Investment Commentary
Month to 31 October 2026

ARK GLOBAL DISRUPTIVE INNOVATION FUND

Net returns as at 31 October 2026

	1 month	3 months	1 year	3 years p.a.	5 years p.a.	Since inception* p.a.
Ark Global Disruptive Innovation Fund	-11.41	12.14	-14.52	26.83	-6.11	6.50
Growth return#	-11.41	12.14	-14.52	26.83	-6.11	6.47
Distribution return#	0.00	0.00	0.00	0.00	0.00	0.03
MSCI All Countries World Index^	-2.73	-0.30	4.53	18.06	11.55	11.95

Past performance is not a reliable indicator of future performance. Taxes payable by investors have not been taken into account. *The figures shown have been provided for illustrative purposes – they are unaudited and subject to change. The total returns shown are prepared on an exit to exit basis – they include all ongoing fees and expenses and assume reinvestment of all distributions.*
The Fund gains exposure to global equities by investing in the Amova AM ARK Disruptive Innovation Fund (Underlying Fund), a sub-fund of the Amova AM Global Umbrella Fund. The Underlying Fund is an open-ended investment company (Company) established under Luxembourg law as a 'société d'investissement à capital variable' (SICAV).
#Growth returns are measured by the movement in the Fund's unit price, ex-distribution. Distribution return is the proportion of the total return which is paid to unitholders by way of distribution. It does not include distribution amounts deemed as capital distributions.
^ Reference Index shown for illustrative purposes only: MSCI All Countries World Index (with net dividends reinvested) expressed in Australian Dollars (unhedged).
** Inception date of the ARK Global Disruptive Innovation Fund: August 2018.*

Portfolio review

The Fund underperformed broad based global equities during the month (net).

Key contributors to absolute performance:

- **Tesla** reported better-than-expected third-quarter deliveries and continued to scale its robotaxi service, with its Cybercab fleet in Austin growing tenfold since its September launch and unsupervised miles surpassing 3 million. Tesla also unveiled the Roadster at an event highlighting its collaboration with SpaceX, while Elon Musk confirmed that a special committee had been formed to discuss a potential merger. On the earnings call, management highlighted continued Full Self-Driving (FSD) demand, with over 75% of new North American deliveries subscribing before delivery despite receiving one month free.
- **Beam Therapeutics** shares saw positive momentum following the presentation of initial Phase 1/2 data for Glycogen Storage Disease 1a (GSD1a), which demonstrated the first clinical proof-of-concept for in vivo base editing targeting the R83C mutation.
- **Shopify** shares benefited from positive sentiment surrounding its partnerships with personal agents and its Exponential Edition, which introduced upgrades to Sidekick, AI-powered storefront design tools and universal checkout.
- **Spotify Technology** shares climbed following its third-quarter 2026 earnings report. Revenue rose 16%, monthly active users reached 788 million and premium subscribers totalled 306 million, while gross margin remained strong. Management also provided positive commentary on future initiatives and product enhancements.
- **Eli Lilly & Co.** shares rose following its third-quarter earnings release, which exceeded expectations and included an increase in 2026 revenue guidance. Despite a miss on Foundayo sales, the strong performance of Mounjaro and Zepbound highlights the company's continued growth potential.

Key detractors from absolute performance:

- **CoreWeave** faced pressure amid growing investor concerns about the financing requirements of the AI infrastructure buildout. The company's shares and bonds declined as investors assessed its substantial debt and capital expenditure requirements relative to the returns from expanding AI data centre capacity.
- **Robinhood Markets** came under pressure following its third-quarter earnings report, with net revenue growth impacted by a decline in cryptocurrency revenue amid a weaker crypto market. The company also announced its authorisation to launch in the Middle East.
- **Coinbase** faced pressure following an earnings release that disappointed on crypto trading volumes, highlighting the company's continued sensitivity to retail spot activity despite growing revenue diversification through prediction markets and

subscription services. Broader crypto market uncertainty, driven by AI-fuelled security exploits, combined with the late-month Binance hack, further weighed on sentiment and may constrain near-term trading participation across exchanges.

- **Cerebras Systems** shares weakened amid broader declines in AI infrastructure stocks and scheduled post-IPO share releases. The company's prospectus provided for additional shares to become eligible for sale on October 14 and October 28, increasing potential share supply.
- **Bullish** shares came under pressure following a broader reversal in crypto market momentum, driven by persistent security concerns stemming from AI-fuelled exploits across the ecosystem and compounded by a slowdown in October trading volumes after two consecutive month-over-month increases. Additionally, it's move into tokenisation remained at an early stage, while the broader tokenised equities market continued to face challenges in achieving product-market fit at scale.

Market outlook

Broad-based global equity indices ended October slightly lower as continued geopolitical stress, concerns about the ability to finance the AI buildout, and hedge fund de-grossing weighed on equity risk appetite. Relative to the MSCI World Index, the energy, consumer staples, and health care sectors outperformed, while the communication services, information technology and industrials sectors lagged.

Headwinds that once pressured disruptive technologies are shifting into structural tailwinds, supported by favourable policy shifts around crypto, AI, and healthcare, and fiscal catalysts from OB3 (The One Big Beautiful Bill) like accelerated depreciation. Thanks to OB3, the US is likely to be one of the most tax-competitive economies globally, improving returns on invested capital (ROIC) which should attract significant foreign direct investment, bolster the dollar, potentially result in lower-than-anticipated inflation readings, and push interest rates lower, creating a supportive backdrop for both risk assets and innovation-led growth. Ark believe President Trump's pro-growth policies should combine with transformative breakthroughs across artificial intelligence, robotics, energy storage, blockchain, and multiomics sequencing to catalyse a new wave of productivity gains and accelerate economic growth.

Top 10 holdings (underlying Fund*)

Security Name	% of Fund
Tesla Inc	9.5
Space Exploration Technologies Corp	6.1
Tempus AI Inc	5.4
Circle Internet Group Inc	4.8
Shopify Inc	3.9
Robinhood Markets Inc	3.9
NVIDIA Corp	3.8
Coinbase Global Inc	3.8
Block Inc	3.2
Palantir Technologies Inc	3.0

Sector exposure (underlying Fund*)

Element	Exposure (%)
Health Care	26.2
Information Technology	26.1
Financials	18.3
Consumer Discretionary	13.2
Communication Services	11.1
Industrials	4.1
Energy	1.0

Portfolio composition (underlying Fund*)

Element	Exposure (%)
Next Gen Cloud	17.8
Multiomic Technologies	12.8
Neural Networks	12.1
Autonomous Mobility	9.8
Cryptocurrencies	9.2
Digital Wallets	8.1
Precision Therapies	6.8
Reusable Rockets	6.7
Intelligent Devices	5.1
Smart Contracts	3.8
Programmable Biology	2.9
Distributed Energy Generation	1.8
Humanoid Robots	1.6
Advanced Battery Technologies	1.2
Specialized Robots	0.3

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Features

Investment objective	The Fund aims to achieve a target average total return (before fees, expenses and taxes) of 10% to 15% per annum over a rolling five year period.	
Recommended investment time frame	7+ years	
Fund inception	August 2018	
Fund size	A$43.7 mn as at 31 October 2026	
APIR code	NIK1854AU	
Estimated management cost	1.35% p.a.	
Buy/sell spread	+/- 0.20%	
Platform availability	Asgard BT Panarama Hub24 Macquarie Wrap	Netwealth Praemium uXchange

Applications and contacts

Investment into the ARK Global Disruptive Innovation Fund can be made by Australian resident investors only.

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