

## Australian Small and Mid-Cap Fund

### Important information

This Additional Information for Investors – Underlying Investment Managers (*Additional Information Booklet*) has been prepared and issued by Specialised Private Capital Ltd ABN 87 095 773 390, Australian financial services licence (AFSL) number 246744 (**we, us, our, Manager, Responsible Entity or Specialised Private Capital**). Specialised Private Capital does not promise that you will earn any return on your investment or that your investment will gain or retain its value, nor does anyone else. Specialised Private Capital is the only company to make any statement or representation in this *Additional Information Booklet*. Specialised Private Capital is the responsible entity of the Australian Small and Mid-Cap Fund (**the Fund**).

The information provided in this *Additional Information Booklet* is general information only and does not take account your objectives, personal financial situation or needs. Before making a decision about investing in the Fund, you should consider whether the information in this *Additional Information Booklet* is appropriate for you. You should speak to a licensed financial adviser to obtain financial advice tailored to your personal circumstances.

We reserve the right to change any of the matters described in this document without your consent but subject to the law.

If you received this document electronically we will provide a free paper copy if you request it. This document can only be used by investors receiving it (electronically or otherwise) in Australia or New Zealand.

The information in this document forms part of the Product Disclosure Statement dated 20 November 2025 for the Australian Small and Mid-Cap Fund ARSN 635 323 830 (*PDS*). You should not read this *Additional Information Booklet* without referring to the *PDS*. The *PDS*, *Reference Guide* and this *Additional Information Booklet* are available online at **Our Website** or you can request a copy by email to **[funds@specialisedprivatecapital.com.au](mailto:funds@specialisedprivatecapital.com.au)** or contact us on +61 2 9250 6500.

Certain information in this *Additional Information Booklet* is subject to change. We will notify you of any changes that have a materially adverse impact on you or other significant events that affect the information contained in this *Additional Information Booklet*. Any updated information which is not materially adverse may be updated and obtained online at **Our Website** or contact us on +61 2 9250 6500. A paper copy of the updated information will be provided free of charge on request.

### Specialised Private Capital – description of role as Fund manager

Specialised Private Capital is responsible for determining the asset allocation of the Fund and for selecting and blending investment managers (**Underlying Investment Managers**) within an asset sector. Specialised Private Capital looks to blend Underlying Investment Managers with the aim of outperforming the Fund's investment objective.

The investment managers selected to manage the assets of the Fund are listed below. The Fund provides exposure to a multi-manager Australian small and mid-cap strategy. Specialised Private Capital does not directly manage the Fund's assets. The Fund's assets are managed directly or indirectly through pooled fund(s) and/or in mandates (i.e. separately managed accounts) (**Underlying Strategies**) by Underlying Investment Managers.

The Underlying Investment Managers are monitored regularly and as part of this review process, an investment manager can be added or removed at any time and without prior notice.

## Underlying Investment Managers



Selector Funds Management Limited (**SFML**) is a Sydney based fund manager established in 2003. SFML's team combines deep experience in financial markets with diversity of background and thought. SFML believe in long-term wealth creation and building lasting relationships with their investors. SFML is a profitable investment firm, who maintains a strong balance sheet and carries no debt.

SFML has a 20-year track record of outperformance, and continues to seek businesses with leadership qualities, run by competent management teams, underpinned by strong balance sheets and with a focus on capital management. SFML focus on stock selection, the funds are high conviction, concentrated and index unaware. SFML portfolios aim to have low turnover and to produce tax effective returns.

SFML's philosophy is to invest sensibly for the long term. A bottom-up stock selection process is used to identify good businesses selling at a fair price. As a good business evolves into a great business, its underlying real earnings per share grows. SFML aims to capture as much real earnings growth as possible over time, since this translates into share price appreciation.

All research is undertaken in-house, extensive analysis includes management interviews, modelling of each company and industry channel checks.

SFML believe Financial Sustainability, Culture and ESG are intertwined. SFML consider these elements integral to the assessment of a business. Voting is the other half of ESG, all resolutions are documented, researched, and voted inhouse. SFML's ongoing focus on culture and financial sustainability lends itself to strong ESG outcomes. This is evidenced by portfolio emissions significantly lower than index emissions, coupled with outperformance since inception.

SFML's portfolios are made up of their best ideas rather than slight variations to an index. SFML believe that simply hugging an index limits the returns to investors over the long run.



Founded in 2001, DNR Capital Pty Ltd (**DNR Capital**) is an Australian investment management company that delivers

client-focused, quality, investment solutions to institutions, advisers and individual investors.

DNR Capital offers a differentiated suite of investment strategies. Each of these strategies builds upon the core investment philosophy of investing in quality companies which are well placed to deliver investment returns through economic cycles. DNR Capital believes concentrated portfolios of quality companies maximise the opportunity for outperformance.

The DNR Capital Australian Emerging Companies strategy offers investors exposure to a long-term, concentrated portfolio of high quality, small cap Australian listed equities.

DNR Capital seeks to identify good quality emerging businesses that are mispriced by overlaying DNR Capital's quality filter, referred to as the 'quality web', with a strong valuation discipline. DNR Capital uses a five point 'quality web' in which the following five quality factors are considered:

1. Industry structure.
2. Balance sheet strength.
3. Earnings strength.
4. ESG risk assessment, where these factors could impact valuation.
5. Management score.

The assessment of a company's quality is overlaid with a detailed valuation assessment seeking to exploit mispriced, market inefficiencies.

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, company visits and meetings, and detailed valuation analysis and modelling. 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 is long-only and is intended to result in a style-neutral, concentrated portfolio that is high conviction and invests over a five-year period.

DNR Capital is a Corporate Authorised Representative (294844) of DNR AFSL Pty Ltd ABN 39 118 946 400 AFSL Number 301658.

DNR Capital is a signatory to the Principles for Responsible Investment (**PRI**).



Ophir Asset Management Pty Ltd (**Ophir**) is a specialist small and mid-cap equities investment manager established in 2012.

The investment team comprises 11 investment professionals from a diverse range of background working across all Ophir funds.

Ophir currently manages two dedicated Australia and New Zealand investment strategies on behalf of institutional superannuation funds, family offices, private wealth groups and individual investors.

Ophir's investment strategy seeks to provide investors with a concentrated exposure to a high-quality portfolio of growth companies listed outside S&P/ASX50. Ophir employ an extensive investment process that combines a rigorous company visitation schedule and company financial analysis.

Ophir's fundamental, bottom-up research approach is aimed at identifying businesses with the ability to meaningfully grow and compound earnings over time. Typically, the investment process will look to uncover businesses that are operating within, or about to enter, a period of structural growth and are generating cash or have a clearly identifiable pathway toward free cash flow generation. In order to identify these opportunities, the Ophir investment team spend a considerable amount of time understanding the quality of the business and the environment in which it operates.

The resulting portfolio aims to provide consistent sustainable returns for its investors.

Ophir is a signatory to the Principles for Responsible Investment (**PRI**).

**Z** **Ellerston Capital** Ellerston Capital is a specialist investment manager that has been managing money since 2002, offering a variety of innovative Australian and international investment strategies. As a firm that is majority-owned by its principals and employees, Ellerston aligns its goals with those of its clients.

With over two decades of experience, the firm focuses on one primary objective: growing and protecting clients' wealth through strategic investing. Ellerston is dedicated to creating value by identifying exceptional investment opportunities and building portfolios that deliver long-term performance. The firm's funds encompass a wide array of strategies, including long only Australian, global and Asian equities, Australian and global long-short equity, private assets, and fixed income & multi-asset.

The Ellerston Australian Emerging Leaders Fund's investment strategy is to construct a high-quality portfolio of Australian and New Zealand companies that are small by market capitalisation. The dedicated team responsible for the Fund employs an active, research-driven, benchmark-independent approach to investing with the aim of delivering superior returns to the benchmark (i.e. S&P/ASX Small Ordinaries Accumulation Index) over time. Investments will generally be made in companies that have a sound business franchise with an attractive earnings profile, that operate in growth industries and trade at a discount to valuation.

Companies in this part of the market are under-researched, and under-owned. In light of this, we believe we can discover companies earlier in their growth life cycle, identify businesses that are in the middle of a solid and sustainable turnaround or restructure, and find assets that have a strategic value and are being mispriced. We believe that these factors contribute to the greater levels of market inefficiencies that can be exploited by understanding the liquidity in the market, accessing multiple sources of liquidity, strong stock picking ability and focusing on risk management.

Ellerston Capital is a signatory to the Principles for Responsible Investment (**PRI**).



Founded in 1998, Acorn Capital Limited (**Acorn Capital**) is a Melbourne based investment manager of Australian emerging companies (small and microcaps). Acorn Capital believes

that information asymmetries can be identified and excess returns generated through research. Its deep insights into the emerging companies sector has enabled Acorn Capital to build an investment capability that seeks to identify the most attractive investment opportunities in its universe, on a risk adjusted basis, regardless of industry, stage of development or public/ private status.

Acorn Capital's investment team also owns the business (in partnership with Australian Unity) and this team is committed to generating long term, attractive, risk adjusted returns. Acorn Capital manages \$0.6b on behalf of institutional, wholesale and retail investors.

Acorn Capital believes in the impact its investment activities and engagement have on society. In addition to the potential for attractive returns, Australian emerging companies can also provide investors with exposure to sectors of the economy that are compositionally and characteristically different to the exposure that they may receive from the larger capitalised companies in their portfolios. Emerging companies are often innovative and early adopters of new technologies (e.g., fintech, IT, medtech) and provide an exposure to growth equity.

Acorn Capital's investment returns are primarily derived from bottom-up stock selection, while its investment strategy is style agnostic and designed to identify the most attractive opportunities by industry across both listed and unlisted companies. Returns are principally captured through capital appreciation. The investment team is organised into industry sector specialisations, which provide deep industry-specific and qualitative insights. Such expertise is of particular importance due to the relatively earlier stage of development of Australian emerging companies which limit the application of quantitative investment techniques.

Acorn Capital is a signatory to the Principles for Responsible Investment (**PRI**).