Spheria Australian Smaller Companies Fund - Active ETF

ASX: SPHX

Performance as at 31 October 2026

	1 Month	3 Months	1 Year	3 Years p.a.	5 Years p.a.	7 Years p.a.	10 Years p.a.	Inception p.a[3]
Fund[1]	-3.3%	-1.0%	-13.1%	12.8%	2.5%	7.1%	8.3%	8.1%
Benchmark[2]	-6.4%	-3.9%	-14.4%	10.0%	0.6%	4.0%	5.9%	5.6%
Difference	3.2%	2.9%	1.2%	2.8%	1.8%	3.1%	2.3%	2.5%

[1]The above shows the performance of the unquoted class (Spheria Australian Smaller Companies Fund) from its inception on 11 July 2016 up to 15 April 2026, and the quoted class (Spheria Australian Smaller Companies Fund - Active ETF) from 15 April 2026 onwards, after applicable fees and other costs. The performance of the quoted class of the Fund may differ from the performance of the unquoted class, and such differences may have a material impact on the performance of that investment. Investors should use the past performance of the unquoted class prior to the inception date of the quoted class for illustrative purposes only. Past performance is not a reliable indicator of future performance. All p.a. returns are annualised.

[2] Benchmark is the S&P/ASX Small Ordinaries Accumulation index.

[3] Inception date for the unquoted class of the Fund is 11 July 2016. The inception date for quoted class of the Fund is 15 April 2026.

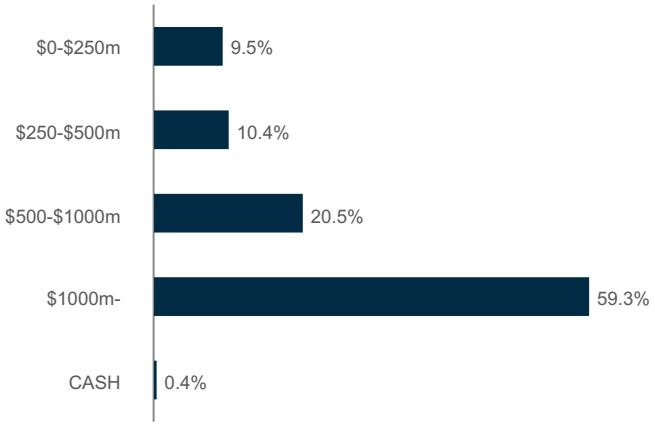
Overall Commentary

In the month ended 31 October 2026, the Fund returned -3.3% (after fees), outperforming the S&P/ASX Small Ordinaries Accumulation Index by 3.2%.

Top 5 Holdings

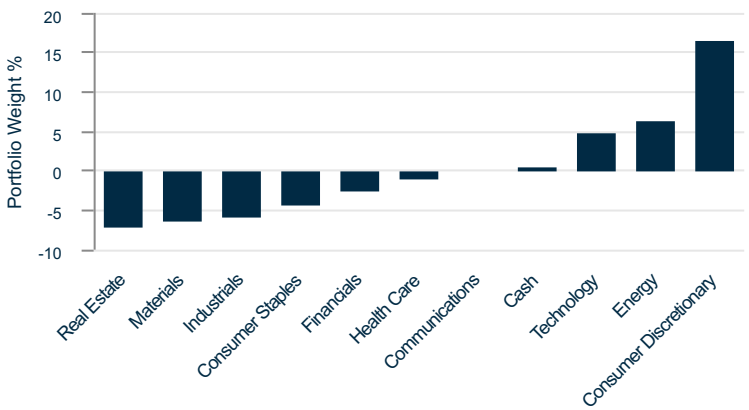
Company Name	% Portfolio
Supply Network Limited	5.4
Bapcor Limited	5.3
Perpetual Limited	4.5
Orora Limited	4.0
New Hope Corporation Limited	3.7
Top 5	**22.9**

Market Cap Bands



Source: Spheria Asset Management

Active Sector Exposure



Source: Spheria Asset Management, Bloomberg

Markets

Global equity markets trended lower during the month and despite the headline looking somewhat modest, with the S&P 500 down less than 1% in October, beneath the surface there was significant volatility. The NASDAQ was down 5% and the KOSPI – which has become a proxy for the AI/data centre thematic was down peak to trough 20% during the month before a modest recovery. The AI trade, which has driven a significant portion of global equity performance YTD came unstuck, as investor scrutiny of AI investment ROI intensified. Results from some of the biggest technology companies highlighted the sheer capital being invested into AI - with Google, Amazon and Meta spending US$51bn, US$77bn and US$35bn respectively on capex in the September quarter, pushing free cash flow negative at all three despite strong revenue growth. The long-awaited IPO documentation from Anthropic only added fuel to the fire, with the company disclosing around US$235bn of compute commitments through to 2033.

Australia was not immune, particularly at the small and micro-cap end of the market, which significantly underperformed the Top-50, which was surprisingly positive for the month despite the global noise. Resources were the weakest part of the market, with the Small-cap resources index down 14% for the month, driven in large part by a falling gold price. Part of the broader weakness was the sell-off in the AI-thematic trade globally, which also hit the local IPO market, with Nvidia-backed Firmus withdrawing what would have been the ASX's largest float in three decades after investors recoiled at an almost A$44 billion valuation. Confirmation of a further rate rise driven by hotter than expected inflation added to the pressure. Post month end the RBA raised rates for a 5th time this year, taking the cash rate to 4.85%, the highest it has been since 2008 (peaked at 4.75% in 2011 and 4.35% in 2024).

Despite absolute returns being weak, the Fund had strong relative returns for the month, supported by an underweight to materials.

Over the month the largest contributors were owning Healius (HLS.ASX, +15%), an overweight position in Orora (ORA.ASX, +9%), and an overweight position in Karoon Energy (KAR.ASX, +10%). The largest detractors from performance included not owning Data#3 (DTL.ASX, +33%), not owning Pinnacle Investment Management Group (PNI.ASX, +16%), and not owning AUB Group (AUB.ASX, +11%).

Spheria Australian Smaller Companies Fund - Active ETF	
Benchmark	S&P/ASX Small Ordinaries Accumulation Index
Investment Objective	Outperform the S&P/ASX Small Ordinaries Accumulation Index over the medium to long term
Investing Universe	Primarily listed companies outside the top ASX 100 listed companies by market capitalisation and companies listed on the New Zealand Stock Exchange with an equivalent market capitalisation
Risk	Very high
Holdings	Generally 30 - 80 stocks
Distributions	Half-Yearly
Fees	1.10% p.a. Management fee & 20% performance fee of the Fund's excess return versus its benchmark, net of management fees and costs.
Cash	0 - 20% cash
Style	Long only
ASX Ticker	SPHX
APIR	WHT0731AU

Contact Us

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Disclaimer

This communication is prepared by Spheria Asset Management Pty Limited ('Spheria') (ABN 42 611 081 326, Corporate Authorised Representative No. 1240979) as the investment manager of the Spheria Australian Smaller Companies Fund - Active ETF (ARSN 117 083 762) (the 'Fund'). Pinnacle Fund Services Limited ('PFSL') (ABN 29 082 494 362, AFSL 238371) is the product issuer of the Funds. PFSL is not licensed to provide financial product advice. PFSL is a wholly-owned subsidiary of the Pinnacle Investment Management Group Limited ('Pinnacle') (ABN 22 100 325 184). The Product Disclosure Statement ('PDS') and Target Market Determination ('TMD') of the Fund are available via the links below. Any potential investor should consider the PDS and TMD before deciding whether to acquire, or continue to hold units in, the Fund.

Link to the Product Disclosure Statement
Link to the Target Market Determination

For historic TMD's please contact Pinnacle client service Phone 1300 010 311 or Email service@pinnacleinvestment.com

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