DNR Capital
Australian Emerging Companies Fund

APIR code: PIM4357AU

An unwavering commitment to our quality investment philosophy

- Employee owned boutique manager
- Disciplined focus on quality companies
- Concentrated portfolios
- Long term investment approach
- Global investment experience

About DNR Capital

→ **Concentrated:**
Investing in 20-45 highest conviction, quality small cap Australian listed equities.

→ **Style neutral and quality focused:**
A disciplined approach to quality and valuation. Concentrated portfolios of quality companies maximise the opportunity for outperformance.

→ **Global & domestic investment experience:**
Portfolio managers with global and domestic research experience, helps to identify globally competitive emerging companies.

→ **Aligned team:**
Portfolio managers are invested in the Fund.

→ **Proven process:**
DNR Capital was established in 2001 and has a consistent firm-wide investment process.

Investment philosophy and process

DNR Capital believes a focus on quality will enhance returns when combined with a thorough valuation overlay. DNR Capital seeks to identify good quality businesses that are mispriced by overlaying DNR Capital's quality filter, referred to as the 'quality web', with a strong valuation discipline. DNR Capital's security selection process has a strong bottom- up discipline and focuses on buying quality emerging businesses at reasonable prices. The process involves comprehensive company and industry research. This information is used to assess the quality of a business, and the expected return. The portfolio construction process considers stock weightings based on the risk versus the expected return. It is also influenced by a top-down economic appraisal, sector exposures and liquidity considerations. The investment strategy of the Fund is intended to result in a concentrated portfolio that is high conviction and invests for the medium to long-term.

Fund snap shot

Investment return objective:
To outperform the benchmark over a rolling five-year period. The investment objective is not a forecast of the Fund's performance.

Benchmark: S&P/ASX Small Ordinaries Accumulation Index

Investment focus: Capital growth from smaller companies

Size bias: Small cap

Investment horizon: Five years +

Investment strategy: Long only

Style: Neutral

Number of stocks: 20-45

Asset allocation ranges: Australian Equities 80-100% Cash 0-20%

Portfolio managers: Sam Twidale and Mark Sedawie

Fund facts

Inception date: August 2018

Minimum initial investment: $20,000

Risk level: This Fund is appropriate for investors with "High" or "Very High" risk and return profiles. A suitable investor for this Fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the Target Market Determination (TMD) for further information.

Management fee: 1.15% p.a. of the NAV of the Fund

Performance fee: 20% of outperformance of the Fund relative to the Fund's Benchmark (after the management fee)

Entry/exit fees: Nil

Buy/sell spread: +0.25%/-0.25%

Valuation and unit pricing frequency: Each business day

Distribution frequency: Semi-Annual

Responsible entity: The Trust Company (RE Services) Limited as part of the Perpetual Limited group of companies.

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How to invest

Invest online directly

dnrcapital.com.au/emerging-companies-fund/

Invest via platforms

The DNR Capital Australian Emerging Companies Fund is available on the following platforms.

- AMP North
- BT Panorama
- Centric Encircle
- CFS Edge
- Clearstream
- DASH
- Expand Extra
- HUB24
- IconiQ
- Macquarie Wrap
- Mason Stevens
- Netwealth
- Powerwrap
- Praemium

Awards

Fund Manager of the Year - domestic equities - Small Caps - Morningstar Australia Awards nominee 2022

Experienced portfolio managers

Sam Twidale
Portfolio Manager
22 years investment experience

Mark Sedawie
Portfolio Manager
17 years investment experience

Ratings

Disclaimers

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For more information on the DNR Capital Australian Emerging Companies Fund, please contact us at info@dnrcapital.com.au or phone 07 3229 5531