APIR: FHT4217AU

Monthly Performance Report - October 2026

Datt Capital Small Companies Fund (Class A)

Portfolio Review

The Fund returned **-1.99%** in October, outperforming its benchmark by **+4.44%**. The Fund has returned **+13.72%** per annum net to its investors since inception. 77% of the Fund's capital was deployed as at month end.

October was a month of acute small cap weakness against a backdrop of defensive rotation at the top of the market. The Fund materially outperforming the S&P/ASX Small Ordinaries (XSOA) which fell 6.43%. The outperformance versus benchmark was the Fund's strongest relative result in several months and reflected conservative market positioning and sector rotation within the portfolio itself. Materials and Energy were the principal detractors, partially offset by positive contributions from Financials and Health Care. Portfolio activity in October was substantial. The Fund completed its rotation out of the energy sector, and redeployed capital into opportunities with more idiosyncratic catalysts. It benefited from a well-bought position in Zip Co, which was sold off heavily on a slightly negative report, allowing an attractive entry price. In addition, Regis Healthcare recovered strongly after the September AN-ACC pricing dislocation.

Small cap valuations continue to screen attractively on an absolute basis, and single-stock dislocations of the magnitude seen in October provide precisely the kind of entry opportunities that reward patient, selective capital.

The portfolio held 22 positions at month close with the top 5 positions accounting for approximately 40% of the portfolio. The Fund enters November well positioned, with elevated cash, reduced cyclical commodity exposure, and a portfolio tilted towards names where we see identifiable, company-specific drivers of value creation over the next 12 to 24 months.

Market Review

The S&P/ASX Small Ordinaries (XSOA) fell 6.43% in October, dramatically underperforming the S&P/ASX 200 which rose approximately 1% as investors rotated aggressively into large-cap defensive sectors. The September monthly CPI print showed headline inflation accelerating to 4.3% year-on-year, up from 4.0% in August, driven primarily by higher fuel prices and persistent dwelling inflation. The RBA lifted the cash rate to 4.85%, whilst unemployment rose to 4.7%.

The environment remains challenging for small cap investors but the valuation gap versus large caps continues to widen to levels that do not reflect the underlying fundamentals of the small-cap universe. Offshore buyers continue to prey on vulnerable Australian small caps with a plethora of M&A offers eventuating over the month. Conditions remain difficult for small caps broadly, but favour active, disciplined stock pickers. Dispersion and the value spread across the small-cap universe are as wide as it has been at any point in recent memory and continues to provide a rich opportunity for fundamental research and contrarian positioning to generate returns above the benchmark.

Key Information

Unit Price	1.2985 (as at 31 October)
Minimum Investment	$50,000
Management Fee	1.54% (incl. GST)
Performance Fee	20.5% of outperformance of benchmark
Benchmark	S&P/ASX Small Ordinaries Accumulation Index (XSOA)
Responsible Entity	Fundhost
Auditor	William Buck
Custodian	HSBC
Platform Availability	• FNZ IDPS • Hub24 IDPS • Mason Stevens IDPS • Netwealth IDPS • Olivia123

Fund Performance

	1 month	3 months	6 months	1 year	Since inception (p.a.)	Since Inception
Datt Capital Small Companies Fund*	-1.99%	5.12%	-4.27%	-19.49%	13.72%	48.70%
Benchmark**	-6.43%	-3.89%	-6.94%	-14.36%	7.76%	25.94%
Net Value Add	4.44%	9.01%	2.67%	-5.13%	5.96%	22.76%

Note: * Performance is reported after all fees and expenses and relates to Class A units. Inception date of the Fund is October 2023. Past performance is not an indicator of future performance. ** Benchmark is the S&P/ASX Small Ordinaries Accumulation Index.

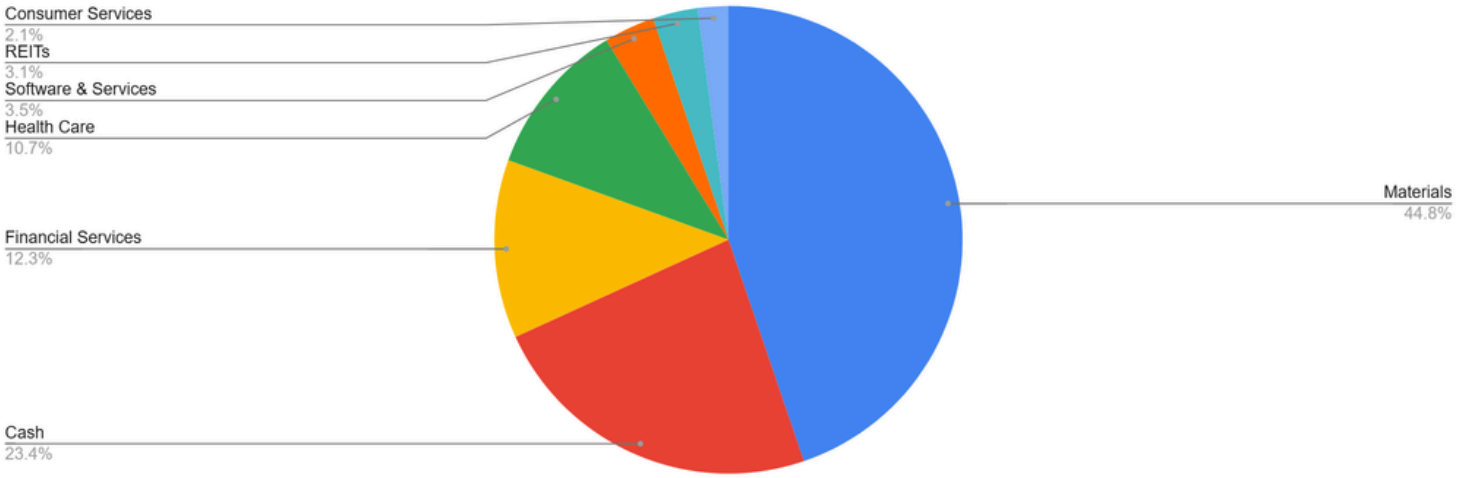
Portfolio Analytics	
Sortino Ratio *	0.89
Sharpe Ratio **	0.62
Standard Deviation	17.00

Sortino (*) and Sharpe ratios (**) assume the Australian cash rate as the applicable risk-free rate, since inception.

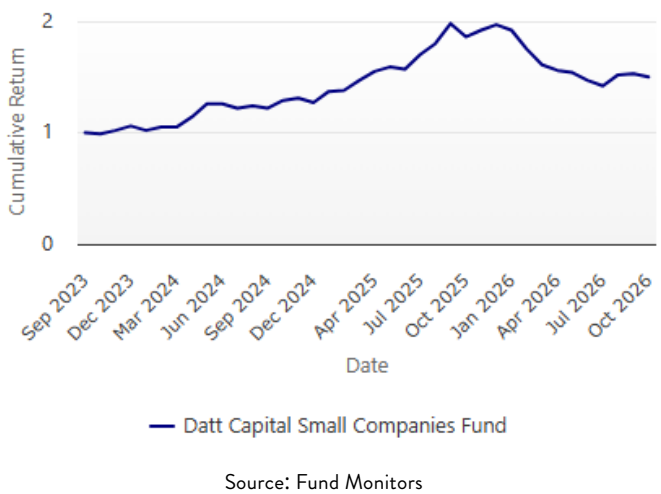
Top 3 Portfolio Holdings *	Sector
AUE	Materials
NMD	Materials
REG	Health Care Facilities

*Alphabetical as at month's end.

Portfolio Composition (GICS industry group)

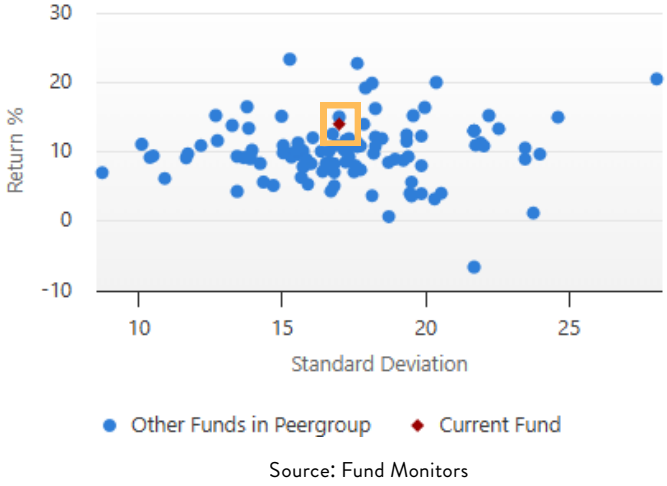


The Fund's Cumulative Return - as of October 2026



Source: Fund Monitors

Fund Annualised Return/Volatility vs Peergroup



Source: Fund Monitors

Returns by Month

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
FY24				-1.00%	3.45%	3.86%	-4.27%	3.20%	0.35%	8.03%	10.90%	-0.06%	26.28%
FY25	-3.09%	1.06%	-1.06%	5.46%	1.33%	-3.12%	8.08%	0.99%	6.44%	5.14%	2.79%	-1.51%	24.03%
FY26	8.72%	4.98%	9.94%	-6.02%	3.42%	2.72%	-2.65%	-9.06%	-8.02%	-2.79%	-1.30%	-4.86%	-6.87%
FY27	-3.01%	6.45%	0.75%	-1.99%									1.95%

Note: Actual performance will differ for clients due to timing of their investment. Returns are calculated net of all fees, since inception and relate to Class A units. Inception date of the Fund is October 2023. Past performance is not an indicator of future performance.

About the Datt Capital Small Companies Fund

The Datt Capital Small Companies Fund invests in high-quality, undervalued companies outside the ASX100 with strong fundamentals and long-term growth potential. We take a disciplined approach to identify scalable businesses often underappreciated or less efficiently covered by the broader market. Our strategy includes:

- **Back Future Leaders**: We invest in tomorrow's blue-chip companies, small and micro-cap Australian businesses with long-term, scalable growth potential.
- **Outperform the Index:** The Fund aims to outperform the S&P/ASX Small Ordinaries Accumulation Index (XSOA) over rolling five-year periods, driven by security selection rather than index replication.
- **High Conviction:** The portfolio generally comprises 15 to 25 Australian small cap positions. Position sizes reflect conviction and risk-adjusted return potential, not index weights.
- **Independent Research:** We rely on original research into competitive advantage, capital allocation, industry structure, and valuation, not consensus views.

Investors interested in our Fund offerings are welcome to contact our Head of Distribution, Daniel Liptak, via email at daniel@datt.com.au or via phone on 0419 004 524.

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