BT Investment Solutions

Spheria Wholesale Plus Australian Smaller Companies Fund

Quarterly report – 30 September 2025

Fund overview[1]

Inception date	11 December 2017
APIR	WFS8908AU
Fund size (AUD millions)	$22.30
Investment objective	Aims to outperform the S&P/ASX Small Ordinaries Accumulation Index over the long term.
Recommended investment timeframe	7 years
Distribution frequency	Half yearly
Management fees and costs (%) pa[2]	1.00
Performance fees (%) pa[3]	0.95
Buy/sell spread (%)	0.60 / 0.00

Performance review[4]

Period ending 30 September 2025	1 month	3 months	1 year	3 years	5 years	Since inception
	%	%	%	%pa	%pa	%pa
Total Net return	(0.78)	11.46	20.41	16.08	13.49	9.61
Growth return	(0.78)	11.46	11.16	9.88	7.63	2.55
Distribution return	0.00	(0.00)	9.25	6.20	5.86	7.06
Benchmark return~	3.44	15.31	21.50	15.54	9.27	7.17

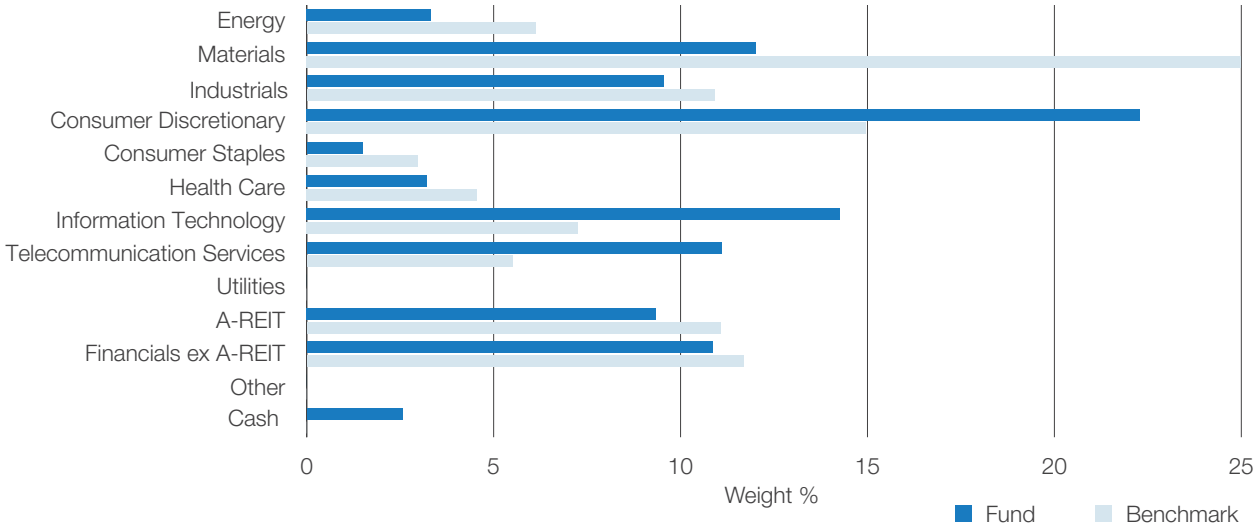
~ Benchmark: S&P/ASX Small Ordinaries Accumulation Index.

Top 10 holdings[5]

Holding	Fund %	Benchmark %
IRESS Limited	5.18	0.52
Supply Network Limited	4.64	0.28
Perpetual Limited	3.97	0.63
Sims Limited	3.68	0.68
Fletcher Building Limited	3.63	0.44
Deterra Royalties Limited	3.55	0.53
Imdex Limited	3.30	0.54
Cromwell Property Group	3.26	0.24
Superloop Limited	3.09	0.54
Universal Store Holdings Limited	3.09	0.21

Please refer to the end of this report for the footnotes

Sector allocations[5,6]



Fund update[5]

The Spheria Wholesale Plus Australian Smaller Companies Fund returned 11.46% over the quarter, underperforming against the benchmark which returned 15.31% over the same period.

Global equity markets maintained their positive momentum through September, with most major indices reaching new all-time highs. In the United States, equities (S&P 500) gained 3.5%, supported by renewed expectations of Federal Reserve rate cuts. The main exception was the Australian large-cap market (ASX 50), which declined 1.4% over the month and significantly underperformed both small and micro-cap indices. After an extended period of large-cap outperformance, a clear rotation into smaller-cap stocks appears to be underway — with The Small Ordinaries Accumulation Index rising 21.5% over the past year, compared to 8.3% for large caps (ASX 50 Accumulation Index).

The underlying fund lagged the benchmark during the month, largely due to a significant underweight to the gold sector. The small-cap gold sector surged 23% in September, driven by record gold prices, with gold reaching approximately US$3,863/oz—an increase of 45% over the past year and up almost 12% over September. Small-cap gold companies historically had generally underperformed the gold price, due to higher costs, increased capex and older and more complex mines leading to poor free cash flow (FCF). With the significant rise in gold prices over the last year the impacts on gold miners have been two-fold. Firstly, the size of the economic resource around an existing mine potentially grows (depending upon sustainability of gold prices) and secondly revenue growth has materially outpaced cost increases driving strong FCF. Given our focus on mid-cycle cash flow, we have tended to be underweight gold miners. We have instead gained exposure to gold indirectly through mining services companies such as IMDEX (IMD), Mader (MAD) and Lycopodium (LYL). Some of these names, whilst having performed well, are likely to perform more strongly as exploration and production growth grows in the mining sector in response to sustained higher commodity prices. The underlying fund's mining services exposure was not sufficient to offset the strength of the gold sector over September.

One final point is worth underscoring. The steady debasement of fiat currencies—a centuries-old phenomenon—has moved decisively back into the spotlight. Veteran macro investors including Bridgewater's Ray Dalio and Tudor Investment's Paul Tudor Jones have urged portfolios to hold a meaningful allocation to gold, citing ballooning public-sector debt and negative real yields. Their rhetoric is resonating with institutional and retail investors alike: gold futures have pushed through US$4,000/oz for the first time, with more than A$100 billion flowing into gold ETFs so far this year. The on-the-ground anecdote matches the macro data—ABC Bullion's flagship store in Martin Place now sees lunchtime queues of buyers stretching onto the footpath, a scene echoed in other capitals as the "buy-gold" mantra gathers pace. In our view, this renewed enthusiasm for bullion should not be dismissed as noise; rather, it is a logical portfolio response to an environment of aggressive monetary expansion and heightened geopolitical risk. The sustainability of the gold price, however, is the key question around the longer-term performance of gold equities from here.

The heightened interest in smaller companies appears related to the global reduction in interest rates and some more difficult times which have befallen a few large caps in the Australian market. Whilst we see some parts of the market as fairly speculative vis those areas related to AI, datacentres and defence, it is important not to lose sight of other sectors which remain attractive on mid-cycle cash flow backed valuations. With rates decreasing and the Australian Dollar still relatively weak the conditions remain favourable for M&A in the small cap space. Despite the relative outperformance of smaller companies vs. large we believe opportunities still prevail in the small and micro-cap end of the market.

Footnotes

1. Generally, the Wholesale Plus Funds are not open to direct investors. The Fund is only accessible through an Investor Directed Portfolio Service (IDPS), IDPS-like scheme or a nominee or custody service, a managed account or any other service or platform approved by us, or through a superannuation fund. Refer to the Product Disclosure Statement for the Fund which is available at bt.com.au/wholesaleplus or contact 1300 881 716 for more information.
2. The management costs identified in this fact sheet comprise the management fee, indirect costs and include the effect of GST (net of reduced income tax credit (RITC). Refer to the Product Disclosure Statement of the Fund and online disclosures for further information.
3. Performance fees are prescribed by legislation to be calculated based on the average of the performance fees incurred by the Fund or Underlying Fund (as relevant) over the previous 5 financial years
4. Past performance is not a reliable indicator of future performance. Performance figures are calculated net of all fees and costs and before taxes, other than any fees and costs deducted through an investment platform. Growth and distribution returns may not equal the total net return received due to rounding.
5. Information shown has been provided by the underlying manager.
6. Allocations may not equal 100% due to rounding.

For more information

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