Australia. That risk materialised in the latest CPI data, with trimmed mean inflation remaining elevated at 3.6%, driven partly by housing costs, which have increased by 5.0% over the past 12 months. The trimmed mean, the RBA's preferred measure of underlying inflation, remains well above the midpoint of its 2 to 3% target range. This latest reading makes a further interest rate increase highly likely.

The US economy is also confronting persistent inflationary pressures, with headline inflation reaching 3.4% and the PCE price index rising to 3.7%. These readings have renewed pressure on the Federal Reserve to take more decisive action. Federal Reserve Chair Kevin Warsh acknowledged that inflation had exceeded the Fed's 2% target for 65 consecutive months and signalled that, without imminent progress, the Fed would need to raise interest rates.

Microequities Pure Microcap Value Fund returned 4.04% in August; this brings the total return net of fees to 62.17% for the Fund since inception in October 2017.

August 2026 was generally a positive reporting season for the Fund, with the portfolio delivering an impressive weighted average earnings growth of +19.0%, across 33 of the 44 companies that reported their FY26 results during the month, representing 76.1% of the Fund's total assets.

	FY26 earnings growth Weighted Average
33 companies of the total 44 companies reported FY26 financials in the month.	**+19.0%**

Our top 5 weighted investments (accounting for c.44% weighting):

- Education services company reported revenue +50%, EBITDA +54%, PBT +61% and NPAT +49%, all organic growth. EPS was +73%, net cash of $24m and CY26 valuation is c. 7x PE.
- Technology enabled services company reported revenue +63% (+49% organic), EBITDA +50% (+39% organic), net cash of $17.4m and FY27 valuation is 8.4x EV/EBITDA.
- Vertical market software company reported revenue +2.6% and cash EBITDA -19%. Net debt of $37.1m is 1.06x EBITDA. Outlook is for 4% revenue and 31% cash EBITDA growth at midpoint of guidance. Valuation is 10.9x FY27 EV/EBITDA.
- Consumer services company reported 12% revenue and 17% EBITDA growth, all organic. Net debt reduced to 1.77x EBITDA and the company paid its first dividend. Valuation is 4.4x EV/EBITDA.
- IT services company reported 17% revenue growth and -5% EBITDA decline. Net cash is $36.5m. Outlook is for a revenue and earnings growth. Valuation multiple is 3.2x FY27 EV/EBITDA.

Projected EPS Growth 1 Year Forward (on a weighted basis)	**+15.4%**
Projected EPS Growth 2 Years Forward (on a weighted basis)	**+17.7%**

Number of companies	**44**
Top 5 Holdings % of NAV	**44.0%**
Top 10 Holdings % of NAV	**59.5%**
Top 20 Holdings % of NAV	**79.7%**
Cash Position % of NAV	**4.1%**