

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 and the Fund

→ **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 a consistent firm-wide investment process has delivered more than 21 years of investment outperformance.

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.

DNR Capital Australian Emerging Companies Fund

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 MyNorth
- BT Panorama
- Centric
- CFS FirstWrap
- Clearstream
- HUB24
- Macquarie Wrap
- Mason Stevens
- Netwealth
- Praemium

Awards

FUND MANAGER OF THE YEAR - DOMESTIC EQUITIES
- SMALL CAPS - MORNINGSTAR AUSTRALIA AWARDS
NOMINEE 2022



Disclaimers

This document has been prepared by DNR Capital Pty Ltd, AFS Representative - 294844 of DNR AFSL Pty Ltd ABN 39 118 946 400, AFSL 301658 as at 02/2024. Whilst DNR Capital has used its best endeavours to ensure the information within this document is accurate, it cannot be relied upon in any way and you must make your own enquiries concerning the accuracy of the information within. The information in this document has been prepared for general purposes and does not take into account the investment objectives, financial situation or needs of any particular person nor does the information constitute investment advice. Before making any financial investment decisions you should obtain legal and taxation advice appropriate to your particular needs. Investment in the DNR Capital Australian Emerging Companies Fund can only be made on completion of all the required documentation. The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL No 235150 (as part of the Perpetual Limited group of companies) is the issuer of the PDS for the Fund. An investor should obtain and read the PDS and target market determination and consider their circumstances before making any investment decision. The PDS and target market determination are available at the Fund website at www.dnrcapital.com.au/managed-funds, or a paper copy can be obtained, free of charge, upon request by calling DNR Capital Pty Ltd (Manager), the investment manager of the Fund on 07 3229 5531. This material is general information only and not an investment recommendation. The Manager or The Trust Company (RE Services) Limited does not guarantee the repayment of capital from the Fund or the investment performance of the Fund. An investment in this fund is subject to investment risk including loss of some or all of an investor's principal investment and lower-than-expected returns.

The rating issued 10/2023 DNR Capital Australian Emerging Companies Fund is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2023 Lonsec. All rights reserved.

The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned to the DNR Capital Australian Emerging Companies Fund 02/2024, referred to in this is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at [Fund Research Regulatory Guidelines](#).

Experienced portfolio managers



Sam Twidale
Portfolio Manager
20 years investment experience



Mark Sedawie
Portfolio Manager
15 years investment experience

Ratings



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