



DCG LOW RISK BALANCED FUND  
INVESTOR PRESENTATION

## FIRM OVERVIEW

- Founded in 2011 by Daniel Chan (Institute of Banking & Finance Singapore Distinguished Fellow for Fund Management), former Chief Investment Officer and Chief Executive Officer at UOB Asset Management and Lion Global Investors, two of Singapore's largest asset management firms.
- Licensed by the Monetary Authority of Singapore.
- \$150 million in AUM.
- Practice Value Investing based on thorough fundamental research and prudent risk taking.
- Highly experienced investment team, with first-hand experience navigating through several cycles of boom and bust.

## INTRODUCING THE DCG LOW RISK BALANCED FUND

- Leveraging on its track record and experience gained from managing Asian Balanced-Mandates, DCG is launching the DCG Low Risk Balanced Fund (the Fund) to cater to a wider group of investors.
- The Fund is designed for conservative investors, including retirees and charities seeking safety of capital and returns better than bank deposits.

## DCG CAPITAL'S EXTENSIVE EXPERIENCE IN MANAGING BALANCED-MANDATES

- In addition to the firm's track record, Daniel, in his former role as CIO and CEO at UOBAM (1986-2004) and Lion Global Investors (2005-2009) supervised a broad range of similar mandates.
- In his personal capacity, Daniel served on several charities and endowments overseeing their investment activities. These include Methodist Schools Foundation, Methodist Church of Singapore and the National Council of Churches in Singapore.

## DCG LOW RISK BALANCED FUND INVESTMENT OBJECTIVES

- Capital Preservation

Ensure capital values are preserved with no permanent impairment of capital.

- Income Generation

Generate regular investment income from bonds, equities and REITs.

- Total Return Target

To achieve return of around 4.0% per annum net of all fees.

## DCG LOW RISK BALANCED FUND – INVESTMENT STRATEGY

- About two-thirds of the Fund will be invested in high quality S\$ corporate and quasi-government bonds.
- The balance will be made up mainly of high dividend yielding stocks from Singapore and other Asian markets and S-REITs

### Indicative Asset Allocation:

	Policy	Maximum	Minimum
High quality bonds	70%	85%	60%
Equities	20%	30%	0%
REITs	10%	20%	0%

## DCG LOW RISK BALANCED FUND – BENEFITS TO INVESTORS

- The Fund is designed with conservative investors in mind, including retirees and charities with low tolerance for risk but seek better returns than bank deposits.
- The Fund is expected to have a favourable risk-reward profile for conservative investors through:
  - Low risk investments; with capital preservation as the prime goal
  - Returns that are significantly better than Singapore Dollar Bank Deposits
  - Carefully controlled exposures to Fx and Equities via hard limits.

## DCG LOW RISK BALANCED FUND – FEATURES

### Income Distribution

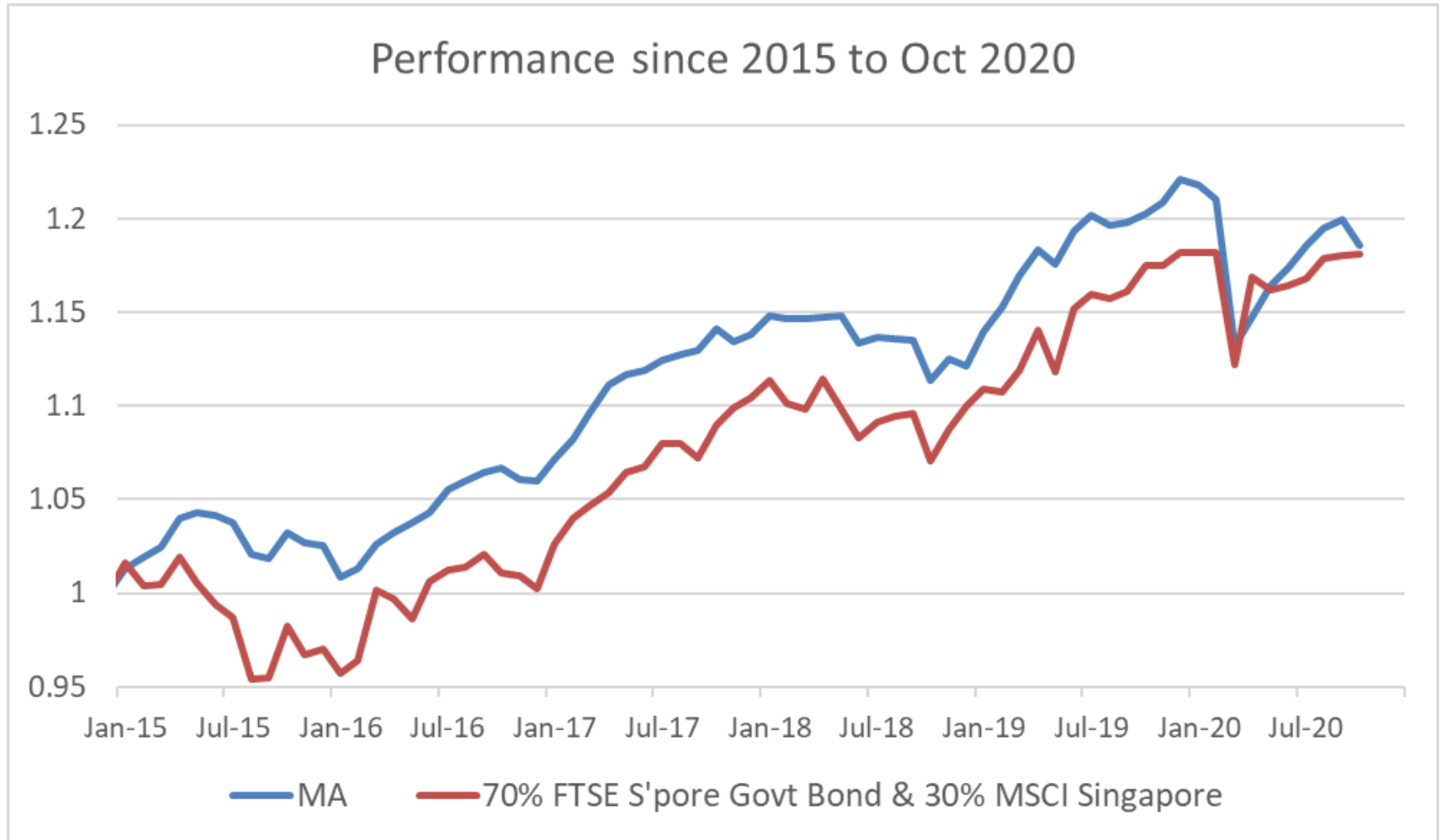
- Income will be distributed semi-annually and funded only from net realised profits and investment income (no capital drawdown).
- Investors have the option to reinvest their dividend entitlement in the Fund.



## DCG LOW RISK BALANCED FUND – FEATURES

- Legal Structure: Open-Ended, Variable Capital Company, Singapore incorporated.
- Denomination: Singapore Dollar (S\$).
- Geography: Primarily Asia ex-Japan. May include US and European equities.
- Conservatively balanced asset mix: 70% bonds, 30% equities and REITs.

# DCG'S BALANCED-MANDATE TRACK RECORD\*



\*Select DCG Balanced-Mandate Managed Accounts Composite .

## DCG BALANCED-MANDATE TRACK RECORD – PRE COVID-19 UP TO DEC 2019

	Pre – COVID (as at Dec 2019)
<b>In Singapore Dollar (S\$)</b>	<b>MA*</b>
Period	Jan 2015 – Dec 2019
Cumulative return (%)	22.1
Annualised return since inception to Dec 19 (% p.a.)	4.0
Best annual return (%)	8.9 (2019)
Worst annual return (%)	-1.5 (2018)
Standard deviation (%)	2.7
Percentage of up-months (%)	70.0
Percentage of rolling 12 mths that is positive (%)	86.7
Worst rolling 12 mths (%)	-2.4 (Oct 18)
Best rolling 12 mths (%)	8.9 (Dec 19)
Peak to trough draw-down (%)	-3.3
Maximum number of months to reach previous peak	14 mths

\*Select DCG Balanced-Mandate Managed Accounts Composite

## DCG BALANCED-MANDATE TRACK RECORD – INCLUDING COVID-19 UP TO OCT 2020

	Up to Oct 2020
<b>In Singapore Dollar (S\$)</b>	<b>MA*</b>
Period	Jan 2015 – Oct 2020
Cumulative return (%)	18.5
Annualised return since inception to Jul 20 (% p.a.)	2.9
Best annual return (%)	8.9 (2019)
Worst annual return (%)	-1.5 (2018)
Standard deviation (%)	3.9
Percentage of up-months (%)	68.6
Percentage of rolling 12 mths that is positive (%)	78.6
Worst rolling 12 mths (%)	-3.2 (Mar 20)
Best rolling 12 mths (%)	8.9 (Dec 19)
Peak to trough draw-down (%)	-7.3
Maximum number of months to reach previous peak	14 mths

\*Select DCG Balanced-Mandate Managed Accounts Composite .

## DCG BALANCED-MANDATE TRACK RECORD

Calendar Year Return (%)	MA*
Period	Jan 2015-Oct 2020
CY2015	2.6
CY2016	3.4
CY2017	7.3
CY2018	-1.5
CY2019	8.9
CY2020 Oct YTD	-2.9
Impact of Covid19 Jan –Mar 2020	-7.3

\*Select DCG Balanced-Mandate Managed Accounts Composite.

# DCG LOW RISK BALANCED FUND – TERM SHEET

## Fund Information

- Investor base: Accredited Investors
- Fund Type: Balanced
- Legal Structure: Open-Ended Variable Capital Company, Singapore incorporated
- Benchmark 1-year bank deposit rate (average of rates from DBS, OCBC and UOB) plus 2%.
- Class A: Minimum initial investment S\$200,000/-
  - Minimum subsequent Investment S\$10,000/-
- Class I: Minimum initial investment: S\$1,000,000/-
  - Minimum subsequent investment: S\$100,000/-
- Subscription Frequency: Monthly
- Redemption Frequency: Monthly with 30 days' notice
- Early Redemption Fee: 2% in first year and 1% in second year
- Distribution Frequency: Semi-annual payment of dividends with option to reinvest
- Class A Management Fee: 0.65% p.a.
- Class I Management Fee: 0.45% p.a.
- ISIN code: SGXZ44602464
  
- Investment Manager: DCG Capital Pte Ltd
- Fund Administrator: Portcullis Fund Administration (S)
- Custodian: iFast Financial Pte Ltd
- Auditor: RSM Chio Lim
- Lawyer: Chan & Goh LLP

## CLASS A AND CLASS I SHARES

	<b>Class A</b>	<b>Class I</b>
Min initial investment	\$200,000	\$1,000,000
Min subsequent investment	\$10,000	\$100,000
Management Fee	0.65%	0.45%

## INVESTMENT TEAM

### Daniel Chan

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Daniel has over 40 years of investment management experience having served as Chief Investment Officer at UOB Asset Management and Lion Global Investors, two of Singapore's largest asset management firms. From 1986 to 2004, Daniel was the Managing Director and Chief Investment Officer at UOBAM where he played a key role in establishing UOBAM as one of Singapore's leading investment management firms. At the time of his departure, UOBAM was managing over \$20 billion of assets and was Singapore's most awarded fund manager.

After leaving UOBAM, Daniel was appointed Chief Executive Officer at Straits Lion Asset Management (SLAM) to establish the new asset management arm of the OCBC group through the merger of SLAM and OCBC Asset Management. The merger resulted in the creation of Lion Capital Management (subsequently renamed Lion Global Investors in 2008) which Daniel ran as CEO until his departure in November 2010 and as CIO until October 2009.

Daniel holds a Bachelor of Business Administration Degree from the National University of Singapore.

Daniel has served on various Investment Committees in Singapore including the Nanyang Technological University (2004 to 2013), People's Association (2005 to 2012), the Methodist Church of Singapore (as Chairman, 2005 to 2012) and the Methodist Schools Foundation (as Chairman, 2005 to 2013). He is currently serving as Chairman of the Investment committee for the National Council of Churches of Singapore and Singapore Bible College.

From 2000 to 2004, Daniel was the Chairman of the Investment Management Association of Singapore. In 2009, the Institute of Banking and Finance conferred on Daniel the "Distinguished Financial Industry Certified Professional" award.



## INVESTMENT TEAM

### Milton Lim

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Milton joined DCG Capital as Senior Research Director in 2020 to lead the firm's Greater China research in Hong Kong. He has been in the finance / investment industry for over two decades.

From 2008 to 2019, he was a Managing Director of Lockheed Martin Investment Management Company, the award-winning multi-billion pension fund of the eponymous manufacturer. He led a coterie of fundamentals-driven professionals to build the Asia office from scratch, overseeing investments in this region. This included not only formulating the investment strategies, but also managing the in-house funds and seeking outstanding money managers in Asia.

Milton also set up, in Hong Kong, the Greater China investment office for Dow Chemical's US pension (from 2005 to 2008), managing an equity portfolio and finding fund managers that shared the Benjamin Graham / Warren Buffett philosophy of investing. Milton's prior experience to this included being part of a group that built the Equity Research team in JPMorgan into an industry-acclaimed team for both sector (Regional Utility) and country (HK / China), as well as a stint as a commercial banker in Citicorp.

Milton holds an MBA with Honors from The Wharton School (University of Pennsylvania), majoring in Finance and Banking – and tutoring its International Finance course during the time. He also has a Masters in Journalism from the Hong Kong University and a Bachelor's in Computer Science and Information System (with 2nd Upper Honors and a thesis on parallel computing) from the National University of Singapore, as well as an accounting diploma from ACCA.

## INVESTMENT TEAM

### Ming-Wai Choi

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Ming-Wai joined DCG Capital as Research Director in 2020 to build the Greater China research office in Hong Kong. She has more than 10 years of experience in Asian Equities.

Ming-Wai began her investment career in 2007 as a research analyst in Munich with Aequitas GmbH, an investment arm of Allianz SE focusing on European large market capitalization stocks.

From 2008 to 2019, she was Senior Investment Analyst and then Portfolio Manager of Lockheed Martin Investment Management Company, the multi-billion pension fund of the eponymous manufacturer. She not only helped build the regional office from scratch but also contributed to the fund winning the industry-acclaimed Institutional Investor award in 2009 and 2015. Her roles included co-managing the in-house equity funds (including China & Japan), co-leading research projects with the HQ, and identifying outstanding fund managers in this region.

Ming-Wai holds a Bachelor of Commerce (Accounting and Finance) from the University of Queensland, Australia, as well as a Master of International Relations from the University of Hong Kong. She has also taken courses in Quantitative Finance, as well as a program in Machine Learning from the Massachusetts Institute of Technology.

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