

HOLON PHOTON FUND: FOCUSED ON INNOVATION AND DISRUPTION IN GLOBAL LISTED MARKETS

Accelerating innovation and globalisation trends as we move into the digital age are disrupting markets globally. The Holon Photon Fund (**the Fund**) aims to capture large scale opportunities in public markets by investing in the leaders, enablers and beneficiaries of transformative innovation of today, tomorrow and the future.

Holon believes public markets are underestimating global innovation because of short-term focus on results, coupled with moves to passive investing. In particular, we believe that global digitalisation is seeing business models evolve from 'local & linear' to 'global & exponential' in nature. As a result, understanding technology cost curves and global convergence factors presents difficulties for traditional public market analysts that are generally organised by sector, geography and or market caps. We believe innovative public companies with forward looking growth are the most inefficiently priced part of global listed markets.

WHY INVEST IN THE HOLON PHOTON FUND?

- Exposure to global innovation and disruption:** Holon believes listed markets are underestimating the impact of global innovation.
- Reduce concentration risk in Australian share portfolios:** Domestic portfolios are heavily skewed towards banks, resources and the Australian dollar while underweight global innovation and disruption.
- Diversification benefits:** Offers a tool for diversification because of minimal overlap with traditional index-based strategies and can be a complement to traditional value/growth strategies.
- Growth potential:** Aims to capture long-term alpha+ with low correlation of relative returns to traditional growth strategies and negative correlation to value strategies.
- Grounded in fundamentals:** Focused and detailed bottom-up research in its portfolio management to identify innovative companies and convergence across markets.
- Investor aligned wealth management:** Holon's investment team are invested in their strategies and control the investment manager.

INVESTMENT APPROACH

Holon employs a probability-based, implied investment process. Deep, fundamental research is conducted on each business that is considered for the portfolio. Each business is valued by discounting the expected future cash flows that is assessed against qualitative factors. Final portfolio allocations are a function of the probability of achieving the return objective. Importantly, certainty is prioritised over high rates of return. Meaning, for any given level of return, higher portfolio weightings will be a result from outcomes that are judged to be more certain.

FUND RETURN OBJECTIVE

The Fund's investment objective is to outperform major global equity indices, in particular the MSCI AC World Net Index in Australian dollars (Benchmark), over rolling seven-year periods (after fees and expenses but before taxes) by focusing on shares listed on the ASX and other global exchanges benefiting primarily from technological innovation.

¹ The fund at inception will hold a minimum of 10 stocks, with additional stocks to be added within the first four months.

FUND DETAILS

Inception Date	1 July 2019
APIR Code	OMF8040AU
Product Type	Registered Managed Investment Scheme domiciled in Australia
Responsible Entity	One Managed Investment Funds Limited
Investment Universe	Listed Global Equities
Benchmark	MSCI World All Countries (net)
No. of Investments	10-30 stocks ¹
Maximum Stock Position	10%
Minimum Cash	1%
Maximum Cash	25% ²
Suggested Time Frame	7 years
Minimum Investment	\$5,000
Liquidity & Pricing	Daily
Annual Management Fee	1.35% (incl. GST)
Performance Related Fee	15% in excess of the hurdle return with a high watermark payable six monthly as at 30 June and 31 December each year
Distributions	Annual

PORTFOLIO MANAGER



Heath Behncke is the Portfolio Manager and Managing Director of Holon Global Investments founded on 1 July 2018. He has over 20 years equity market experience, the majority of which was with boutique investment managers (Azimut/Sigma, Credit Suisse, Magellan, Perennial and AMP). Heath was investing in local technology companies (e.g., MYOB, IRESS, etc.) early in his

investment career and, as an actuary, also has a deep understanding of the structure of the financial services industry and markets. He also holds investments in unlisted asset managers.

Heath is passionate about promoting positive social change and giving back to the community. As a former ANU Alumni, he sits on the ANU Student Managed Fund investment committee. He established and Chairs the investment committee for the Magpies & Killer Whales Endowment Fund for his Water Polo club in which he has had a long association. Heath is also a former Australian Institute of Sport Scholarship holder and Australian Water Polo player.

² The fund has four months to be invested to the maximum cash limit of 25%.

LISTED COMPANY CHARACTERISTICS

Investee companies will typically hold the following attributes:

1. A global opportunity set;
2. A quality company in an attractive industry;
3. Run by competent & capable people with integrity;
4. Within our circle of competence; and
5. Available at a price we consider is reasonable.

There will also be a preference for companies with conservative financial settings. While the Fund can invest in any industry or industry segment, the primary focus will be within the consumer, financials, technology and transport sectors of the economy. The above criteria provide a broad, diversified portfolio of businesses from a fundamental perspective. The Fund will be aware of concentration and correlation risks, with the central focus being on minimising the risk of permanent loss of capital. Exposure to currencies will be monitored on a look through basis but the Fund will be managed on an unhedged basis.

FUNDS TARGET HOLDINGS – 1 Jul 2019 – 31 Oct 2019³



PORTFOLIO CHARACTERISTICS

Target weights: 1 July 2019 – 31 October 2019

Security	Weight
1 Xero	9.0%
2 Alibaba	8.8%
3 Google	8.5%
4 Visa	7.5%
5 Amazon	7.5%
6 Intuit	5.0%
7 MasterCard	5.0%
8 Tencent	5.0%
9 Apple	5.0%
10 Seek	2.5%
Cash ⁴	36.3%

³ Based on Holon's model portfolio at 25 June 2019. The fund has four months to reach the targeted portfolio by number and weight.

Innovation Exposure	
Digital Media & Entertainment	10.9%
E-commerce	8.6%
Payments	14.3%
Cloud Computing	6.2%
Software Services	14.5%
Recruitment & Education	2.5%
Hardware	4.0%
Other	2.8%

GICS Sector Weights	
Information Technology	31.5%
Communication Services	13.5%
Consumer Discretionary	16.3%
Industrials	2.5%

Country Exposure	
Australia (includes cash)	48.2%
United States	20.1%
Europe	7.1%
United Kingdom	11.4%
China	6.1%
Other	7.0%

Market Capitalisation (USD)	
Mega (>\$100bn)	47.3%
Large Cap (\$50-100bn)	5.0%
Mid Cap (\$2-50bn)	11.5%
Small Cap (<\$2bn)	0.0%
Weighted Average Market Cap	\$289bn
Median Market Cap	\$403bn

ABOUT HOLON

Holon is a global equities manager focussed on innovation and investor aligned wealth management. Established in 2018, Holon brings together a team of experienced investment and business professionals and is committed to growing the wealth of Australians through intelligent and responsible investing.

Disclaimer: The responsible entity for the Holon Photon Fund (ARSN 633 803 497) is One Managed Investment Funds Limited (ACN 117 400 987) (AFSL 297042) (OMIFL). The investment manager for the Holon Photon Fund is Holon Global Asset Management Pty Ltd (ACN 629 590 585) (Holon) that is a wholly owned subsidiary of Holon Global Investments Limited (ACN 129 237 592). Holon is an Australian Financial Services Representative (No. 1276082) of Atlas Funds Management Pty Ltd (ACN 612 499 528) which holds an Australian Financial Services Licence (No. 491395). The information contained in this document was not prepared by OMIFL but prepared by other parties. All of the commentary, statements of opinion and recommendations contain only general advice and have not taken into account your personal circumstances. This document contains general financial product advice only. Any investment in OMIFL products need to be made in accordance with and after reading the Product Disclosure Statement (PDS) and Additional Information Booklet (AIB), and investors should consider the PDS before deciding whether to invest in the Fund or continue to hold units in the Fund. The opinions, advice, recommendations and other information contained in this document, whether expressed or implied, are published or made by Holon in good faith in relation to the facts known at the time of preparation. You should also consult a licensed financial adviser before making an investment decision in relation to the Fund. Past performance is not indicative of future performance. The PDS and AIB can be obtained by visiting www.oneinvestment.com.au/photofund. **Limitation of liability:** Whilst all care has been taken in preparation of this document, to the maximum extent permitted by law, neither Holon or OMIFL will be liable in any way for any loss or damage suffered by you through use or reliance on this information. Holon and OMIFL's liability for negligence, breach of contract or contravention of any law, which cannot be lawfully excluded, is limited, at Holon's option and to the maximum extent permitted by law, to resupplying this information or any part of it to you, or to paying for the resupply of this information or any part of it to you.

⁴ The fund has four months to be invested to the maximum cash limit of 25%.