

## Performance as at 28 February 2025

	1 Month	3 Months	1 Year	3 Years p.a	5 Years p.a.	Inception p.a <sup>1</sup>
Fund <sup>2</sup>	-2.8%	-0.6%	15.1%	5.6%	11.4%	10.0%
Benchmark <sup>3</sup>	-3.8%	-2.3%	8.7%	5.1%	8.6%	8.4%
Difference	1.0%	1.7%	6.5%	0.5%	2.8%	1.6%

<sup>1</sup>Inception date is 11 July 2016. Past performance is not a reliable indicator of future performance. All p.a. returns are annualised.

<sup>2</sup>Spheria Opportunities Fund. Returns of the Fund are net of applicable fees, costs, and taxes.

<sup>3</sup>Benchmark is the S&P/ASX Mid-Small Accumulation Index.

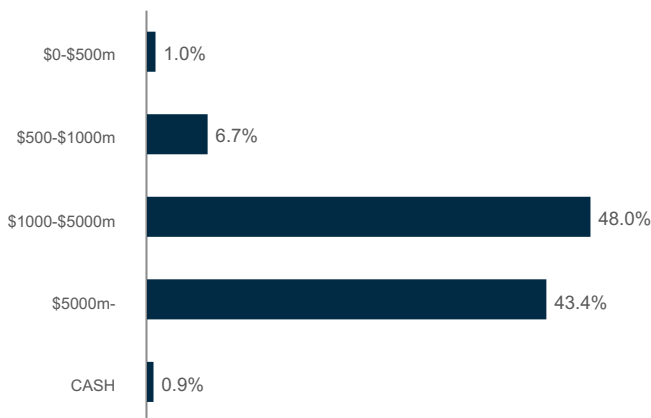
### Overall Commentary

The Spheria Opportunities Fund returned -2.8% (after fees) for the month of February strongly outperforming the S&P/ASX Mid-Small Accumulation Index by 1.0%.

### Top 5 Holdings

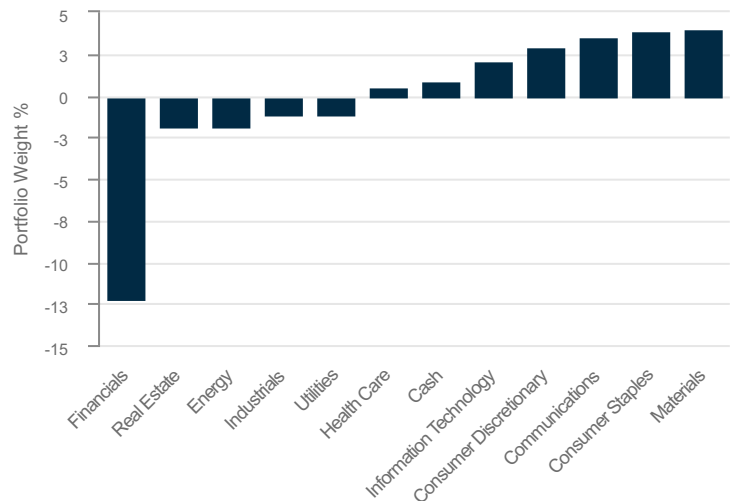
Company Name	% Portfolio
Orora Limited	5.6
Technology One Limited	5.3
Charter Hall Group	5.3
ALS Limited	4.8
The A2 Milk Company Limited	4.5
<b>Top 5</b>	<b>25.5</b>

### Market Cap Bands



Source: Spheria Asset Management

### Active Sector Exposure



Source: Spheria Asset Management

## Markets

The Fund performed strongly over a very volatile results season. Some of the moves around results reflected either extremely pessimistic or overly optimistic assumptions going into numbers. This is one of the reasons we generally feel investing for “results” is a fraught strategy. Several companies we liked long term but had some short-term concerns around their earnings proved significantly more resilient than even we would have expected. Retail names like AP Eagers (APE.ASX) and Harvey Norman (HVN.ASX) would sit in this bucket and yet both produced solid to good earnings with attendant share price appreciation.

In addition to strong organic results, Domain Holdings (DHG.ASX) got a bid from Costar Group of the USA who acquired a 17% shareholding late in the month. We entered the position on the back of strong business fundamentals notwithstanding its number two position in the Australian market behind REA (realestate.com.au). The bid of \$4.20 represented an approximate 35% premium to the undisturbed price.

Our sense is that this might be the precursor to a reasonable year in small cap M&A – rates are falling, the Australian Dollar has been weak, and valuations are attractive in many sectors of the small and microcap market in our opinion.

Over the month the largest contributors were overweight positions in a2 Milk Company (A2M.ASX, +36%), Fletcher Building (FBU.ASX, +16%), and Sims (SGM.ASX, +9%). The largest detractors from performance included overweight positions in IGO (IGO.ASX, -19%), IRESS (IRE.ASX, -15%), and Healius (HLS.ASX, -11%).

### Platform Availability List

The Spheria Opportunities Fund is available on the below Platforms. Platforms provide 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.

[HUB24](#)

[mFund](#)

[Netwealth](#)

[Praemium](#)

[Macquarie Wrap](#)

Spheria Opportunities Fund	
Benchmark	S&P/ASX Mid-Small Accumulation Index
Investment Objective	Outperform the S&P/ASX Mid-Small Accumulation Index over the medium to long term
Investing Universe	Primarily listed companies outside the top ASX 50 listed companies by market capitalisation and companies listed on the New Zealand Stock Exchange with an equivalent market capitalisation
Risk	Very high
Holdings	Generally 20-65 stocks
Distributions	Half-Yearly
Fees	0.99% p.a Management fee & 15% performance fee of the Fund's excess return versus its benchmark, net of the management fee
Cash	Up to 20% cash, typically 5% - 10%
Expected Turnover	30% - 40%
Style	Long only, risk aware
APIR	WHT0025AU
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](mailto: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](mailto:service@pinnacleinvestment.com)

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