

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 share portfolios:** Domestic portfolios are heavily skewed towards banks and resources 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 (Benchmark), by focusing on shares listed on global exchanges benefiting primarily from technological innovation.

FUND DETAILS

Inception Date	7 October 2020
Shares Class / ISIN	Class A Shares: Class A - USD Shares MT7000028288 Class A - EUR Shares MT7000028270 Class A - CHF Shares MT7000028296 Class I Shares: Class I - USD Shares MT7000028312 Class I - EUR Shares MT7000028304 Class I - CHF Shares MT7000028320
Product Type	Open-end, SICAV / Malta
Responsible Entity	Astrada Financial SICAV Plc.
Investment Universe	Listed Global Equities
Benchmark	MSCI AC World Net Index
No. of Investments	10-30 stocks
Maximum Stock Position	10%
Custodian	Zarattini International Ltd
Auditors	Deloitte Audit Limited
Administrator & Transfer Agent	Amicorp Fund Services Malta Limited
Minimum Investment	Class I Shares: \$1,000,000 (EUR) or equivalent Class A Shares: \$ 100,000 (EUR) or equivalent
Liquidity & Pricing	Weekly
Annual Management Fee	Class I Shares: 1% Class A Shares: 2%
Performance Related Fee	A Performance Fee shall be payable in the amount of up to 20% of the net return in excess of the High Water Mark, including the Hurdle Rate and an additional fee of up to 10% if such outperformance exceeds 400 basis points over the High Water Mark including the Hurdle Rate.
Hurdle rate	8% per annum
Subscriptions	Weekly
Redemptions	Monthly

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. Heath is also a former Australian Institute of Sport Scholarship holder and Australian Water Polo player.

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.

TOP FUNDS HOLDINGS (as at 30 September 2020)



PORTFOLIO STRATEGY (as at 30 September 2020)*

Top Holdings	Weight
Alibaba	9.3%
Tesla	8.3%
Roku	7.8%
Xero	7.8%
Amazon	7.3%
Tencent	7.1%
Google	5.2%
Afterpay	4.8%
Visa	4.6%
Bilibili	3.9%

*Note: These weights are based on the current composition of the Holon Photon Fund (Australia), which strategy will be replicated by Holon Photon Fund (Malta).

Innovation Exposure	Weight
Payments	14.1%
Software Services	12.9%
Cloud Computing	11.9%
Entertainment	11.7%
Advertising	10.5%
E-commerce	9.8%
Energy	5.4%
Hardware	3.6%

GICS Sector Weights	Weight
Consumer Discretionary	29.3%
Information Technology	27.6%
Communication	24.0%
Financials	0.9%

Country Weightings	Weight
United States	28.2%
China	25.4%
Europe	8.7%
Australia	7.5%
United Kingdom	4.7%
Other	7.3%

PORTFOLIO CHARACTERISTICS (as at 30 September 2020)

Weighted Average Market Capitalisation	US\$277bn
Current (12mth) Operating Cash Flow Yield	3.4%
Forecast growth p.a. (3-5 years) in Operating Cash-Flow	10-15%
Net cash as a % of Market Capitalisation	5.9%
Percentage of Fund in the Top 10 Holdings	70.0%
Number of Positions	16
Cash Weightings	12.6%

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 investors through intelligent and responsible investing.