

Celeste Australian Small Companies Fund Profile

The Celeste Australian Small Companies Fund is a high conviction Australian Small Companies Fund, providing an actively managed exposure to ASX-listed small company shares.

Investment objective

To produce returns which exceed the Benchmark (the S&P/ASX Small Ordinaries Accumulation Index) over rolling five year periods (after fees and expenses and before taxes).

Investment strategy

The Celeste Australian Small Companies Fund seeks opportunities where share prices vary materially from the manager's assessment of intrinsic worth. Celeste believes the intrinsic worth of any security is determined by the value of its future cash flows, and that a disciplined investment process is essential to capturing alpha, managing investment risk, and minimising the scope for capital loss. The Fund typically invests in approximately 30-50 companies that the team expect will outperform over the long term.

About the manager

Zurich Investments provides exclusive access to specialist managers recognised as being amongst the best in their area of expertise. Effective 12 August 2019 we partnered with Celeste Funds Management to offer this fund to Australian advisers.

Celeste Funds Management is an employee owned, specialist small and mid-cap company investment manager that has been generating long-term wealth for its clients since 1998. Celeste has a focus on Australian small companies listed on the ASX. Celeste executes a well-established analytical investment process that has a long history of delivering attractive above benchmark tax effective returns.

Past performance is not indicative of future performance.

| Features | Benefits |
|---|--|
| High conviction fund | Celeste applies its investment process to stock selection, resulting in a typical exposure to 30 to 50 of their best investment ideas. |
| Scalable and repeatable process | The Celeste investment process has been proven and tested over the long-term with strong annualised performance since the inception of the strategy. |
| Specialist investment experience | Celeste is a highly focused boutique firm that only manages small and mid-cap company funds, with a dedicated and experienced investment team. |

How the fund works

Celeste believe that Australian small companies offer attractive opportunities to generate long-term wealth. The Fund looks to identify these companies through a rigorous investment process.

The investment process emphasises intensive research of each company in which the Fund invests. The fundamental assessment process is focused on business model, people, accounting quality and valuation.

The investment process is applied with a view to generating returns over the long term. Celeste will make investments only once the downside risk is understood, and the potential for positive returns is defined and meaningful.

Who is it suitable for?

This product is likely to be appropriate for a consumer seeking capital growth to be used as a core or satellite component within a portfolio where the consumer has a medium to long investment timeframe, high risk profile and needs daily access to capital.

You can access the Product Disclosure Statement (PDS), Target Market Determination (TMD) and Additional Information Booklet (AIB) on Celeste's website at www.celestefunds.com.au

At a glance

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| Fund name | Celeste Australian Small Companies Fund |
| APIR code | FAM0101AU |
| ARSN | 093 539 416 |
| Responsible entity | The Trust Company (RE Services) Limited |
| Strategic investment partner | Celeste Funds Management |
| Investment style | Style Agnostic |
| Target return | Exceed the S&P/ASX Small Ordinaries Accumulation Index over rolling five-year periods |
| Tracking error | Generally between 8% and 12% |
| Minimum suggested investment timeframe | 5 years |
| Minimum initial investment | \$25,000 |
| Withdrawals available | Usually within 7 business days |
| Management fee | 1.10% pa |
| Performance fee | 20% of the return above the benchmark return |
| Benchmark | S&P/ASX Small Ordinaries Accumulation Index |
| Investment universe | Listed Australian companies outside of the S&P/ASX100 Index |
| Number of stocks held | 30-50 |
| Distributions | Generally at 30 June and 31 December |
| Fund inception date | 29 May 1998 |

Current investment performance, fund size and asset allocation, together with fund manager videos can be found at advisers.zurich.com.au/smallcaps

More information:

Advisers

Website: advisers.zurich.com.au

Investment sales team

Phone: 1800 004 480

Email: zurich.investments@zurich.com.au

Zurich Investment Management Limited

ABN 56 063 278 400, AFSL 232511

118 Mount St, North Sydney NSW 2060

www.zurich.com.au

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The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235 150) (Perpetual) is the Responsible Entity of and issuer of units in the Celeste Australian Small Companies Fund (Fund). You should consider the product disclosure statement (PDS), prior to making any investment decisions. The PDS and target market determination (TMD) can be obtained at <https://www.celestefunds.com.au/australian-small-companies-fund/forms/>. Neither Celeste nor any company in the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries), nor their officers, employees or agents, in any way guarantee the performance of the Fund or the return of the capital value of your investment.

Past performance is not a reliable indicator of future performance. Investments are subject to risk – returns can go up and down and may be positive or negative.

Any performance returns quoted are compound rates of return calculated on exit prices. They include growth and distributions (assumes reinvestment of distributions), are net of fees and taxes and are rounded to two decimal places. Any benchmark returns shown are gross returns.

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