



# Antares Ex-20 Australian Equities Fund

## Product Disclosure Statement

ARSN: 635 799 530 APIR code: PPL5308AU

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### 1. About Antares Capital Partners Ltd

#### Responsible Entity

Antares Capital Partners Ltd (ACP) is the Responsible Entity of the Fund and the issuer of this PDS and any units offered under it.

As the Responsible Entity, ACP is responsible for all aspects of operating the Fund including administration of the assets and overall investment policy.

ACP has appointed OneVue Fund Services Pty Limited to provide unit registry services (Antares Registry Services or the Unit Registry) to the Fund.

ACP is a member of the NAB Group. ACP in its capacity as Responsible Entity may also be referred to as 'us', 'we' or 'our' throughout this PDS.

### Antares

A business unit within ACP is the investment manager of the Fund. ACP in its capacity as investment manager is referred to in this PDS as 'Antares'. Antares is responsible for making investment decisions in relation to the Fund and implementing the Fund's investment strategy.

The Fund is part of a suite of products known as the Antares Professional Selection Investment Funds (Funds). For these Funds, Antares uses its expertise to actively manage a range of Australian equity portfolios including core, concentrated and listed property securities with the aim of achieving each fund's investment objective. For further information on the Funds and their respective PDSs, please refer to our website [antarescapital.com.au](http://antarescapital.com.au). You will need to read the relevant PDS before making an investment decision in respect of these Funds.

### Important information

This Product Disclosure Statement (PDS) summarises significant information about the Antares Ex-20 Australian Equities Fund ARSN 635 799 530 (Fund) which is part of the Antares Capital Partners Ltd range of Professional Selection Investment Funds.

It also contains a number of references to important information in the Product Guide – Equities (Product Guide) marked with an **I** symbol. The Product Guide is a separate document which forms part of this PDS. This PDS and the Product Guide contain important information you should consider before making an investment decision in relation to the Fund. The information provided in this PDS is general information only and does not take into account your personal financial situation or needs. We recommend you obtain financial advice for your own personal circumstances before making any investment decision.

These documents are available from [antarescapital.com.au/aex20](http://antarescapital.com.au/aex20) or you can request a copy free of charge by calling us on **1800 671 849** or by contacting your investor directed portfolio service, IDPS-like scheme, master trust or wrap operator (collectively referred to as an 'IDPS' in this PDS). To invest directly in the Fund you must have received the PDS (electronically or otherwise) within Australia.

The information in these documents is up to date at the time of preparation and may change from time to time. If a change is considered materially adverse, we will issue a replacement PDS. Information that is not materially adverse to investors can be updated by us and will be published on our website [antarescapital.com.au/aex20](http://antarescapital.com.au/aex20). A paper copy of any updates will be provided free of charge upon request. You should check you have the most up to date version before making an investment decision. All amounts in these documents are in Australian dollars unless stated otherwise.

Antares Capital Partners Ltd, the responsible entity of the Fund (Responsible Entity), is a fully owned subsidiary within the National Australia Bank Limited Group of companies (NAB Group). No company in the NAB Group guarantees the capital value, payment of income or performance of the Fund. An investment in the Fund does not represent a deposit with or liability of the NAB Group and is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

## 2. How the Antares Ex-20 Australian Equities Fund works

### About the Fund

The Fund is an actively managed, concentrated portfolio of equities (primarily shares in companies, but may also include units in trusts) listed, or expected to be listed outside of the largest 20 companies by market capitalisation on the Australian share market.

Where we refer to companies or shares in this PDS, it includes trusts and units.

The Fund operates like most other managed investment schemes. Your money is pooled together with other investors' money to buy investments which are managed on behalf of all investors.

When you invest in a managed investment scheme, such as the Fund, you gain exposure to investments that you may not ordinarily have access to, if you invest on your own.

The Fund is governed by its constitution (Constitution) and is registered with the Australian Securities and Investments Commission (ASIC). ASIC takes no responsibility for this PDS or the operation of the Fund by ACP.

### Units and unit prices

The Fund is a 'unit trust'. When you invest in the Fund you acquire an 'interest' in the form of units in the Fund, rather than ownership of the underlying assets of the Fund. When your money is paid into the Fund, units are issued to you and when your money is paid out, your units are cancelled.

Unit prices fluctuate according to changes in the market value of the assets held by the Fund. Only one class of units (Professional Selection class) is offered under this PDS. The unit price is calculated daily on Melbourne business days by dividing the Fund's net asset value (total assets less total liabilities) referable to the relevant class of units by the number of units on issue to all investors in the class at the time the unit price is calculated.

All references to 'business day' in this PDS and the Product Guide mean days other than a Saturday or a Sunday, or a public or bank holiday in Melbourne.

### Investing directly

To invest in the Fund you will need to complete an Initial Application Form. The Initial Application Form is available at [antarescapital.com.au](http://antarescapital.com.au) or on request from Client Services on **1800 671 849**. Please see section 8 'How to apply' for more information.

Once you've opened your account, you can make additional investments by sending the completed Additional Investment Form by post or emailing a scanned copy to Unit Registry. Application payments can be made via direct deposit, direct debit, BPAY®. Alternatively, you can choose to establish a Regular Savings Plan if you wish to make

regular investments in the Fund.

If accepted, application requests received by the Fund before 2:00 pm (Melbourne time) on any business day will normally receive that day's unit price. Application requests received after 2:00 pm (Melbourne time) will normally receive the next business day's unit price.

If you invest directly into the Fund then you hold units in the Fund and have the rights of a unitholder, as set out in the Constitution. This applies whether your investment is made using the Initial Application Form, or the Additional Investment Form.

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### Minimum balance

The minimum initial investment (and the minimum balance) is \$20,000. Additional investments can be made at any time. The minimum additional investment amount is \$5,000. The minimum Regular Savings Plan amount is \$500 on a monthly basis.

### Switching your investment

You can switch between this Fund and the other Funds at any time by completing the Switch Request Form and sending it via post or email to the Unit Registry.

The Switch Request Form is available at [antarescapital.com.au](http://antarescapital.com.au) or on request from Client Services on **1800 671 849**.

All switches take the form of a withdrawal and an application so the relevant buy/sell spreads are applicable. The minimum switching amount is \$20,000. All switches are subject to maintaining a minimum balance of \$20,000 per fund. The minimum additional investment amount of \$5,000 applies if you are switching into a fund in which you already hold units. Information on the Funds can be found at [antarescapital.com.au](http://antarescapital.com.au). You will need to read the relevant PDS before making an investment decision in respect of these Funds.

You should be aware that switching your investment between Funds may have tax implications. Please consult your tax adviser for advice as required.

### Accessing your money

The minimum withdrawal amount is \$5,000. If a withdrawal request results in you holding less than the minimum balance in the Fund, we may treat your withdrawal request as being for the whole of your investment in the Fund.

You can make a withdrawal request at any time by sending the completed Withdrawal Form by post to the Unit Registry.

The Withdrawal Form is available at [antarescapital.com.au](http://antarescapital.com.au) or on request from Client Services on **1800 671 849**.

Alternatively, you can scan and email your Withdrawal Form to us by using our electronic redemption facility. Refer to the Product Guide available at [antarescapital.com.au/antares\\_pg](http://antarescapital.com.au/antares_pg) for further information.

Once lodged, withdrawal requests may not be cancelled except with our consent.

If accepted, withdrawal requests received by the Fund before 2:00 pm (Melbourne time) on any business day will normally receive that day's unit price. Requests received after 2:00 pm (Melbourne time) will normally receive the next business day's unit price.

Withdrawal payments will generally be made to your nominated Australian bank account within three business days of receipt of your withdrawal request. However, the Constitution allows up to 51 business days excluding any suspension periods.

In certain circumstances, such as when there are adverse market conditions or restricted or suspended trading in the market for an asset, we may suspend withdrawals.

In circumstances where withdrawals are suspended or being paid in instalments, the unit prices used for a withdrawal may be those available on the day the withdrawal takes effect, rather than the day the withdrawal request is received. ACP may also redeem your units by providing notice at its discretion in certain circumstances or if your investment in the Fund falls below the minimum balance.

In the unlikely event that the Fund is no longer liquid (as defined in the Corporations Act 2001 (Cth)), you may only withdraw your funds in accordance with any withdrawal offer that we make.

### Income distributions

The income of the Fund will generally be calculated effective the last day of December and June each year. To receive a distribution, you must hold units on the distribution calculation date.

Your entitlement to income is calculated on the basis of the number of units you hold at the end of the distribution period compared to the number of units of the Fund (referable to the class) on issue at the end of the distribution period. We generally aim to pay income distributions within 10 business days.

There may be periods in which no distributions are made or the Fund may make additional distributions.

Our current practice is to generally distribute all of the net taxable income of the Fund to investors each financial year (including net capital gains and any net gains on currency management). As the Fund is an Attribution Managed Investment Trust (AMIT), we have the discretion to accumulate income (instead of distributing all of the income) and if we do so, the accumulated income will be reflected in the unit price. We intend to continue our current practice to distribute all of the income (including any capital gains) for each year. We will notify you if this changes.

You can request to have income distributions:

- reinvested into the Fund, or
- paid into your nominated Australian bank account.

If you do not make a selection, the distribution will be paid to you in cash.

You can change your distribution selection at any time by sending a completed Change of Details Form by post or emailing a scanned copy to Unit Registry at least five business days prior to the end of a distribution period. The Change of Details Form is available at [antarescapital.com.au](http://antarescapital.com.au) or on request from Client Services on 1800 671 849.

## Investing via an IDPS

If you invest in the Fund through an IDPS, then you do not hold units in the Fund and you have none of the rights of a unitholder.

Instead the IDPS holds units on your behalf, acquires unitholder rights and may exercise these rights as it sees fit without reference to you.

We authorise the use of this PDS as disclosure to persons who wish to access the Fund through an IDPS. This PDS must be read together with offer documents provided by the IDPS operator and you can apply to invest or perform other transactions by completing the relevant forms provided by the IDPS operator.

Investing through an IDPS may result in different conditions applying from those referred to in this PDS including:

- minimum balance requirements
- fees and other costs
- cooling-off rights
- how to transact on your investment
- timing of processing of transactions and payment of distributions and withdrawals, and
- provision of statements and other information.

You should contact your financial adviser or IDPS operator for further information.

**!** You should read the important information about **How the Funds work** before making a decision. Go to the Product Guide available at [antarescapital.com.au/antares\\_pg](http://antarescapital.com.au/antares_pg)

The material relating to **How the Funds work** may change between the time when you read this statement and the day when you acquire the product.

## 3. Benefits of investing in the Antares Ex-20 Australian Equities Fund

### Access to Antares' investment expertise

Antares believes that the pricing of individual companies and industry sectors on the Australian share market is at times inefficient. This mispricing can occur when investors take a short-term view, over-react or under-react to changes in a company's operating environment, or invest based on generalisations about similar companies. As a consequence, the price of a company sometimes differs from what Antares believes

its value to be.

Antares seeks to identify and exploit these opportunities by taking a longer-term view, and through detailed systematic research of individual companies from a bottom-up perspective. In practical terms, Antares seeks to invest in companies trading on the share market at the largest discount to their underlying value.

### Bottom-up research by experienced investment professionals

Underpinning Antares' approach to stock selection is an experienced team of analysts. The team gathers information through financial analysis, peer group comparison and company visits to gain a thorough understanding of the companies and the issues they face. Antares' detailed systematic research of companies is the foundation for all its investment decisions.

### Provides access to a concentrated portfolio of equities outside of the largest 20 listed companies by market capitalisation

The Fund is a high conviction investment fund. That means Antares will only invest in its best investment ideas. The Fund invests in a concentrated portfolio of up to 30 equities outside the largest 20 listed companies by market capitalisation. The Fund may also invest in equities expected to be listed on the Australian share market.

Through its concentrated portfolio, Antares aims to outperform the S&P/ASX 200 Total Return Index excluding the companies listed on the S&P/ASX 20 Total Return Index (Benchmark) (after management fee) over rolling five-year periods. Please see section 5 'How we invest your money' for further details.

### Ease of administration

It would generally be difficult for an individual investor to efficiently construct and manage a portfolio of equities similar to the Fund. Additionally, we provide investment confirmations, transaction and distribution statements, monthly Fund reports, website updates and an annual tax statement to keep you up to date on your investment. You can also access statements on your account through the online investor portal at [antarescapital.com.au](http://antarescapital.com.au)

### Regularly add to your investment

You can choose to regularly add to your investment in the Fund through time by accessing our Regular Savings Plan.

## 4. Risks of managed investment schemes

### Investment risk

All investments come with some risk. Some investments will have more risk than others, as it depends on the investment's strategy and assets.

The value of an investment with a higher level of risk will tend to rise and fall more often and by greater amounts than investments with lower levels of risk, ie it's more volatile.

While it may seem confronting, investment risk is a normal part of investing. Without it you may not get the returns you need to reach your investment goals. This is known as the risk/return trade-off.

The level of risk you're prepared to accept will be determined by various factors, including:

- your investment goals
- the savings you'll need to reach these goals
- your age and how many years you have to invest
- where your other assets are invested
- the return you may expect from your investments, and
- how comfortable you are with investment risk.

While Antares applies a disciplined, risk-controlled investment approach, it's important for you to carefully consider the risks of investing in the Fund and to understand that:

- its value and returns will vary over time
- investments with higher long-term return potential usually have higher levels of short-term risk
- returns aren't guaranteed and you may lose money
- future returns will differ from past returns, and
- laws affecting your investment may change in future.

### Significant risks

Many factors influence an investment's value. The significant risks of investing in the Fund are typical of the risks of managed investment schemes whose investment strategy is to invest in a concentrated portfolio of listed Australian equities.

These risks include:

- **Market risk:** risks that affect entire share markets including investor sentiment, economic impacts, inflation rates, regulatory conditions, interest rates, and political and catastrophic events.
- **Company specific risk:** a company's share price is affected by events within and outside the company. These events include:
  - changes to management
  - profit and loss announcements
  - the expectations of investors regarding the company
  - competitive pressures
  - legal action against the company
  - social and government issues
  - climate change, and
  - environmental issues.
- **Concentration risk:** as a concentrated fund of up to 30 equities, the Fund's returns may be more volatile than those of a more diversified fund. Its exposure to a smaller

number of investments means it is more sensitive to changes in the value of those investments.

- **Derivatives risk:** derivatives are contracts that have a value derived from another source such as an asset, market index or interest rate. There are many types of derivatives including swaps, options and futures. They are a common tool used to manage risk or improve returns. Some derivatives allow investment managers to earn large returns from small movements in the underlying asset's price. However, they can lose large amounts if the price movement in the underlying asset is unfavourable. Risks particular to derivatives

include the risk that the value of a derivative may not move in line with the underlying asset, the risk that counterparties to the derivative may not be able to meet payment obligations and the risk that a particular derivative may be difficult or costly to trade.

- **Liquidity risk:** this is the risk that an investment may not be able to be sold without incurring large transactional costs or quickly enough to prevent or minimise a loss. A lack of liquidity may also affect the amount of time it takes us to satisfy withdrawal requests.
- **Fund risk:** risks specific to the Fund include the risk that the Fund could terminate and that the fees and costs could change. There

is also a risk that investing in the Fund may give different results than investing directly because of the impact of fees, income or capital gains accrued in the Fund and the consequences of investments and withdrawals by other investors.

- **Investment manager performance risk:** investment managers have different approaches to managing portfolios, which invariably results in different investment returns. No single investment approach is guaranteed to outperform all others in all market conditions. Changes to investment markets and within an investment manager's firm may also affect an investment manager's performance.

## 5. How we invest your money

The following table provides an overview of the Fund's investment return objective and investment approach.

You should consider the likely investment return and risk of the Fund and your investment time frame when deciding whether to invest into the Fund.

Antares Ex-20 Australian Equities Fund	
Fund description	The Fund is an actively managed, concentrated portfolio of equities outside the largest 20 Australian listed companies by market capitalisation (as defined by the S&P/ASX 20 Total Return Index) that Antares identifies as having the potential to offer significant long-term capital growth. The Fund may also invest in equities expected to be listed on the Australian share market.
Investment return objective	To outperform the Benchmark (after management fee) over rolling five year periods.
Benchmark	S&P/ASX 200 Total Return Index excluding the companies listed on the S&P/ASX 20 Total Return Index <sup>1</sup>
Investment approach	The Fund is a concentrated portfolio of Antares' highest conviction investment ideas and is relatively unconstrained by the Benchmark's industry or company weights. Antares follows a bottom-up investment process, which means investment decisions are made by undertaking in-depth proprietary research and analysis of individual companies and securities. In general, Antares aims to invest in companies where the current share price does not fully reflect its view of the potential value of each company's business. Through company contact and detailed financial and non-financial analysis, Antares' research analysts seek to gain a thorough understanding of Australian companies and the industries in which they operate. Antares may invest up to 10% of the Fund in companies listed outside of the S&P/ASX 200 Total Return Index. This may include investments in equities expected to be listed on the Australian share market. Listed companies held by the Fund may sometimes move into the S&P/ASX 20 Total Return Index and when this happens, they will be removed from the Fund, generally within 12 months.
Indicative asset allocation ranges	Australian equities: 90 - 100% Cash and cash equivalents: 0 - 10%
Use of derivatives	The Fund generally uses derivatives for the purpose of cash management and to minimise investment risk. The Fund will typically use Share Price Index (SPI) contracts which are futures contracts that provide exposure to Australia's top 200 companies without having to buy or sell shares in every company in the S&P/ASX 200 Total Return Index. Derivatives will not be used within the Fund for gearing purposes. More information on how derivatives are used in the Fund is in 'Derivatives risk' in section 4.
Minimum suggested timeframe	5 years
Risk level (expected volatility)	<b>Very High:</b> While the Fund offers investors the potential for higher returns over the long term compared to funds investing in other types of assets such as fixed income or cash, the high level of volatility in the Fund means the likelihood of the value of your investment going down over the short term is relatively very high. See section 4 'Risks of managed investment schemes' for further information.

<sup>1</sup> The Benchmark is constructed by calculating the total return after removing the companies contained in the S&P/ASX 20 Total Return Index from the companies listed on the S&P/ASX 200 Total Return Index.



<p><b>The Fund may be suited to you if you:</b></p>	<ul style="list-style-type: none"> <li>• want to invest in a concentrated portfolio of Australian listed equities managed by a specialist manager</li> <li>• are seeking diversification for your portfolio, particularly away from the largest 20 Australian listed companies by market capitalisation (as defined by the S&amp;P/ASX 20 Total Return Index)</li> <li>• are seeking long-term capital growth, and</li> <li>• can tolerate fluctuations of income and the risk of capital loss.</li> </ul>
<p><b>Labour standards, environmental, social and ethical considerations</b></p>	<p>The Responsible Entity does not itself take into account labour standards and environmental, social and ethical considerations for the purposes of selecting, retaining or realising investments. The Responsible Entity has delegated investment management decisions for the Fund to Antares.</p> <p>Generally, Antares does not take into account labour standards or ethical considerations when making decisions to buy, retain or sell the investments of the Fund. However, if Antares believes those matters may affect the value or performance of an investment, they may be considered. Antares does not have a predetermined view as to what constitutes an unacceptable labour standard or environmental, social or ethical consideration and these will be determined on a case by case basis. These are stock specific decisions.</p>

## Changes to the Fund

We may make changes to the Fund (and the information in this PDS) at our discretion, including but not limited to, terminating the Fund or changing the investment manager when we deem it to be in unitholders' best interests. Some changes may be made without prior notice, including but not limited to, closing the Fund to new applications and changes to the investment strategy, asset allocation and service providers.

Where possible, we will give you prior notice of any materially adverse change.

Changes that are not materially adverse may be made available on the website [antarescapital.com.au/aex20](http://antarescapital.com.au/aex20). You should check the website for the latest information or you can obtain a paper copy of any updated information free of charge by calling Client Services on **1800 671 849**.

If you invest via an IDPS and you would like to receive notices of any changes to the Fund or PDS you should request this from your IDPS operator.

## 6. Fees and costs

### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Fund or your financial adviser.

### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website [www.moneysmart.gov.au](http://www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

The ASIC managed funds fee calculator can also be used to calculate the effect of fees and costs on account balances.

**The fees and costs outlined in this PDS are for the Fund only.**

You should read all of the information about fees and costs because it is important to understand their impact on your investment in the Fund.

If you are investing in the Fund via an IDPS, you will need to consider the fees and other costs of the IDPS when calculating the total cost of your investment.

**If you consult a financial adviser you may also pay an additional fee that will be set out in the Statement of Advice between you and your financial adviser.**

This section shows the fees and other costs that you may be charged in relation to the Fund. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

The information in this table can be used to compare fees and costs between different simple managed investment schemes. Taxes are set out under the 'How managed investment schemes are taxed' section of this PDS.

All fees are shown inclusive of GST and net of Reduced Input Tax Credits (where applicable).

Type of fee or cost	Amount
<b>Fees when your money moves in or out of the managed investment product.</b>	
<b>Establishment fee</b> The fee to open your investment.	Nil
<b>Contribution fee</b> The fee on each amount contributed to your investment.	Nil
<b>Withdrawal fee</b> The fee on each amount you take out of your investment.	Nil
<b>Exit fee</b> The fee to close your investment.	Nil
<b>Management costs<sup>1,2</sup></b>	
The fees and costs for managing your investment.	
<b>Management fee<sup>3</sup></b>	0.85% pa of the Fund's net asset value.
<b>Estimated performance fee<sup>4</sup></b> This is the fee charged if the Fund's return exceeds the performance hurdle.	0.48% <sup>5</sup> pa of the Fund's net asset value. The performance fee is calculated as 15% of the difference between the Fund's quarterly return (after deducting the management fee and assuming the reinvestment of distributions) and the Benchmark's quarterly return multiplied by the Fund's average net asset value over the quarter.

<sup>1</sup> An allowance for transactional costs may apply to investments into and withdrawals from the Fund. Please see 'Transactional costs' in the 'Additional explanation of fees and costs' for further details.

<sup>2</sup> Rounded to two decimal places.

<sup>3</sup> Wholesale clients (as defined in the *Corporations Act 2001 (Cth)*) may be able to negotiate this fee by contacting Client Services.

<sup>4</sup> The performance benchmark for the Fund is its Benchmark (S&P/ASX 200 Total Return Index excluding the companies listed on the S&P/ASX 20 Total Return Index).

<sup>5</sup> The figure reflects the Responsible Entity's reasonable estimate, based on information available as at the date of this PDS and calculated on the net asset value of the Fund, that will apply for the current financial year. As the Fund only commenced on 1 October 2019, this estimate is based on the performance of the Fund and an equivalent Antares investment strategy over the last three financial years ending 30 June 2020. This amount may increase or decrease in the future depending on the performance of the Fund. See 'Performance fee' below for further information.

## Example of annual fees and costs for the Fund

This table gives an example of how the fees and costs for this managed investment product can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

<b>EXAMPLE:</b>		<b>Balance of \$50,000 with a contribution of \$5,000 during the year<sup>1</sup></b>
<b>Antares Ex-20 Australian Equities Fund</b>		
Contribution fees	0%	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS</b>		
Management costs <sup>2</sup>		<b>And, for every \$50,000 you have in the Fund you will be charged:</b>
Management fee	0.85%	\$425
Performance fee	0.48%	+ \$240
<b>Total</b>	<b>1.33%</b>	<b>= \$665 each year.</b>
<b>EQUALS</b>		
Cost of the Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees from: <b>\$665<sup>2</sup></b> . <b>What it costs you will depend on the fees you negotiate with the Fund, your IDPS operator or your financial adviser and the performance of the Fund.</b>

<sup>1</sup>This example assumes the \$5,000 additional investment occurs at the end of the year and that value of the Fund does not change for the entire year. Actual fees and costs are based on the value of the Fund which fluctuates daily. This example isn't designed to illustrate any transactional costs that may apply to you, such as a buy/sell spread.

<sup>2</sup> The figure reflects the Responsible Entity's reasonable estimate, based on information available as at the date of this PDS and calculated on the net asset value of the Fund, that will apply for the current financial year. As the Fund commenced on 1 October 2019, this estimate is based on the performance of the Fund and an equivalent Antares investment strategy over the last three financial years ending 30 June 2020. This amount may increase or decrease in the future depending on the performance of the Fund. See 'Performance fee' below for further information.

## Additional explanation of fees and costs

### Management costs

The management costs are fees and costs for investing the Fund's assets.

Management costs are made up of the management fee and the performance fee (if payable) described below and do not include buy/sell spreads or transactional costs.

### Management fee

The Responsible Entity receives a management fee for managing the assets of the Fund and overseeing the day to day operations of the Fund. The Responsible Entity will pay out of its management fee any fees paid to the investment manager, and other costs and expenses incurred in operating the Fund ('operational costs') such as custody costs, registry costs, auditing fees and tax return fees.

We currently do not charge these costs and expenses to you as an additional cost or recover them directly from the Fund. We may decide in the future to recover operational costs directly from the Fund in addition to the management fee.

### Performance fee

The performance fee payable is calculated as 15% of the difference between the Fund's quarterly return (after deducting the management fee and assuming the reinvestment of distributions) and the Benchmark's quarterly return multiplied by the Fund's average net asset value over the quarter.

The performance fee period is the calendar quarter ending 31 March, 30 June, 30 September and 31 December each year.

### Daily performance fee

The performance fee payable is calculated each business day and, if applicable, accrued in the Fund's unit price for that day. The daily performance fee accrual during the relevant quarter is added to or subtracted from the performance fee carried forward from prior quarters. If this accumulated amount is:

- positive, it will be accrued in the unit price; or
- negative, no performance fee will be accrued. Instead, the negative amount will be carried forward and offset against any positive performance fee that has been calculated the next business day.

The Fund may outperform the Benchmark but have a negative return during a performance fee period. In this instance, the positive performance fee will still accrue in the unit price but the payment of the performance fee will be assessed at the end performance fee period (see 'Payment at the end of a quarter' for further details).

### Payment at the end of a quarter

The accrued performance fee is payable to the Responsible Entity from the assets of the Fund within 15 business days of the end of each quarter if the performance fee amount

and the Fund's return for that quarter are both positive.

Where the accrued performance fee is positive but the Fund's return is negative over a quarter, the performance fee will not be paid for that quarter. Instead, this positive performance fee will be carried forward as an accrual in the unit price to the next quarter.

If the accrued performance fee is negative for that quarter, then it will be carried forward to the next quarter and will need to be offset by any future positive performance fee.

### Estimated Performance fee

As the Fund commenced on 1 October 2019, this estimate is based on the performance of the Fund and an equivalent Antares investment strategy over the last three financial years ending 30 June 2020. Past performance may not be indicative of future performance, and performance fees payable in the future may be lower or higher than this estimated amount depending on the Fund's performance.

Any performance fee payable is in addition to the Management fee. Please refer to 'Performance fee' in section 2 'Fees and costs' of the Product Guide for more information.

### Transactional costs

Transactional costs are the costs incurred when assets in the Fund or in underlying investments are bought or sold and includes costs such as brokerage, stamp duty and settlement costs. Transactional costs may also be incurred when the market process for trading assets causes the price paid or received to be different from the value of the assets immediately after the transaction, for example, where bid/ask spreads are incurred.

The estimated transactional costs are approximately 0.23% of the Fund's net asset value. All of the transactional costs were recovered by buy/sell spreads.

As the Fund was recently established, the estimated transactional costs reflect the Responsible Entity's reasonable estimate, based on information available as at the date of this PDS and calculated on the net asset value of the Fund, that will apply for the current financial year (adjusted to reflect a 12-month period). Please see section 6 'Example of annual fees and costs for the Fund'.

These costs are not included in the management costs and are an additional cost to you. No part of the transactional costs are paid to us or any investment managers.

### Buy/sell spreads

You incur the buy/sell spread when you buy or sell units in the Fund.

The buy spread is added to the unit price when you buy units. The sell spread is deducted from the unit price when you sell units. The buy/sell spread is not a fee and no part of the buy/sell spread is paid to us or to any investment managers. The buy/sell spread is retained in the Fund to cover the

estimated transaction costs incurred as a result of investor applications and redemptions.

As at the date of this PDS, the buy/sell spreads are:

- Buy spread: 0.15% of each amount you invest into the Fund.
- Sell spread: 0.15% of each amount you withdraw from the Fund.

This means that for every \$5,000 you contribute to the Fund you will incur costs of \$7.50 and for every \$5,000 you withdraw from the Fund you will incur costs of \$7.50.

Buy/sell spreads may change from time to time. Increases (and decreases) may be significant.

The latest buy/sell spreads can be found on our website at [antarescapital.com.au/aex20](http://antarescapital.com.au/aex20). Investors may not be notified of changes, and should check current buy/sell spreads before making any investment decision.

### Changes to fees and costs

We may vary fees or introduce new fees up to the maximums described in the Constitution, without your consent.

Under the Constitution for the Fund, we are entitled to charge the following maximum fees:

- **Management fee:** 3% pa of the Fund's net asset value (as defined under the Constitution).
- **Performance fee:** 20% of the difference between the Fund's quarterly return (net of management fee and assuming the reinvestment of all distributions) and the Benchmark quarterly return multiplied by the Fund's average net asset value over the quarter.
- **Contribution fee:** Nil.
- **Withdrawal fee:** 5% of the withdrawal amount (currently not charged).

If you invest directly in the Fund we will give you 30 days' notice of any increase in fees. No prior notice will be given in respect of changes to transactional costs or buy/sell spreads. For updated details go to [antarescapital.com.au/aex20](http://antarescapital.com.au/aex20)

**!** You should read the important information about **Fees and costs** before making a decision. Go to the Product Guide available at [antarescapital.com.au/antares\\_pg](http://antarescapital.com.au/antares_pg)

The material relating to **Fees and costs** may change between the time when you read this statement and the day when you acquire the product.

## 7. How managed investment schemes are taxed

Investing in a managed investment scheme is likely to have tax consequences. Because this PDS and the Product Guide are not tax guides and tax laws are complex and

change from time to time, we strongly recommend that you obtain professional tax advice in relation to your own personal circumstances. This applies whether you are an Australian resident or a non-resident for tax purposes.

## Australian taxation information

The general comments below only relate to the tax consequences arising to Australian residents. The Fund itself should not be liable for tax on its net earnings. Managed investment schemes do not pay tax on behalf of resident investors. Rather investors should include their proportion of the Fund's taxable income as income in their tax returns. Investors are assessed for tax on any income and capital gains generated by the Fund. Any net losses are retained by the Fund and potentially used to offset future matching gains.

The unit price of units issued before a distribution will include income accumulated in the Fund. The income that has been accumulating will generally be distributed. You may potentially have taxation liabilities on that income.

Depending on an investor's circumstances, a revenue or capital gain or loss may arise when units in the Fund are sold, switched or redeemed.

**!** You should read the important information about **How managed investment schemes are taxed** before making a decision. Go to the Product Guide available at [antarescapital.com.au/antares\\_pg](http://antarescapital.com.au/antares_pg)

The material relating to **How managed investment schemes are taxed** may change between the time when you read this statement and the day when you acquire the product.

## 8. How to apply

### Investing directly

To invest directly, you must complete and sign the Initial Application Form and post it to the Unit Registry with your identification documentation as applicable.

The Initial Application Form is available at [antarescapital.com.au](http://antarescapital.com.au) or on request from Client Services on 1800 671 849.

Application monies are payable via direct credit, direct debit and BPAY as provided for on the Initial Application Form.

If you are an existing investor in the other Funds, you can use the Additional Investment Form to invest in the Fund. Please note the minimum initial investment of \$20,000 per fund still applies.

### Investing via an IDPS

To invest in the Fund via an IDPS, you will need to contact your IDPS operator and complete the relevant IDPS application form and any other documentation required by the

IDPS operator. You will also need to contact your IDPS operator in relation to making additional contributions to your investment.

You should contact your IDPS about any complaint you have. Your IDPS will work with us to assist you in resolving any complaints relating to your investment in the Fund.

The remaining information in this section only applies to direct investors in the Fund. If you invest via an IDPS, and require further information you should contact your IDPS operator.

### Privacy

We collect and hold information necessary to provide you with the relevant services and information related to your investment. If you do not provide your personal information we may not be able to provide you with these services. We are subject to the NAB Group's Privacy Policy which is available by contacting Client Services or visiting our website at [antarescapital.com.au](http://antarescapital.com.au). We may disclose your personal information within the NAB Group and to others. More information about how we collect, use, share and handle your personal information is in our Privacy Policy, including how you may access or correct your information, the countries we may send your information to and how you may make a complaint about a privacy issue.

### Cooling-off right

Unless you are a 'wholesale client' (as defined in the *Corporations Act 2001 (Cth)*), you have a 'cooling-off right' whereby you can change your mind about your initial investment in the Fund and ask for your money to be repaid.

The cooling-off right must be exercised by writing to the Responsible Entity. Your written request must be received by Unit Registry within 14 days from the earlier of:

- when you receive confirmation of your investment, or
- the end of the fifth business day after the day on which your units were issued to you.

Your cooling-off right terminates immediately if you exercise a right or power under the terms of the Fund, such as withdrawing or transferring part of your investment.

Cooling-off rights do not apply to any additional contributions you make to your investment (including those made under any distribution reinvestment election).

Any repayment of your investment under the cooling-off right is subject to an adjustment for market movements (both positive and negative), taxes, buy/sell spreads, and fees and other costs referred to in section 6 of the PDS.

### Anti-Money Laundering

We are required to comply with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)* and as such we may need to collect information from you or anyone acting on your behalf, and your related parties, to comply with our obligations.

## Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

We are required to collect information about your tax residency status, including whether you are a US citizen or resident for US tax purposes, and other relevant information to determine your reporting status under the FATCA and the CRS rules. If you identify yourself as a foreign resident for tax purposes, your account information may be reported to the relevant tax authorities.

### Resolving complaints

Our Client Services team can usually resolve complaints over the phone. If we can't or you're not satisfied with the outcome, then you will need to write to us (address details are at the end of this PDS). We will work to resolve your complaint as soon as possible. If you are a retail client (as defined in the *Corporations Act 2001 (Cth)*) and you are not satisfied with the outcome of your complaint, you can refer the matter to the Australian Financial Complaints Authority on 1800 931 678. See [afca.org.au](http://afca.org.au) for more information.

## 9. Other information

**!** You should read the important information about **Email terms and conditions, Joint investors, Identity verification documents and Keeping you informed** before making a decision. Go to the Product Guide available at [antarescapital.com.au/antares\\_pg](http://antarescapital.com.au/antares_pg)

The material relating to **Email terms and conditions, Joint investors, Identity verification documents and Keeping you informed** may change between the time when you read this statement and the day when you acquire the product.

### Contact details

**Unit Registry**  
Antares Registry Services  
GPO Box 804  
Melbourne VIC 3001  
Email:  
[antaresequities\\_transactions@unitregistry.com.au](mailto:antaresequities_transactions@unitregistry.com.au)

**Client Services**  
Reply Paid 2007  
Melbourne Victoria 8060 Australia  
Toll free: 1800 671 849  
Telephone: (03) 9220 0277

Email:  
[investorservices@antaresequities.com.au](mailto:investorservices@antaresequities.com.au)

**Responsible Entity**  
Antares Capital Partners Ltd  
105-153 Miller Street  
North Sydney NSW 2060 Australia

**Website**  
[antarescapital.com.au](http://antarescapital.com.au)