

28 September 2021

Dear Investor,

SGH20 FUND APIR: ETL0042AU MFUND: SHF01

Thank you for your investment in the SGH20 Fund.

Since 2004, SG Hiscock & Company Limited have managed this strategy through various market cycles for our clients. After careful review, SG Hiscock & Company Limited and Equity Trustees Limited as Responsible Entity are writing to notify you of some important enhancements to SGH20, including a name change.

Reasons for the enhancements

SGH launched SGH20 (Fund) in 2004. Since inception, the Fund has outperformed its benchmark, the S&P/ASX 300 Accumulation Index after fees. In recognition of the evolution and changes in the market structure, minor enhancements are being made to the Fund to enable the investment team to maximise the potential opportunity for investors going forward. The Fund will maintain a high conviction, broad cap Australian equity exposure, but will increase the maximum number of holdings from 25 to 30.

In summary, the underlying strategy remains unchanged, and we are providing the opportunity to add up to 5 additional stocks, and changing the name to reflect this.

Effective from 1 November 2021 the following enhancements are being made:

	CURRENT	EFFECTIVE 1 NOVEMBER 2021
FUND NAME	SGH20	SGH High Conviction Fund
NUMBER OF STOCKS	15 – 25	15 – 30
STOCK /SECURITY RESTRICTION	Maximum shareholding in any one company = 10% (at initial purchase)	No change
SECTOR RANGES	Equities minimum 80%	No change
BENCHMARK	S&P/ASX300 Accumulation Index	No change
TRACKING ERROR	Not targeted	No change
UNLISTED INVESTMENTS	No more than 10% of the Fund in unlisted securities and only where the securities are expected to be listed within 12 months.	The Fund will only invest in securities listed on the Australian Securities Exchange.



	CURRENT	EFFECTIVE 1 NOVEMBER 2021
GEARING	The Portfolio cannot be geared.	No change
PORTFOLIO RESTRICTION	No more than 15% of the Portfolio in one company, but 10% at time of initial purchase.	No change
NZSE RESTRICTION	No more than 10% of the Portfolio can be in stocks listed on the NZSE. No other overseas listed investments are permitted.	The Fund will only invest in securities listed on the Australian Securities Exchange.
DERIVATIVES	Investment in Derivatives is permitted for hedging or to gain exposure to certain equities, subject to any restrictions outlined in this Agreement or as otherwise instructed by the Responsible Entity.	No change - Investment in Derivatives is permitted for risk management purposes only.

Product Disclosure Statement ('PDS') and Reference Guide

An updated PDS and Reference Guide will be available on our website www.sghiscock.com.au from on or around 1 November 2021.

We thank you for your investment and continued support of the SGH High Conviction Fund.

If you have any queries, please contact your financial adviser or SG Hiscock & Company on enquiries@sghiscock.com.au or phone +61 3 9612 4600.

Yours sincerely,

Russell Beasley
Executive General Manager, CTS
Equity Trustees Limited

Stephen Hiscock
Managing Director,
SG Hiscock & Company Limited