

# Performance report | 31 December 2023

## Bennelong ex-20 Australian Equities Fund

### Net returns

|                        | 1 mth  | 3 mths | CYTD    | 1 year  | 3 years p.a. | 5 years p.a. | 10 years p.a. | Since inception <sup>2</sup> p.a. |
|------------------------|--------|--------|---------|---------|--------------|--------------|---------------|-----------------------------------|
| Fund                   | 8.40%  | 10.55% | 21.69%  | 21.69%  | -0.32%       | 8.98%        | 8.68%         | 10.40%                            |
| Benchmark <sup>1</sup> | 6.60%  | 6.37%  | 9.89%   | 9.89%   | 5.69%        | 8.95%        | 8.74%         | 7.62%                             |
| Value added            | +1.80% | +4.17% | +11.81% | +11.81% | -6.01%       | +0.03%       | -0.06%        | +2.78%                            |

Performance figures are net of fees and expenses. 'Value added' calculation does not use rounded performance figures. Past performance is not indicative of future performance.

### About the Fund?

The Bennelong ex-20 Australian Equities Fund primarily selects securities from the S&P/ASX 300 Accumulation Index, excluding the top 20 (typically holding 20-50 names).

The Fund offers genuine diversification and greater exposure to the rich opportunity set outside of the largest 20 securities, in order to add value and complement investors' existing Australian equities holdings.

### Benefits of the Fund

- In comparison to the typical domestic core equity portfolio, the Fund offers genuine diversification and greater exposure to the rich opportunity set outside the top 20
- Track record of adding value by outperforming the market over the long term
- Managed in accordance with BAEP's robust, disciplined and proven investment philosophy and process

### About BAEP

Bennelong Australian Equity Partners (BAEP) is a boutique fund manager investing in Australian listed equities. It was founded in 2008 by Mark East, in partnership with Bennelong Funds Management.

BAEP is a genuinely active, award-winning and highly-rated fund manager with an experienced and performance-oriented team. Its investment philosophy is to selectively invest in high quality companies with strong growth outlooks and underestimated earnings momentum and prospects. Its investment process is research-intensive, with a focus on proprietary field research, and is supported by macro-economic and quantitative insights.

### Portfolio sector allocation

| Sector           | Fund Weight | Benchmark <sup>1</sup> Weight | Active Weight |
|------------------|-------------|-------------------------------|---------------|
| Discretionary    | 39.2%       | 7.7%                          | 31.5%         |
| Communication    | 22.5%       | 5.0%                          | 17.5%         |
| Liquidity        | 1.3%        | 0.0%                          | 1.3%          |
| Health Care      | 9.9%        | 9.2%                          | 0.7%          |
| Consumer Staples | 0.9%        | 3.3%                          | -2.4%         |
| Utilities        | 0.0%        | 3.4%                          | -3.4%         |
| Energy           | 0.0%        | 3.6%                          | -3.6%         |
| Materials        | 16.7%       | 21.4%                         | -4.7%         |
| IT               | 0.0%        | 6.7%                          | -6.7%         |
| Financials       | 8.1%        | 15.4%                         | -7.3%         |
| REIT's           | 1.4%        | 11.5%                         | -10.1%        |
| Industrials      | 0.0%        | 12.9%                         | -12.9%        |

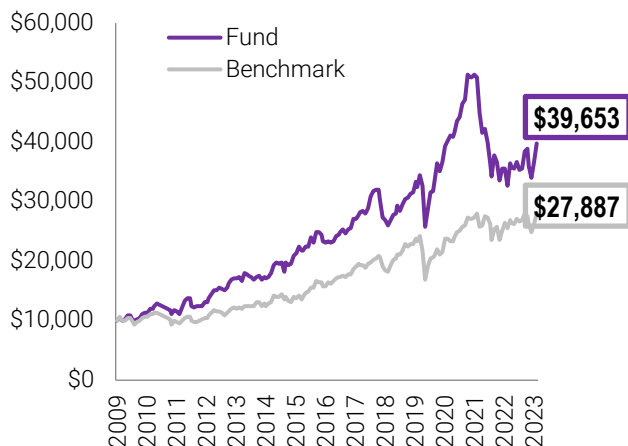
### Portfolio characteristics

|                  | Fund  | Benchmark <sup>1</sup> | Profile              |
|------------------|-------|------------------------|----------------------|
| Return on Equity | 16.2% | 10.5%                  | Premium Quality      |
| Debt/Equity      | 4.5%  | 36.8%                  |                      |
| Sales Growth     | 10.4% | 2.9%                   | Superior Growth      |
| EPS Growth       | 16.2% | 5.2%                   |                      |
| Price/Earnings   | 25.0x | 17.3x                  | Reasonable Valuation |
| Dividend Yield   | 1.7%  | 3.2%                   |                      |
| Beta             | 1.26  | 1                      |                      |
| Active Share     | 87%   | na                     | Genuinely Active     |
| No. of Stocks    | 19    | 277                    |                      |

Source: broker consensus estimates for the next 12 months

## Long-term performance

Growth of \$10,000 since inception<sup>2,3</sup>



## Top five active holdings

At month end, in alphabetical order

| Company                     |
|-----------------------------|
| Breville Group Limited      |
| Carsales.Com Limited        |
| IDP Education Limited       |
| James Hardie Industries PLC |
| REA Group Ltd               |

## Top three contributors

To monthly relative performance, in alphabetical order

| Company                     | Avg active position |
|-----------------------------|---------------------|
| Carsales.Com                | Overweight          |
| James Hardie Industries PLC | Overweight          |
| REA                         | Overweight          |

## Top three detractors

To monthly relative performance, in alphabetical order

| Company            | Avg active position |
|--------------------|---------------------|
| Aristocrat Leisure | Overweight          |
| IDP Education      | Overweight          |
| Liquidity          | Overweight          |

## The Fund at a glance

| Feature                                | Fund facts   |
|--|--|
| APIR code                              | BFL0004AU  |
| Benchmark                              | S&P/ASX 300 Accumulation Index excluding S&P/ASX 20 Leaders Index  |
| Investment objective                   | 4% p.a. above benchmark measured over rolling 3-year periods   |
| Active stock limit                     | ± 10%  |
| Cash limit                             | 0 - 10%  |
| Inception date                         | 02 November 2009   |
| Recommended investment period          | Long term (five years plus)  |
| Buy/sell spread                        | +/-0.20%   |
| Entry/exit fees                        | Nil  |
| Management fees and costs <sup>4</sup> | 0.98% p.a. of Net Asset Value of the Fund  |
| Performance fee                        | 15% of any amount by which the Fund's return is greater than the return generated by the S&P/ASX 300 Accumulation Index excluding S&P/ASX 20 Leaders Index |

## How to invest

The Fund is open to investors via the PDS (available on our [website](#)), mFund (code: BAE03), or the following platforms.

- AMP (Advantage, iAccess, Investment Service, My North, North, Pension Service, Portfolio Advantage, Portfolio Care, Portfolio Care eWrap, PPS, Summit, Synergy, Wealthview eWrap Inv)
- Allam Gray Solutions (Super, Pension, Investment)
- Asgard (Master Trust, eWrap, Employee Super, Infinity)
- Australian Unity (Lifeplan Investment Bond)
- BT Asgard (Master Trust, Employee Super, Infinity eWrap)
- BT (Panorama, Compact)
- Centric Wealth (IDPS)
- CFS (FirstChoice, FirstWrap, IX (PIS))
- Dash
- Hub 24 (Super, IDPS)
- JBWere
- Macquarie Wrap (IDPS, Super)
- Mason Stevens
- MLC (Navigator, Wrap)
- Morgan Stanley
- Netwealth (Super Service, Wrap Service, IDPS)
- Oasis (Wealthtrac, Mentor)
- Powerwrap (Super, Pension, Smartwrap)
- Praemium (Non Super, Super)

## Get in touch

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1 S&P/ASX 300 Accumulation Index excluding S&P/ASX 20 Leaders Index

2 Inception date is 2 November 2009

3 Calculations are based on net returns (after fees and expenses) and assume the reinvestment of distributions.

4 Management fees and costs consist of annual management fee rate and capped recoverable expenses. For a detailed split of the fees and costs, please refer to the fund(s) PDS.

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