



INVESTMENT BOOKLET: FAT PROPHETS

31 JANUARY 2025

The information in this document forms part of the Product Disclosure Statement dated 2 September 2024 for the Auxilium Managed Portfolio Service

Part of the Auxilium Managed Portfolio Service

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This investment booklet may only be accessed by investors who are clients of Fat Prophets Pty Ltd. The Responsible Entity may reject at its sole discretion any application that does not meet this criteria.

This Additional Information Booklet may be updated from time to time without notice. You should read the latest edition of this document, together with the PDS, before making a decision to invest into the Auxilium Managed Portfolio Service. You can obtain the current edition of this document free of charge by visiting auxiliuminvest.com.au or contacting Auxilium Fiducian Client Services.

The Fiducian SMA Fund (referred to in this PDS as the Auxilium Managed Portfolio Service) is a registered Managed Investment Scheme under the Corporations Act 2001 (Cth) (ARSN 633 605 026). Responsible Entity for Auxilium Managed Portfolio Service is Fiducian Investment Management Services Limited ABN 28 602 441 814 AFSL 468211

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Fat Prophets Asian Share Portfolio

Investment objective

Securities listed on major Asian stock exchanges. The international stock exchanges currently offered for investment are listed in the 'Global Market Fees' schedule available on the Secure Portal.

Investment suitability

Investors who:

- Seek long term returns from a concentrated portfolio of securities made of mainly medium to large companies and securities trading on major Asian stock exchanges
- Accept the risk of fluctuations in the value of their investment and that capital preservation is not guaranteed, particularly during periods shorter than the stated minimum investment horizon
- Understand the portfolios will be actively managed

Minimum suggested timeframe

5 years.

Benchmark

STOXX Asia Total Market Index AUD

Investment strategy and asset allocation ranges

A concentrated portfolio made up of International Listed Securities and cash that reflect the key investment themes identified by the investment manager, coupled with a value driven approach to securities selection.

Investment universe

Stocks listed on major Asian stock markets.

Mandate restrictions

Maximum exposure to an individual security – 20%

Management fee

1.2608% p.a.

Indirect costs

0.00% p.a. (estimate)

Transaction fees

0.083% p.a. (estimate)

Minimum investment amount

\$50,000

| Asset class | Minimum allocation (%) | Maximum allocation (%) | Long Term Target allocation (%) |
|---------------------------------|------------------------|------------------------|---------------------------------|
| International Listed Securities | 0 | 98 | 96 |
| Cash | 2 | 100 | 4 |
| TOTAL | | | 100 |

Distribution of income

All income from this managed portfolio is paid in cash. This means income from investments held in your managed portfolio accumulates in the form of cash and, as a result, the allocation to cash in the portfolio is increased. The income remains as cash until the Portfolio Manager alters the allocation to investments held in the model.

About the Model Manager

Why Fat Prophets?

Proven investment strategy

We believe that the best bargains tend to be in stocks that are completely neglected by the broader market. Our approach is to analyse a range of large and smaller capitalised companies, with a view to isolating securities trading at significant discounts to their intrinsic value, whereby the investment process is active and valuation driven. We believe that superior investment returns can be achieved by identifying and exploiting opportunities where securities are mispriced. Every security has an intrinsic or fair value, however in our opinion; security prices do not always reflect their fair value.

Boutique investment service

We are in a unique situation to be able to serve our clients with what we consider to be the best of both worlds – in house and external research. From our close relationship with the Fat Prophets analysts in Sydney, and around the world, we have access to in-depth expert opinions on a day to day basis for both economic and company specific news. We also have the freedom to generate ideas for clients from external relationships and we believe in finding the best ideas for our clients within the whole market, not just from our own team. We spend our day looking for ideas to bring to you, while you are busy doing your day job or enjoying your retirement.

Fat Prophets Australian Share Income Portfolio

Investment objective

To outperform the S&P/ASX 200 Industrial (TR) Index over rolling 5 year periods after fees.

Investment suitability

Investors who:

- Are looking for exposure to a diversified portfolio of shares, predominantly large companies listed on the ASX
- Seek income with possibility of some growth over the medium to long term
- Accept the risk of potential fluctuations in income and growth
- Understand the portfolio is actively managed

Minimum suggested timeframe

5 years.

Benchmark

S&P/ASX 200 Industrial (TR) Index

Investment strategy and asset allocation ranges

A diversified portfolio of Australian listed securities with a focus on income. The total return over time is expected to be predominantly derived from income with some capital growth. A portfolio consisting predominantly of securities from within the S&P ASX 200 Industrial (TR) Index.

Investment universe

Australian Listed Securities, Australian Real Estate Investment Trusts (A-REITs) and Property Related Securities, and Cash.

Mandate restrictions

Maximum exposure to an individual security

- Australian Listed Securities – 15%
- Australian Listed Property Securities & Australian Real Estate Investment Trusts (A-REITs) – 5%
- Cash – 100%

Management fee

0.6355% p.a.

Indirect costs

0.15% p.a. (estimate)

Transaction fees

0.078% p.a. (estimate)

Minimum investment amount

\$25,000

| Asset class | Minimum allocation (%) | Maximum allocation (%) | Long Term Target allocation (%) |
|--|------------------------|------------------------|---------------------------------|
| Australian Listed Securities | 0 | 98 | 96 |
| Australian Listed Property Securities & Australian Real Estate Investment Trusts (A-REITs) | 0 | 5 | 2 |
| Cash | 2 | 100 | 2 |
| TOTAL | | | 100 |

Distribution of income

All income from this managed portfolio is paid in cash. This means income from investments held in your managed portfolio accumulates in the form of cash and, as a result, the allocation to cash in the portfolio is increased. The income remains as cash until the Portfolio Manager alters the allocation to investments held in the model.

About the Model Manager

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Fat Prophets Concentrated Australian Share Portfolio

Investment objective

To outperform the S&P/ASX 200 (TR) Index over rolling 5 year periods after fees.

Investment suitability

Investors who:

- Seek long term returns from a concentrated portfolio of equities made up of mainly medium to large Australian companies listed on the ASX
- Are considering investing for the longer term
- Accept the risk of fluctuations in the value of their investment and that capital preservation is not guaranteed, particularly for periods shorter than the stated time horizon.
- Understand the portfolio will be actively managed

Minimum suggested timeframe

5 years.

Benchmark

S&P/ASX 200 (TR) Index

Investment strategy and asset allocation ranges

An actively managed, concentrated Australian equities portfolio comprising a blend of Industrial and Resource stocks. A minimum of 70% of securities must be within the S&P/ASX 200 Index.

Investment universe

Australian Listed Securities, Australian Real Estate Investment Trusts (A-REITs) and Property Related Securities, and Cash.

Mandate restrictions

Maximum exposure to an individual security

- Australian Listed Securities – 15%
- Australian Listed Property Securities & Australian Real Estate Investment Trusts (A-REITs) – 5%
- Cash – 100%

Management fee

0.6355% p.a.

Indirect costs

0.14% p.a. (estimate)

Transaction fees

0.072% p.a. (estimate)

Minimum investment amount

\$25,000

| Asset class | Minimum allocation (%) | Maximum allocation (%) | Long Term Target allocation (%) |
|--|------------------------|------------------------|---------------------------------|
| Australian Listed Securities | 0 | 98 | 96 |
| Australian Listed Property Securities & Australian Real Estate Investment Trusts (A-REITs) | 0 | 5 | 2 |
| Cash | 2 | 100 | 2 |
| TOTAL | | | 100 |

Distribution of income

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About the Model Manager

Why Fat Prophets?

Proven investment strategy

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Fat Prophets Global Opportunities Portfolio

Investment objective

To outperform the total return of the MSCI All Countries Index (MXWD) over rolling 7 year periods after fees.

Investment suitability

Investors who:

- Seek long term returns from a concentrated portfolio made up of mainly medium to large companies and securities trading on major international stock exchanges.
- Accept the risk of fluctuations in the value of their investments and that capital preservation is not guaranteed particularly during periods shorter than the stated minimum investment horizon.
- Understand the portfolios will be actively managed

Minimum suggested timeframe

7 years.

Benchmark

MSCI All Countries Index (MXWD)

Investment strategy and asset allocation ranges

A concentrated, unhedged portfolio that may include international equities, ETFs and cash.

Investment universe

Exchange Traded Funds (ETFs), International Listed Securities, and Cash.

Mandate restrictions

Maximum exposure to an individual security

- International Listed Securities – 15%
- Australian Listed Property Securities & Australian Real Estate Investment Trusts (A-REITs) – 2%
- Cash – 100%

Management fee

1.2608% p.a.

Indirect costs

0.24% p.a. (estimate)

Transaction fees

0.083% p.a. (estimate)

Minimum investment amount

\$50,000

| Asset class | Minimum allocation (%) | Maximum allocation (%) | Long Term Target allocation (%) |
|---------------------------------|------------------------|------------------------|---------------------------------|
| International Listed Securities | 0 | 98 | 96 |
| Cash | 2 | 100 | 4 |
| TOTAL | | | 100 |

Distribution of income

All income from this managed portfolio is paid in cash. This means income from investments held in your managed portfolio accumulates in the form of cash and, as a result, the allocation to cash in the portfolio is increased. The income remains as cash until the Portfolio Manager alters the allocation to investments held in the model.

About the Model Manager

Why Fat Prophets?

Proven investment strategy

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Fat Prophets Mining & Resources Portfolio

Investment objective

To outperform the S&P/ASX 300 Resources (TR) Index over rolling 5 year periods after fees.

Investment suitability

Investors who:

- Are seeking exposure to the Mining and Resources Sector with an emphasis in growth opportunities, and are ASX listed companies
- Who understand the long term time frame, are aware of the risks within the sector, and the volatility that can occur from time to time, as the sector can be cyclical, and capital preservation is not guaranteed.
- They understand the portfolios will be actively managed

Minimum suggested timeframe

5 years.

Benchmark

S&P/ASX 300 Resources (TR) Index

Investment strategy and asset allocation ranges

A portfolio containing Mining and Resource securities. It aims to provide broad exposure to a variety of different securities and commodities with a focus on capital growth opportunities.

Investment universe

Australian Listed Securities, Exchange Traded Funds (ETFs), and Cash.

Mandate restrictions

Maximum exposure to an individual security

- Australian Listed Securities (including ETFs) – 15%
- Cash – 100%

A minimum of 70% of securities must be within the S&P/ASX 300 Resources Index

Management fee

0.6355% p.a.

Indirect costs

0.19% p.a. (estimate)

Transaction fees

0.078% p.a. (estimate)

Minimum investment amount

\$50,000

| Asset class | Minimum allocation (%) | Maximum allocation (%) | Long Term Target allocation (%) |
|---|------------------------|------------------------|---------------------------------|
| Australian Listed Securities (including ETFs) | 0 | 98 | 98 |
| Cash | 2 | 100 | 2 |
| TOTAL | | | 100 |

Distribution of income

All income from this managed portfolio is paid in cash. This means income from investments held in your managed portfolio accumulates in the form of cash and, as a result, the allocation to cash in the portfolio is increased. The income remains as cash until the Portfolio Manager alters the allocation to investments held in the model.

About the Model Manager

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Proven investment strategy

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Fat Prophets Small & Mid Cap Portfolio

Investment objective

To outperform the S&P/ASX Small Ordinaries (TR) Index over rolling 5 year periods after fees.

Investment suitability

Investors who:

- Are seeking to invest in a diversified selection of small to medium sized companies listed on the ASX.
- Accept the risk of fluctuations in the value of their investment and capital preservation is not guaranteed particularly during periods shorter than the stated minimum investment horizon.
- Understand the portfolio will be actively managed

Minimum suggested timeframe

5 years.

Benchmark

S&P/ASX 300 Small Ordinaries (TR) Index

Investment strategy and asset allocation ranges

A concentrated portfolio of predominantly small to medium-sized companies listed on the ASX.

Investment universe

Australian listed securities, Australian Real Estate Investment Trusts (A-REITs) and Property Related Securities, and Cash.

Mandate restrictions

Maximum exposure to an individual security

- Australian Listed Securities – 10%
- Australian Listed Property Securities & Australian Real Estate Investment Trusts (A-REITs) – 2%
- Cash – 25%

Management fee

0.6355% p.a.

Indirect costs

0.22% p.a. (estimate)

Transaction fees

0.072% p.a. (estimate)

Minimum investment amount

\$25,000

| Asset class | Minimum allocation (%) | Maximum allocation (%) | Long Term Target allocation (%) |
|--|------------------------|------------------------|---------------------------------|
| Australian Listed Securities | 75 | 99 | 96 |
| Australian Listed Property Securities & Australian Real Estate Investment Trusts (A-REITs) | 0 | 5 | 2 |
| Cash | 1 | 25 | 2 |
| TOTAL | | | 100 |

Distribution of income

All income from this managed portfolio is paid in cash. This means income from investments held in your managed portfolio accumulates in the form of cash and, as a result, the allocation to cash in the portfolio is increased. The income remains as cash until the Portfolio Manager alters the allocation to investments held in the model.

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