

Performance as at 31 October 2025

	1 Month	3 Months	1 Year	3 Years p.a.	5 Years p.a.	Inception p.a. ¹
Fund ²	-1.6%	-1.7%	8.6%	11.6%	11.1%	11.3%
Benchmark ³	1.4%	5.6%	17.0%	13.5%	12.8%	10.0%
Difference	-3.0%	-7.3%	-8.3%	-2.0%	-1.7%	1.2%

¹Inception date is 01 March 2019. Past performance is not a reliable indicator of future performance. All p.a. returns are annualised.

²Spheria Global Opportunities Fund. Returns of the Fund are net of applicable fees, costs, and taxes.

³Benchmark is the MSCI World Small Cap Index (net in AUD) for all periods. Please note that the Benchmark from inception to 30 June 2021 was the MSCI Kokusai Microcap Index (net in AUD) and from 1 July 2021 to 30 September 2022 was the MSCI World Microcap Index (net in AUD).

Please note the strategy of the Fund changed effective 1 October 2022. The Spheria Global Opportunities Fund was previously known as the Spheria Global Microcap Fund which targeted global listed microcap companies (companies with a market capitalisation of US\$1 billion and below at time of purchase).

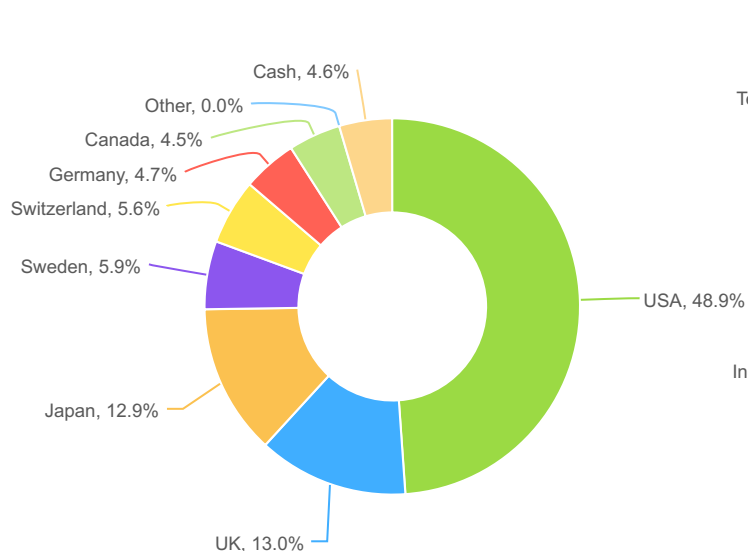
Overall Commentary

In the month ended 31 October 2025, the Fund returned -1.6% (after fees), underperforming the MSCI World Small Cap Accumulation Index (Net Return) AUD by 3.0%.

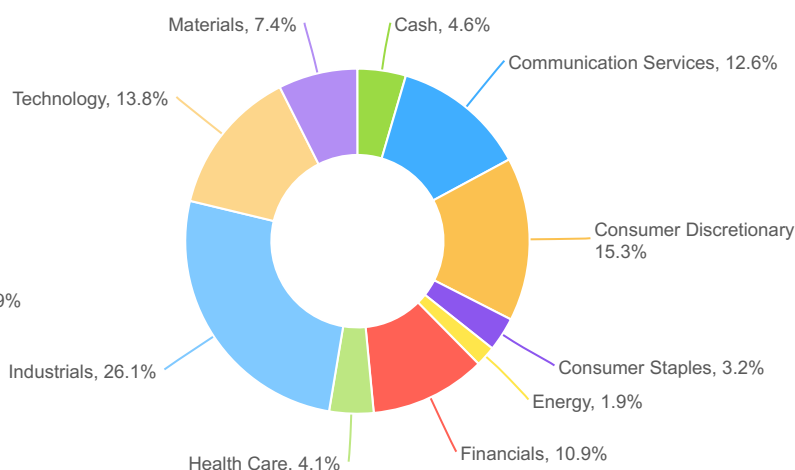
Top 5 Holdings

Company Name	% Portfolio
Cargurus Inc	4.9
Hemnet Group AB	4.1
Sapiens International Corp NV	4.0
Intertek Group PLC	3.9
Accelleron Industries AG	3.5
Top 5	20.5

Regional Exposure



Sector Exposure



Markets

As we've noted previously, market conditions are displaying increasingly frothy characteristics, with high price-to-earnings multiples and loss-making companies significantly outperforming fundamentally sound businesses with strong returns and balance sheets, a classic indicator of excessive market exuberance.

Unhelpfully for the fund's relative performance, the strongest performing PE quintile in the MSCI World Small Cap Index year to date is the one containing loss-making businesses. The companies that lead the charge include a loss-making biotechnology company, a "pre-revenue" telecommunications company, not one but two loss-making quantum computing businesses (a promising field no doubt, but some way from commercial viability last I checked), and a loss-making manufacturer of spacecraft components.

Within the MSCI World Small Cap Index specifically, Information Technology continued to be strong over the month of October, whilst Healthcare staged a modest recovery after many months of underperformance. Consumer stocks were weak as signs emerged that the indomitable US consumer could be starting to run out of puff. By Region, Japan underperformed as the weakening Yen appeared to drive a rotation into the more export-exposed large cap names.

Major Contributors to Performance

Over the month the largest contributors were owning Ferguson Enterprises (FERG US, +12%), owning LPL Financial (LPLA US, +15%), and owning Swatch Group (UHR SW, +13%).

LPL Financial provides independent financial advisers and institutions with a comprehensive and scalable platform to run their businesses, combining brokerage, advisory, and custodial services with integrated technology, compliance, research, and practice-management support. Its model allows advisers to operate under their own brand while accessing LPL's investment products, portfolio management tools, trading infrastructure, and back-office operations. It serves a vast network of 32,100 independent financial advisers in the US and oversees US\$2.3 trillion of funds under administration ('FUA'), which is materially more than the entire market cap of every listed company in Australia!

LPL's stock rallied strongly following the release of its Q3 result at the end of the month, delivering solid organic FUA growth of +7%, strong underlying FUA retention of 98%, and demonstrating good early progress on integrating the Commonwealth Financial acquisition. Management also announced pricing actions to bring LPL more into line with competitors that will add 1ppt to future margin.

This was undoubtedly a great result with the strength of LPL's value proposition evident in its continued market share gains of the growing US retail advisor-mediated market. In a world of growing financial complexity, regulations and digital transformation, LPL's offer continues to win favour with independent advisers and institutions alike. Its earnings outlook is not without risk, as we increasingly cycle elevated markets (upon which most of its fees are based), and it still has work to do to realise the substantial synergies that it has committed to with the US\$3.3b Commonwealth acquisition. But on just 14x FY26 EBIT and ample runway for growth, it is hard to fault, and it remains a core holding in the fund.

Major Detractors from Performance

The largest detractors from performance included an overweight position in Hemnet (HEM SS, -12%), an overweight position in United States Lime & Minerals (USLM US, -10%), and an overweight position in Weis Markets (WMK US, -11%).

USLM is an integrated manufacturer of lime and limestone products, extracting limestone from owned, long-life open-pit quarries and underground mines, which it then processes internally into its various end forms for use primarily in steel manufacturing and construction activities.

USLM is a highly cash generative, high returning business with a net cash balance sheet. As is almost always the case, it's the industry structure that's decisive in giving rise to these characteristics. Specifically, the lime industry is highly regionalised, with its heavy, low value per tonne nature making it costly to transport long distances. Consequently, there tends to be 2 or 3 primary competitors in each region, as is the case with USLM & its main competitor, Lhoist, which together serve the central US and Texan markets. Whilst competing sources of lime (from say, Mexico) do find their way into the market from time to time, not only is the landed cost higher but there's also a quality trade-off. So as long as USLM (and Lhoist) don't abuse their privileged market position, the opportunity to continue to generate strong cash flows and returns should persist long into the future.

Notwithstanding this, the shorter-term picture for USLM will continue to be influenced by ebbs and flows in end market demand, as evidenced in its Q3 result published late in October. Strength in construction tied to large data-center projects is currently offsetting weakness in oil & gas services volumes. Price growth slowed compared to recent quarters, albeit still posting a robust +5%.

USLM is a high-quality business operating within a highly favourable industry structure. We will gladly add further to the position should the share price continue to soften materially from current levels.

Outlook & Strategy

October was shaped by a volatile mix of macro and geopolitical developments ("it always is!", I hear you rightly proclaim).

The U.S. Federal Reserve cut rates by 25 basis points but adopted a cautious tone, citing lingering inflationary pressures as the delayed effects of higher tariffs flowed through the economy. Political uncertainty also weighed on sentiment as the U.S. government shutdown extended into its third week before a temporary funding deal was reached, underscoring fiscal dysfunction and adding to

investor unease. Labour-market data continued to soften, with notable weakness in warehousing and technology sectors, while U.S.-China trade tensions flared early in the month before easing following a conciliatory meeting between leaders.

Amid these crosscurrents, markets remained captivated by the relentless momentum of all things AI - a theme increasingly shaping narratives around productivity, employment, and market structure - even as a growing chorus warned of speculative excess.

In environments such as this - where speculative enthusiasm is being rewarded over fundamentals - our disciplined focus on cash generation, balance sheet strength, and sensible valuations can appear out of sync with prevailing market trends. Yet history shows that periods of exuberance are invariably followed by a return to fundamentals. Our conviction remains unchanged: high-quality, cash-generative businesses purchased at reasonable prices provide the surest path to long-term outperformance, regardless of shifting market fashions.

Platform Availability List

The Sphera Global Opportunities Fund is available on the below platforms. Platforms provide investors with consolidated and centralised reporting (including administration, tax, and distribution) by bundling together a range of managed funds as one single product. If the fund is not available on your preferred platform, please contact us. Please check with your platform for minimum investment requirements and fees.

[Asgard](#)
[Macquarie Wrap](#)

[HUB24](#)

[Netwealth](#)

[Praemium](#)

[BT Panorama](#)

Sphera Global Opportunities Fund	
Benchmark	MSCI World Small Cap Index
Investment Objective	Outperform the MSCI World Small Cap Index in AUD (Net) over the long term
Investing Universe	Global listed small cap and microcap companies with a market capitalisation equal to or lower than the market capitalisation of the largest issuer in the MSCI Global Small Cap Index at the time of purchase
Risk	High
Holdings	Generally 30-80 stocks
Distributions	Annually
Fees	1.10% p.a management fee & 20% performance fee of the Fund's excess return versus its benchmark, net of the management fee
Cash	Up to 20% cash
Expected Turnover	20% - 40%
Style	Long only
APIR	WHT6704AU
Minimum Initial Investment	\$25,000

Fund Ratings**Contact Us**

For more information, please contact Pinnacle Investment Management Limited on 1300 010 311 or email distribution@pinnacleinvestment.com

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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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