

THYMOS GLOBAL EQUITIES LONG ONLY FUND INFORMATION MEMORANDUM

1 JULY 2021

MANAGER

Thymos Funds Management Pty Ltd
ACN 649 612 788

TRUSTEE

One Fund Services Limited
ACN 615 523 003
AFSL 493421

THYMOS
CAPITAL

CONTENTS

Important Notice	3
Summary	5
Key features	5
Who Can Apply For Units	8
Enquiries	8
About Thymos	9
Overview of Thymos	9
Investment Team	9
Investment Process	10
Objective	10
Philosophy	10
Process	10
Fund Details	14
Fees and Expenses	15
Risks	17
About the Trustee	21
Taxation Information	22
Additional information	23
How to invest	26
Glossary and Interpretation	27
Defined Terms	27
Governing Law	27
Directory	29

IMPORTANT NOTICE

This Information Memorandum (**IM**) is an important document and you are encouraged to read it carefully.

This Information Memorandum is issued by One Fund Services Limited ABN 56 615 523 003 AFS Licence number 493421 (**Trustee, we, us**) as the trustee of the Thymos Global Equities Long Only Fund (the **Fund**). The purpose of this IM is to provide information for prospective investors to decide whether they wish to invest in the Fund (**Recipient**). It is not to be reproduced or distributed to any person without the Trustee's prior written consent. The Trustee has appointed Thymos Funds Management Pty Ltd ACN 649 612 788 (**Manager or Thymos**) as the investment manager and promoter of the Fund. The Manager is an authorised representative (authorised representative number 1289092) of One Wholesale Fund Services Ltd (ACN 159 624 585, AFS Licence number 426503).

The Fund is an unregistered managed investment scheme pursuant to section 601ED (2) of the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Trustee reserves the right to change the terms and conditions in this Information Memorandum without notice.

NO DISCLOSURE REQUIRED

This Information Memorandum does not constitute a product disclosure statement, prospectus or other disclosure document required by the Corporations Act. This Information Memorandum has not been lodged with ASIC or any other government body.

The Offer made under this Information Memorandum is only available to persons who qualify as a wholesale client (as defined in section 761G (7) of the Corporations Act) (**wholesale client**). The Trustee will not issue Units to a person unless it is satisfied that the person is a wholesale client.

FOREIGN JURISDICTION

This Information Memorandum does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction other than Australia or in circumstances in which such offer or solicitation is not authorised. No Recipient of this Information Memorandum in any jurisdiction other than Australia may treat it as constituting an offer to acquire Units.

INDEPENDENT ADVICE REQUIRED

The information contained in this Information Memorandum is general information only.

In preparing this Information Memorandum, neither the Trustee, nor Manager has taken into account the investment objectives, financial situation and particular needs of any particular person, and prospective investors must not construe the contents of this Information Memorandum as tax, legal or financial product advice.

Before making any decision to invest in the Fund, prospective investors should:

- **seek and rely on their own professional advice, in particular by obtaining appropriate tax, legal, financial and investment advice in light of their own objectives, financial situation and circumstances; and**
- **conduct their own independent investigation and analysis regarding any information contained in this Information Memorandum in particular in relation to the risks that apply to an investment in the Fund is set out in the Section - Risks.**

NO RESPONSIBILITY FOR CONTENTS OF DOCUMENTS

To the maximum extent permitted by law, neither the Trustee nor the Manager, nor any of their associates, related parties, directors, officers, employees, advisors (including financial, accounting and legal advisors) or representatives make any recommendation in relation to the Fund, or make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this Information Memorandum.

This Information Memorandum must be read in conjunction with the Fund's Constitution.

FORWARD LOOKING STATEMENTS AND PAST PERFORMANCE

This Information Memorandum includes forward-looking statements that may contain the words "believe", "intend", "estimate", "expect" and words of similar meaning, including, without limitation, those regarding the Fund's financial position and business or investment strategy, plans and objectives.

Any forward-looking statements are based on numerous assumptions regarding the Fund's operations and present and future business and investment strategies and the markets in which the Fund will operate in the future. These forward-looking statements are made on the date of this Information Memorandum and involve known and unknown risks. Accordingly, there can be no assurance that such statements, estimates or projections will be realised.

This Information Memorandum includes past performance information. Past performance information is given for illustrative purpose only and should not be relied upon as (and is not) an indication of future performance.

NO REPRESENTATIONS OTHER THAN IN THIS IM

Prospective investors should rely only on information in this Information Memorandum. No person is authorised to provide any information or to make any representation in connection the Offer that is not contained in this Information Memorandum. Any information or representation not contained in this Information Memorandum may not be relied upon as having been authorised by the Trustee.

NO GUARANTEE

An investment in the Fund is subject to investment risk, including the loss of income and capital invested. Neither the Trustee nor the Manger, nor any of their directors, officers, employees, advisors or representatives guarantee the rate of return or performance of the Fund, the meeting of the objectives of the Fund, nor do they guarantee the repayment of committed capital, which may be significantly delayed.

CURRENCY

All dollar amounts in this Information Memorandum are quoted in Australian dollars, unless otherwise stated.

SUMMARY

KEY FEATURES

Fund	Thymos Global Equities Long Only Fund
Trustee & Custodian	One Fund Services Limited ACN 615 523 003
Manager	Thymos Funds Management Pty Ltd ACN 649 612 788
Administrator	Unity Fund Services Pty Ltd ACN 146 747 122
Registrar	One Registry Services Pty Ltd ACN 141 757 360
Objective	To give investors exposure to securities traded on exchanges in developed markets and generate above Benchmark returns after fees.
Strategy	The Fund combines bottom-up stock specific data with top-down macro data to construct a diversified portfolio of securities from global developed markets.
Benchmark	MSCI World Index in Australian dollars.
Portfolio Construction	<p>The Portfolio Construction is usually diversified as follows:</p> <ul style="list-style-type: none">• investments typically across all three regions, namely Americas, Europe and Asia Pacific• investments across industry sectors: Energy, Materials, Industrials, Consumer Discretionary, Consumer Staples, Health Care, Financials, Technology, Real Estate, Communication Services and Utilities• investments across mega, large, mid and small size companies <p>The Fund will usually be fully invested but may from time to time have an exposure to cash and cash equivalents due to cashflow requirements.</p>

SUMMARY

KEY FEATURES

Foreign currency management	The Fund's exposure to international securities will not be hedged back to Australian dollars. This means that the value of an investment in the Fund may also change because of movements in exchange rates (and not just as a result of changes in asset prices).
Investment Horizon	3 years
Investor Eligibility	Wholesale client investors only (as defined in section 761G(7) of the Corporations Act)
Minimum investment	\$100,000 Trustee has discretion to accept other amounts
Minimum additional investment or redemption	\$25,000 Trustee has discretion to accept other amounts
Applications	Applications are processed on the last business day of each month.
Redemptions	Redemptions are processed on the last business day of each month.
Buy/Sell spread	Buy/Sell spread A "buy/sell spread" is charged on applications and redemptions of 0.25%, which is the trustee's estimate of the cost of acquiring or selling assets of the Fund to issue or Redeem Units in the Fund.
Management fee	1% of the Net Asset Value (NAV) of the Fund per annum plus GST.
Expenses	Up to 0.3% of NAV per annum plus GST, for approved expenses

SUMMARY

KEY FEATURES

Performance fee	15% of the Fund's performance over the Benchmark after Management fee and expenses per annum plus GST.
Distributions	Annually as at 30 June, unless otherwise determined by the Trustee. Distributions will be automatically reinvested unless instructed otherwise. If you would like to receive distributions in cash, please make this selection on the application form. You can change your preference at any time by advising us in writing.
Benefits of investing	Key benefits associated with investing in the Fund include (without limitation): <ul style="list-style-type: none">• access to an actively managed portfolio of international securities• exposure to key international developed markets• exposure to a range of industries (some of which may not be available domestically)• potential to earn returns that are higher than the Fund's Benchmark over the suggested time frame
Risks	Key risks associated with investing in the Fund include (without limitation) investment strategy risk, model risk and operational risk. Please see Risk section for more details on risks relevant to the Fund and your investment in the Fund. Investors should carefully read the risk section in this Information Memorandum prior to investing and obtain professional advice in respect of their decision to invest.

WHO CAN APPLY FOR UNITS

Who can participate in the Offer?	Wholesale client investors who have a registered address in Australia.
Can superannuation funds invest?	Yes, provided the trustee for the fund is a wholesale client and subject to the investment mandate of the particular fund and the trustee's general powers and duties.
Is there a minimum subscription amount for each Application?	Yes, each Applicant must subscribe for a minimum of \$100,000.
Is there a cooling off period?	No

This Information Memorandum should be read in full before making any decisions to apply for Units.

ENQUIRIES

Investors with questions relating to the Offer or who require additional copies of the Information Memorandum should contact the Fund, on (02) 8188 1510 or via email to the Registrar at info@oneregistryservices.com.au

ABOUT THYMOS

OVERVIEW OF THYMOS

Thymos is an active asset manager which uses a dynamic investment process based on fundamental data and research philosophy.

Thymos was established in 2021. The investment team has worked together for over 10 years and builds investment portfolios through blending the macroeconomic modelling with quantitative bottom-up company analysis. Through a dynamic process, Thymos aims to always be in the right investments at the right time to deliver above benchmark returns after fees.

INVESTMENT TEAM

Thymos is a boutique Australian fund manager founded by Adnan Kucukalic and Nick Selvaratnam and majority owned by the founders. Adnan and Nick worked together at Credit Suisse during the late 90s and have worked closely since 2005.

Together, the team has built a structured investment process based on our shared investment philosophy, implemented through a series of evolving investment models.

Adnan Kucukalic

Adnan has over 20 years of experience in investment markets. Adnan is the Chief Investment Officer (CIO) and co-founder of Thymos. Adnan is also one of the founding partners of MST Financials an Australian boutique financial firm. Adnan was a Head of Research and co-Head of Equities at Credit Suisse. He was also the chief investment strategist and the quantitative analyst prior to that. In 2005, Adnan has worked at Allianz Funds Management as a quantitative analyst macro strategist and Australian real estate investment trust (AREIT) portfolio manager.

Adnan holds a Bachelor's degree in Telecommunications and IT from University of Zagreb (1989) and graduate diploma in Applied Finance and Investment from FINSIA (2002).

Nick Selvaratnam

Nick has over 30 years of experience in investment markets and is the Chief Executive Office (CEO), co-founder and co-portfolio manager (Co-PM) of Thymos. Prior to founding Thymos, Nick was the co-founder, co-PM (till March 2018) and Business Development Director (till October 2018) of Dalton Street Capital, a boutique Asia Pacific fund manager. Nick spent years in research where he was a top-ranked analyst at Credit Suisse, Goldman Sachs and Barclays de Zoete Wedd. He later held senior roles as Head of Research with both Credit Suisse and Goldman Sachs. He was also Managing Director and Head of Equities at Credit Suisse.

Nick is a Chartered Accountant (Australia and England & Wales) and holds a Bachelor of Science degree with honours in Engineering from University of London, King's College.

OTHER PROFESSIONALS AND CONSULTANTS

The Manager may utilise a range of other professionals and consultants from time to time for investment research, strategic advice or to otherwise discharge its obligations as the Manager of the Fund.

INVESTMENT PROCESS

OBJECTIVE

The objective of the Fund is to give investors broad exposure to global equities in developed markets and to generate above-Benchmark returns after fees.

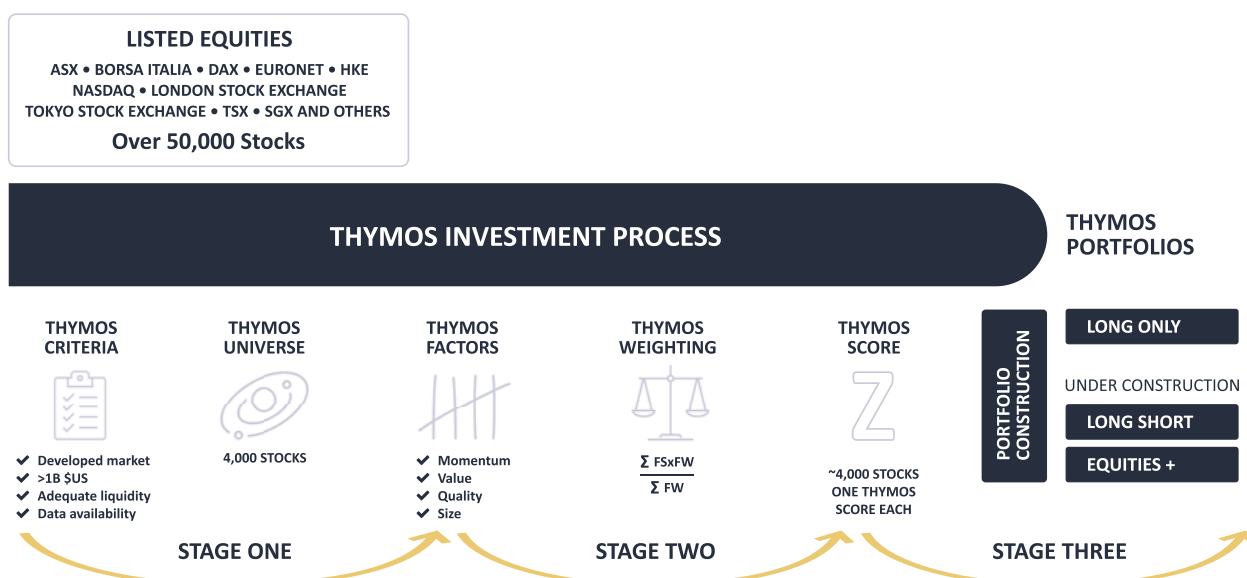
PHILOSOPHY

Thymos believes that an unhedged diversified portfolio of global equities will deliver strong returns and diversification benefits to investors.

We believe that a static investment process with constant bias to value, growth and other themes, is prone to excessive volatility and prolonged periods of sub optimal returns. Thymos runs a dynamic investment process, shifting between investment styles and themes based on valuation and macro environment dynamics as explained below.

PROCESS

The Thymos process consists of 3 stages. First, we select the universe of securities and score these securities based on stock specific data. Next, we run macro models that determine how we blend the stock scores. Lastly, from the scored universe we construct a portfolio by applying risk parameters. Portfolio review and oversight occurs to ensure that the models and the data driving them, are performing as designed.



UNIVERSE AND SCORING

There are well over 50,000 listed securities in the world. From that list, we select securities from global developed markets based on size (usually by market capitalisation), liquidity and data quality criteria. We end up with our Investible Universe of around 4,000 securities.

We then clean the data to ensure quality and calculate our proprietary scores for momentum, value, quality, and size factors. While much of the data we use is generally available, our scores are calculated in a way that they best capture characteristics we think work with our macro models.

Factors are in essence a stock's basic descriptors or characteristics. For example, a stock with a low PE and high Dividend Yield is seen as a "value" stock and has a high value factor score. The stock with strong share price performance and earnings upgrades is described as a "momentum" stock and scores high on momentum factor. The quality factor is based on growth and return metrics including return on equity, consistency of earnings and earnings growth. We use market capitalisation of a stock to determine its size factor. The momentum, value, quality and size factors use key data metrics, usually based on earnings, dividends, return on investment, growth and capitalisation.

Ordinarily a value investor would focus on the value score, a growth fund would focus on a mix of momentum and quality, a quantitative investor may blend momentum and value. Most funds have a static exposure to factors that capture their investment philosophy.

Thymos on the other hand, runs macro models to come up with its strategic blend of factors for the current macro environment.

In carrying out its investment strategy and implementing its macro models, there are certain activities that the Manager does not undertake, in particular:

- the Manager does not conduct on site visits for a company whose securities it may acquire for the Fund;
- the Manager does not carry out fundamental research on a company whose securities it may acquire for the Fund, for example it does not meet with management or directors;
- the Manager will not implement a cash safe position, but instead will aim to have a position of the Fund being fully invested (that is to hold only securities) for the Fund; and
- the Manager does not engage in any activist investment activities (political or otherwise).

MACRO MODELS AND FACTOR BLENDING


Thymos' macro models utilise a measure of what investors generally accept to be true.

The models gather data (such as data for returns, volatility, Gross Domestic Product (GDP) growth, money supply, interest rates) and process it (detrending, smoothing, combining) for the purpose of generating an output such as leading indicator of excess liquidity.

For example, if there is too much money chasing too few goods and services, we would expect to see either consumer price inflation, asset price inflation or future growth. These developments tend to disproportionately benefit investment styles with more leverage to the cycle such as value and small caps. Another scenario is when the world becomes full of uncertainty because of financial, policy or geopolitical shocks. High uncertainty tends to signal a turning point in the cycle, which often wrong-foots trend-following strategies like momentum.

By taking the current macro valuation and outlook indicators, we use a different blend of value, quality, growth and size each time. Since our macro models are driven by the data captured, our blend changes with the speed and magnitude of the macro environment.

Here is a simplified example of our leading indicator model, based on excess liquidity. Excess liquidity is measured by way of money supply relative to the size of the economy. If money supply is growing more quickly (slowly) than economic activity, we would expect future activity growth to pick up (slow). The way we use the leading indicator in our factor blending and timing, is to say that if the



expansion phase is expected to continue based on the degree of excess liquidity in the system, we can afford to put our trust in value and momentum factors. After all, momentum is a trend-following strategy that works best when yesterday's pattern of growth is likely to be repeated tomorrow. And value is an anchoring strategy that presumes earnings, dividends and book values anchor prices rather than the other way around. In an expansion phase, this is a safe assumption - but in a contraction phase, there is deleveraging pressure that can cause asset prices to drive fundamentals. If indeed liquidity becomes insufficient to support even today's pace of economic growth, we have a contrarian and bearish signal which favours quality.

PORTFOLIO CONSTRUCTION

We start with our Investible Universe of around 4000 securities, each with a single score based on value, momentum, quality and size factors, blended based on our macro models. We further restrict our Investible Universe by discarding the smallest 5% of companies and as a result increase the liquidity of the portfolio.

We then construct a portfolio with usually 250-350 securities. We usually limit stock active weights (portfolio vs. benchmark weight) to 2% but may temporarily exceed that limit due to market movement or trading opportunities. We control the turnover to prevent excessive trading by the Fund for small gains in scores.

The resulting portfolio is diversified across sectors and regions, predominantly exposed to large global securities and factors we believe will do well in the macro economic environment we find ourselves in. The portfolio construction information on page 5 provides an overview of the diversification approach for the Fund.

The Fund does not generally aim to hold cash except at the times of securities trading, inflows and outflows, which are temporary in nature.

We do not ordinarily use derivatives. But we may do that on occasion to mitigate the cash drag caused by fund inflows or outflows. If we have a strong conviction that there is a significant risk of market pullback based on our macro models, we may use derivatives to protect the Fund assets.

Given the nature of the fund, there is no consideration given to ESG (Environmental, Social and Governance) issues.

LEVERAGE POLICY


The Trustee is permitted to borrow on behalf of the Fund.

The Trustee does not intend to use borrowings or any other form of leverage to increase the scale of the Portfolio.

If the Trustee were to use borrowings or another form of leverage the value of the Portfolio may be extended by the leverage. Investors should note that any borrowings or other leverage by the Fund will remain repayable by the Fund regardless of the performance of the Portfolio.

VALUATION POLICY

The Portfolio's NAV will be calculated at least monthly using a framework for the valuation of financial instruments that is in accordance with the Fund Constitution and consistent with current industry practice.



The assets of the Fund will be valued using market accepted practices to accurately and independently price all securities and other assets within the Portfolio from time to time. The value of the Portfolio shall be determined by aggregating the value of each investment forming part of or comprised in the Portfolio and each investment shall be valued in accordance with the following methodology:

- cash (including income) – the amount of such cash (in Australian dollars);
- securities listed or traded on a financial market – the market value of the security;
- other investments – the value of that investment determined in accordance with Australian Accounting Standards.

The Trustee may request that the value of an investment be determined by a duly qualified valuer independent of the Trustee, having regard to the particular type or types of investment which are the subject of the valuation.

CUSTODIAN

The assets of the Fund will be held by the Trustee.

The Trustee may also determine that a third-party custodian holds the assets of the Fund.

RISK MANAGEMENT PHILOSOPHY AND APPROACH

The Manager, on behalf of the Trustee, will be primarily responsible for implementing and managing the investment strategy. The Trustee considers investment risk to be the risk of permanent loss of capital. The Manager's policies and controls are designed to be robust and relevant to the Fund's investment objectives and strategy.

The Manager will maintain appropriate portfolio risk controls to monitor a variety of risk factors.

CHANGES TO INVESTMENT STRATEGY

The investment strategy will be implemented by the Manager, on behalf of the Trustee, upon the launch of the Fund.

While no material changes to the investment strategy are presently contemplated, if there are changes, the Manager, with the consent of the Trustee, may make changes to the investment strategy. The Trustee will notify Unitholders of any material changes to the Fund's investment strategy.

FUND DETAILS

UNIT VALUE AND APPLICATION PRICE

For the purposes of applications and redemptions, the Unit value is calculated monthly as at the last day of the calendar month. Pursuant to the Constitution, the application price for a Unit is the NAV of the Fund plus the Buy/Sell spread divided by the number of Units on issue. The Constitution allows the Trustee to adjust the Unit price to take account of the costs of buying and selling assets to meet application and redemptions requests. This is referred to as the Buy/Sell spread. The Trustee has determined to apply a Buy spread of +0.25% to all applications and a Sell spread of -0.25% to all redemptions in order to spread these costs fairly between Unitholders. The application price is adjusted up, and the redemption price is adjusted down, to reflect the Buy/Sell spread.

REDEMPTIONS AND REDEMPTION PRICE

Unitholders wishing to redeem all or part of their Units should complete and send the Redemption Request Form to the Registrar at least 3 Business Days prior to the end of the month. Redemption proceeds are generally paid around the 10th business day of the month following receipt of the redemption request. We may extend this period or redeem a lesser amount than requested in certain unusual circumstances (for example due to circumstances outside our control such as restricted or suspended trading in the market for assets of the Fund). The trust deed for the Fund (called the Constitution) sets out the full circumstances in which Trustee can delay access to your monies. The redemption price is the NAV less the Sell spread divided by the number of Units on issue at the end of a calendar month. Unitholders should note that the NAV is calculated on market prices which are subject to fluctuation.

DISTRIBUTIONS

The Fund intends to distribute all net realised gains and income annually as at 30 June. Income distributions are usually reinvested at the end of each financial year (June), but you can tell us if you do not want to automatically reinvest distributions or advise us in writing anytime if you would like us to pay them to your nominated account. Any distributions reinvested are reinvested at the ex-distribution unit price. No buy spread is applied to a distribution reinvestment.

Distributions are not guaranteed. Thymos' investment focus means that often investment returns are in the form of unrealised gains as well as dividends and distributions. For example, the Fund may report a high annual return, but because the returns comprise unrealised gains, the distribution may be low or there may not be a distribution. In some situations, distributions may be paid at other times. Distributions are usually paid within 14 days after year end.

Your distribution is calculated by dividing the distributable income of the Fund by the number of units on issue at the end of the distribution period. This gives a distributable income amount per unit. Your distribution entitlement is then determined by multiplying the number of units you hold by the distributable income amount per unit.

The issue price of Units arising from a distribution will be the ex-distribution Unit price as calculated on 30 June each year in which a distribution was declared.

If you invest during a distribution period, you may be eligible for a distribution. The distributions you receive are generally assessable income.

FEES AND EXPENSES

BASE FEE

Thymos is entitled to a management fee of 1% pa plus GST of the NAV of the Fund (**Management Fee**). The Management Fee is calculated and accrued monthly and is paid monthly in arrears from the Fund.

PERFORMANCE FEE

In addition to the Management Fee, the Manager is entitled to a performance fee of 15% plus GST of the amount that the Fund outperforms the Benchmark after deduction of the Management Fees and expenses (**Performance Fee**) at the end of each calendar quarter. Here is an example calculation:

	Performance Period Start	Performance Period End	Performance Period Return
NAV (A\$)	1.2000	1.2600	5.00%
MSCI World Index (A\$)			3.00%
Outperformance after fees			2.00%
Performance fee at 15% plus GST		0.33%	< 2% * 15% + 10%GST
Performance fee		0.0042	< 0.33% * 1.2600
NAV after performance fee		1.2558	< 1.2600 - 0.0042
Fund total return		4.65%	
Fund outperformance		1.65%	

The Performance Period for Performance Fee calculation is a calendar quarter ending on 31 March, 30 June, 30 September and 31 December and is based on the NAV at the end of each calendar quarter. The Performance Fee is paid at the end of the Performance Period if the Fund meets the following two conditions:

1. the Fund outperforms the Benchmark in the Performance Period and any underperformance from prior performance periods (Deficit) is made up; and
2. the Fund return is positive. If the Fund has recorded a negative return while outperforming the Benchmark, the Performance Fee will be accumulated as outperformance from prior periods (Surplus).

Example 1: The Benchmark returns 5% in the Performance Period and the Fund returns 10% (after deduction of Management Fees and expenses but before performance fees). NAV of the Fund was \$50,000 and there was no Surplus or Deficit. The Performance Fee for that Performance Period would be \$375 (calculated as \$50,000 x [10% - 5%] x 15%) plus GST.

Example 2: The Benchmark returns 5% in the Performance Period and the Fund returns 10% (after deduction of Management Fees and expenses but before performance fees). NAV of the Fund was \$50,000 and there was \$100 Performance Fee Deficit. The Performance Fee for that Performance Period would be \$375 (calculated as \$50,000 x [10% - 5%] x 15%) plus GST. The Performance Fee paid is \$275 (\$375 - \$100), while Deficit is reduced to zero.

Example 3: The Benchmark returns -10% in the Performance Period and the Fund returns -5% (after deduction of Management Fees and expenses but before performance fees). NAV of the Fund was \$50,000 and there was no Surplus or Deficit. The Performance Fee for that Performance Period would be \$375 (calculated as $\$50,000 \times [(-5\%) - (-10\%)] \times 15\%$) plus GST. The Performance Fee is not paid in the period but added as Surplus to be paid later when the Fund records positive returns.

If a Unit holder redeems units before the end of a Performance Period, the accrued Performance Fee referable to that Performance Period will be paid to Thymos including any accumulated Surplus. To ensure that the proportionality between any Deficit the value of the Fund remains consistent where a redemption occurs, at a time when the Fund has a Deficit, the proportion of the Fund's gross asset value that the redemption represents will generally reduce the Deficit. For example, if the Fund has a Deficit of 1%, and a redemption is made from the Fund that represents 10% of the gross value of the Fund, then the Deficit is reduced by 10% (leaving a residual Deficit of 0.90%). Where no Performance Fee has been payable for 2 consecutive years, any Deficit may be reset to zero at the end of the relevant Performance Period. Thymos may rebate part or all of the Performance Fee that it receives to one or more Unit holders at its discretion. Performance Fees (if any) are paid quarterly in arrears from the Fund.

Note, a performance fee (if any) is calculated and accrued in the unit price each month based on the relevant end of month NAV.

EXPENSES

Thymos is entitled to recover from the Fund its expenses which include, but are not limited to, costs associated with the establishment of the Fund, administration fees, custodian fees, trustee fees, registry fees, preparation of marketing material and disclosure documents, Unitholders' meetings, audit fees and government duties and taxes, tax advice fees, paid independent research and consultancies relating to the Fund.

Thymos has determined to cap the ordinary expense reimbursement at 0.30% pa plus GST based on the NAV of the Fund. Any excess ordinary expenses above the cap will be paid for by Thymos. If Thymos does not pay these fees, then under the Constitution the Trustee is entitled to, and will, collect these fees from the assets of the Fund.

While ordinary expenses are capped, we reserve the right to recover abnormal expenses from the Fund which may include (without limitation) costs of litigation to protect Unitholders' rights, costs of defending claims in relation to the Fund, Unitholder meetings and termination and wind up costs.

TRANSACTION COSTS

Transaction costs are fees and charges resulting from buying and selling securities. These can include for example brokerage and settlement costs.

Transactional costs are payable from the Fund and may vary from over time. These costs are in addition to the other fees and expenses outlined in this section and do not form part of the ordinary expense cap.

Thymos estimates the annual transactional costs to be approximately 0.3% to 0.9% of the NAV of the Fund. For example, for every \$100,000 of asset value of the Fund, it is estimated the Fund will incur transaction costs between \$300 and \$900 per annum.

The fund trades as a result of changes in data that drives our investment process. The more the data changes, the more we trade to achieve our target portfolio positions.

WAIVER OR DEFERRAL OF FEES

The Trustee or the Investment Manager may, in their discretion, accept lower fees and expenses than they are entitled to receive, or may defer or waive payment of those fees and expenses for any time. If payment is deferred, then the fee will accrue until paid.

RISKS

Before making a decision on whether to apply for any Units under the Offer, you are urged to carefully consider the risks described in this Section and consult with your professional adviser for assistance in determining the risks of investing in the Fund and whether it is suited to your needs and circumstances.

There are general risks associated with owning securities in public companies and the price of the security can go down due to a range of factors. These factors include Australian and worldwide economic and political stability, performance of the financial markets, interest rates, foreign exchange and taxation.

The risks associated with investing in the Fund are similar to those of investing in any diversified global equities portfolios. Following are some of the risks worth highlighting and not an exhaustive list:

Specific risks associated with the Fund	
Investment strategy	<p>The portfolio will include a mix of companies representing many different industry sectors, economies and countries.</p> <p>The portfolio management investment strategy rules may not result in the desired outcome or achieve the desired exposure. There can be no assurance that these strategies will be successful and a Unitholder may lose all or a substantial proportion of their investment in the Fund.</p> <p>The Trustee may employ additional strategies or change strategies for the Fund following an assessment of market and other conditions and investment opportunities available to the Fund.</p> <p>The Fund may not be able to execute on its intended investment strategy due to the unavailability of assets, which could adversely affect the investment composition of the Fund and Fund returns.</p>
Model risk	<p>The Fund uses many financial models as a part of the investment process. While those models are proven in recent market conditions, there may be market conditions where they don't perform as expected.</p> <p>There may be new regulatory rulings or new ways of managing economies, that are not necessarily founded on a market based system. The investment model may not work in materially different regimes and would need significant adjustments.</p> <p>The investment model cannot predict exogenous events, such as COVID-19. Even when conservative positions are maintained within the investment portfolio, results may not be as expected and may not result in the desired outcome. Your investment in the Fund may increase or decrease as a result.</p>

	<p>The Fund investment strategy relies on analytics and data from third party providers and there is a risk that the data and information, and assumption that base information is accurate, is incorrect which may adversely impact the Fund.</p>
Portfolio Concentration risk	<p>From time to time, securities that rate highly in terms of their exposure to the Funds' strategy and objective may be more heavily concentrated in particular countries or industries (broadly or by sector) due to characteristics at the particular time. This may give rise to a concentrated exposure to a company, country or industry (broadly or by sector).</p>
Fund risk	<p>Investing in a managed investment scheme carries with it the risks of that investment vehicle including:</p> <ul style="list-style-type: none"> • the fees and costs for a fund or class of units in a fund could change; • the Fund may give different results than investing directly in the underlying securities because of tax or other consequences; • the Trustee or Manager could be replaced; or • the Fund could terminate
Spread risk	<p>Application and redemption transactions are subject to variations in the applicable buy/sell spread. The buy/sell spread can be varied at the Trustee's discretion depending on, for example, market liquidity conditions or the total amount of cash received in applications or redemptions for Units on any particular day.</p>
Operational risk	<p>The Fund is subject to a number of operational risks including in relation to the administration and reporting of the Fund and the possibility that errors are made in the provision of services to the Fund.</p> <p>Adverse impacts may arise internally through human error, technology or infrastructure changes, or through external events such as third party failures or crisis events.</p> <p>The failure of a service provider to adequately administer or report accurately in relation to the Fund or its investments may adversely impact the operations or performance of the Fund.</p> <p>Circumstances beyond the Trustee or Manager's reasonable control may also arise which could prevent the Fund being managed in accordance with the investment strategy and as otherwise contemplated by this Information Memorandum. Examples of these circumstances include pandemic, strikes, industrial disputes, fires or other catastrophes, war, civil disturbance, terrorist acts, governmental pre-emption in connection with a state of emergency and epidemics.</p>

General risks associated with the Fund	
Trustee, Manager and Key personnel risk	The operation of the Fund and the Fund's performance depends on the skills and experience of the Trustee, Manager and the personnel running each. Key personnel may leave the Trustee or the Manager who cannot be replaced and this may adversely affect the Fund.
Technology Risk	<p>The risk that there is an operational failure or loss in connection with the operation of the Fund because of:</p> <ul style="list-style-type: none"> • a technology failure, including arising from data, software, hardware or telecommunications that could adversely impact fund operations directly or indirectly. For example, investor telecommunications, investor application and redemption processing, trade execution and counterparty transactions may be restricted or not possible for a period of time; • theft of technology, data and intellectual property through a direct intrusion by private parties or foreign actors, including those affiliated with or controlled by state actors; or <p>technology infrastructure that is unreliable and has slow recoverability or insufficient capacity and where this cannot be readily addressed. There may be a prevalence of ageing infrastructure, systems or applications that are near their end of life in a financial market, including those of the financial market operator and key market participants which could give rise to an increased risk for this occurring.</p>
Cyber Risk	<p>The risk that a cyber attack is attempted or an actual incident occurs in connection with the operation of the Fund, that either:</p> <ul style="list-style-type: none"> • uses computer technology or networks to commit or facilitate the commission of a crime, such as fraud and forgery (including identity or data theft), or any other unlawful act; or • is directed at computer software or hardware and computer systems or other information technology (including hacking, ransom or denial of services). <p>A successful cyber attack may result in significant disruption of services or data and privacy breaches. Further, a cyber-attack may seek to recover a ransom in connection with the attack.</p>
Licensing risk	The Trustee is required to hold an AFSL to manage the portfolio. The Manager is an authorised representative of the Trustee. There is a risk that if the agreement is terminated, the Manager will be unable to manage the portfolio.

Market risk	Financial markets frequently move in cycles, with periods of rising prices and falling prices. The value of your investment can be directly or indirectly impacted as a result of the market cycle and an investment in the Fund may as a result decrease or increase.
Asset risk	The prices of assets the Fund invests in, either directly or indirectly (through a holding in another investment vehicle) can rise or fall independently of changes in the broad market. Macroeconomic events may impact on the value and price, such as political pandemic, upheaval, financial crisis and troubles or natural disasters.
Liquidity risk	<p>There will be no secondary (or public) market for Units.</p> <p>Unitholders will generally only be able to dispose of their Units by means of a redemption.</p> <p>The Trustee may not be able to convert some non-cash investments into cash and redemptions may be suspended because of disruptions in a financial market. The Trustee may also have to dispose of investments at below market value to meet the redemption requests.</p>
Trading risk	<p>In certain exceptional circumstances, such as market disruptions, a financial market operator may suspend the trading of securities and therefore the Fund may not be able to buy or sell securities on the financial market.</p> <p>In these circumstances, the Trustee may suspend the application and redemption process.</p>
Currency risk	There is the chance that the value of a foreign investment, measured in Australian dollars, will decrease because of unfavourable changes in currency exchange rates.
Legal, regulatory and tax risk	A government or regulator may introduce legal, regulatory or tax changes, or a court may make a decision regarding the interpretation of the law that affects the value of securities in which the Fund invest, the value of Units or the tax treatment of the Fund.

ABOUT THE TRUSTEE

The Trustee has extensive experience as a corporate trustee and is a professional trustee.

The Trustee is a member of the One Investment Group (OIG). OIG is an independent Australian funds management business that focuses on providing responsible entity, trustee and other services associated with funds management. OIG operates a number of entities that, pursuant to the Act, are licensed to conduct financial services businesses and to act as responsible entities for registered schemes and as trustees for unregistered schemes.

OIG's licensed entities hold over 300 responsible entity/trustee roles, administering a range of asset classes including hedge funds, real estate, private equity, fixed income, credit and equities. The total value of the assets within these trusts is in excess of \$35 billion.

One Fund Services Limited ACN 615 523 003 is the holder of AFS Licence number 493421.

TRUSTEE FEES

The Trustee is entitled to receive the following fees:

- a) Establishment fee

A once off establishment fee of \$10,000 payable on establishment of the Fund.

- b) Trustee fee

A trustee fee of 0.06% per annum of the gross value of the Fund's assets less than \$100m and 0.02% per annum of the gross assets of the Trust greater than \$100m, subject to a minimum fee of \$3,000 per month. The monthly fee is reduced to \$2,000 per month for the first 6 months.

The fees paid to the Trustee are indexed to the higher of 3% and CPI on 1 July each year, effective from 1 July 2022.

REMOVAL FEES

The Trustee is entitled to be paid a removal fee if—

- it is removed as trustee of the Fund within four years of the date of issue of the first Unit under this Information Memorandum other than for gross negligence or for a breach of a fiduciary duty to investors which causes them substantial loss, or
- it retires as trustee of the Fund within four years of the date of issue of the first Unit under this Information Memorandum at the request of the Manager in accordance with the Investment Management Agreement.

The amount of the fee is the amount of fees the Trustee would have received if it had remained the trustee of the Fund for four years from the date of issue of the first Unit under this Information Memorandum.

The fee payable is determined based on the gross value of the assets of the Fund assets at the time that the Trustee is removed or retires.

If the Trustee removal fee becomes payable then it will be an expense of the Fund and must be paid for out of the assets of the Fund.

The Administrator and the Registrar may be entitled to be paid removal fees if their appointments are terminated within four years of the date of their appointment, in accordance with the relevant service agreements. Should these removal fees become payable, they will be an expense of the Fund and must be paid out of the assets of the Fund.

In case of the permanent Fund closure due to legal, economic, business or other reasons, no removal fees would be payable by the Manager or the underlying Fund investors. The manager may give the Trustee a written notice of closure with the closure date being at least three months after the notice date. The standard agreed fees are payable as normal during the notice period.

TAXATION INFORMATION

OBTAIN OWN INDEPENDENT TAX ADVICE

Neither the Trustee nor the Manager provide financial or tax advice, nor have they obtained taxation advice specific to the Offer the subject of this Information Memorandum. As such, this Information Memorandum cannot address all of the taxation or stamp duty issues which may be relevant to the investor. The investor must take full and sole responsibility for their investment in the Fund, the associated taxation and any stamp duty implications arising from that investment and any changes in those taxation and stamp duty implications during the course of that investment.

Before investing in the Fund, you should obtain your own independent tax and stamp duty advice, which takes into account your own circumstances. In particular, you should seek advice on income tax and interest withholding tax liabilities arising out of the investment.

ADDITIONAL INFORMATION

RELATED PARTY TRANSACTIONS

The Trustee may from time-to-time face conflicts between its duties to the Fund as trustee, its duties to other funds that it manages and its own interests. The Trustee will manage any conflicts in accordance with its conflicts of interest policy, the Constitution, ASIC policy and the law.

The Manager is not a related party of the Trustee. The contractual arrangements between the Trustee and the Manager are negotiated at arm's length between the parties.

The Trustee may from time-to-time enter into transactions with related entities. All transactions will be effected at market rates or at no charge.

The Trustee and Manager may also engage third parties to provide professional services for the Fund from qualified service providers, including related parties. The fees for these services will be charged to the Fund at reasonable market rates. By investing in the Fund, to the maximum extent permitted by law, investors will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and to have waived any claim with respect to the existence of any such conflict of interest.

The Trustee has appointed Unity Fund Services Pty Ltd ACN 146 747 122, an associated company, to provide fund accounting and taxation services to the Fund pursuant to an administration agreement under which the Administrator provides administration services for day-to-day operations of the Fund. These services include fund accounting, Unit pricing, reporting and preparation of statutory accounts.

The Trustee has appointed One Registry Services Pty Limited ACN 141 757 360, a related party, for unit registry services in respect of the Fund. The Trustee has appointed these parties in consultation with, and with agreement from, the Manager.

CONFLICTING INVESTOR INTERESTS

Investors may have conflicting investment tax, and other interests with respect to their investments in the Fund, including conflicts relating to the structuring of acquisitions and disposals of the Fund's assets. Conflicts may arise in connection with decisions made by the Trustee or the Manager regarding an investment that may be more beneficial to one investor than another, especially with respect to tax matters or the potential to provide co investment opportunities, as described above. In structuring, acquiring and disposing of investments the Trustee and the Manager may consider the investment and tax objectives of the Fund and its Unitholders as a whole, not the investment, tax, or other objectives of any investor individually.

PRIVACY AND ANTI-MONEY LAUNDERING LAW AND FATCA

The Privacy Act 1998 (Cth) regulates, among other things, the collection, disclosure and access to personal information.

Certain laws require us to collect, store and disclose information about you (including personal information), for example, *The Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (**AML/CTF Law**), the Corporations Act, the Foreign Account Tax Compliance Act (**FATCA**) and the *Tax Laws Amendment (Implementation of the Common Reporting Standard) Act 2016* (Cth) (**CRS**). We may be required under the AML/CTF Law to provide information about you (including personal

information) to the Australian Transaction Reports and Analysis Centre (**AUSTRAC**), the body responsible for regulating the AML/CTF Law. In respect of investors who are ordinarily resident in a country other than Australia, both FATCA and CRS may require us to collect and disclose to the Australian Taxation Office information about you (including personal information) obtained from you.

If you do not provide the information requested in our application form, we will not be able to process your application (including any application for additional units) and your application may be delayed or rejected. Where applications are delayed or refused, we are not liable for any loss you suffer (including consequential loss) as a result. Alternatively, if we accept your application to the Fund when you have not provided all of the requested information, we may provide information about you to the relevant regulator.

We will be required to share information about you (including personal information) with service providers to the Trustee in respect of the Fund (including the Manager) to ensure you receive the appropriate information and assistance in respect of your holding in the Fund.

By applying to invest in the Fund, you consent to your information (including your personal information) being collected, used and disclosed by the registry provider and by the Trustee for the purposes disclosed above and in their respective Privacy Policies.

You are entitled to access, correct and update all personal information we hold about you. You can contact us to find out what personal information we hold about you or if you have any concerns about the completeness or accuracy of the information we hold. If you want us to correct any personal information we hold, please contact us using the details in this Information Memorandum.

A copy of our Privacy Policy is available on our website at www.oneinvestment.com.au and a paper copy will be sent to you free of charge on request.

INVESTOR COMMUNICATIONS

Investors will be provided with the following information:

Investor report	Monthly. Being a monthly update on the Fund's investment performance and other commentaries about the underlying investment.
An investment confirmation	Upon issue of units.
Income distribution and tax statement	Annually within 90 days of the end of the financial year.
Annual report	Sent within 90 days of the end of the financial year.

Further information may be provided upon request.

OFFER CHANGES

The Trustee reserves the right to cancel, vary or withdraw any of the offers of Units, return application monies (without interest) for whatever reason or change the terms and conditions of any offer of Units at any time. While the Trustee has no obligation to advise investors of any update to the contents of this Information Memorandum, updated information may be made available on the Manager's website or by notice from the Manager, on behalf of the Trustee.

CONSTITUTION

The Constitution is the primary document governing the relationship between the Investors and the Trustee. It contains extensive provisions about the legal obligations of the parties and the rights and powers of each.

Subject to the Constitution, as an Investor you have the following rights:

- The right to share in any distributions.
- The right to attend and vote at meetings of Investors.
- The right to participate in the proceeds of winding up of the Fund.

The Trustee can amend the Constitution without Investors' approval if the Trustee reasonably considers the changes will not terminate the present rights of Investors to a share of the income and capital of the Fund.

The Trustee may exercise its right to terminate the Fund at any time (for any reason whatsoever). The Trustee may exercise this right should the Manager form the view that the Fund should be terminated and instruct the Trustee to do so.

To the extent there are any inconsistencies between the Constitution and this Information Memorandum, the Constitution will prevail.

A copy of the Constitution is available free of charge by calling the Trustee on (02) 8277 0000.

INVESTMENT MANAGEMENT AGREEMENT

We have appointed the Manager to provide investment management services to the Fund pursuant to an Investment Management Agreement.

The Investment Management Agreement contains provisions dealing with matters such as the Manager's obligations to report to us.

The Investment Management Agreement will remain in force until the Fund is wound up, unless the agreement is terminated earlier in accordance with its provisions. The agreement can be terminated by us if the Manager is in material breach of the agreement, and that breach has not been remedied after a certain time. There are also provisions allowing us to terminate if, for example, the Manager becomes insolvent.

COMPLAINTS

The Trustee takes complaints seriously and aims to resolve all complaints as quickly as possible. In the first instance, if you have a complaint, then you should notify the Trustee immediately using the following contact details:

Telephone: (02) 8277 0000
Email: complaints@oneasset.com.au
Post: Complaints Officer
One Investment Group
PO Box R1471, Royal Exchange, NSW 1255

Once the Trustee receives a complaint, the Trustee will acknowledge it as soon as practicable and investigate the complaint with a view to resolving it and responding as soon as possible.

HOW TO INVEST

Before completing the Application Form you should read this IM carefully.

Please read this Information Memorandum and pay particular attention to all of the risk factors in section of this Information Memorandum. The risks should be considered in light of your own investment situation.

Where appropriate, you should also consult a financial, taxation or other professional advisor before deciding whether to invest in the Fund.

Please contact the Registrar on (02) 8188 1510 or info@oneregistryservices.com.au if you have any questions.

Application form can be downloaded from <https://www.oneinvestment.com.au/thymoslongonly> or from <http://www.thymoscapital.com.au>.

For an application to be considered, you must complete and return your Application Form (including all supporting documentation) and pay the Application Money in accordance with the instructions in the Application Form at least 3 Business Days prior to the end of the month.

An application is not considered complete until the registry provider has received the Application Money in cleared funds, a completed application form and all information referred to in that application form. Failure to provide a completed application may delay the processing of your application.

You are requested to provide your Tax File Number (**TFN**), Australian Business Number (ABN) or exemption code, and failure to quote an ABN or TFN will result in tax being withheld by the Trustee on any distributions paid to you at the highest marginal tax rate plus Medicare levy. It is not compulsory for you to quote your TFN or ABN.

The Trustee has the sole discretion whether to accept or reject an application. If your application is rejected, wholly or in part, then the Registrar will notify you in writing and arrange for return of your Application Money to you. Interest will not be paid to applicants on Application Money. If your application to invest in the Fund is accepted, then interest earned on your Application Money will be retained by the Trustee. If your application to invest in the Fund is not accepted, then your Application Money will be returned to you (without interest).

By sending a completed Application Form, you are making an irrevocable offer to become an investor in the Fund and you are agreeing to be legally bound by the Constitution and the terms of the Information Memorandum. A brief summary of the Constitution is included the section "Additional Information" of this Information Memorandum.

GLOSSARY AND INTERPRETATION

DEFINED TERMS

In this Information Memorandum the following definitions apply:

Administrator	Unity Fund Services Pty Ltd ACN 146 747 122.
AFSL or AFS Licence	Australian financial services licence.
Applicant	A person who submits an Application.
Application	Application made to subscribe for Units under the Offer.
Application Form	The relevant form attached to or accompanying this Information Memorandum and available online at https://www.oneinvestment.com.au/thymoslongonly or www.thymoscapital.com.au , pursuant to which Applicants apply for Units.
Application Monies	The amount accompanying an Application Form submitted by an Applicant.
ASIC	Australian Securities and Investments Commission.
Business Day	A day other than a Saturday, Sunday or public holiday on which banks are open for general banking business in Sydney.
Buy/Sell spread	The estimated costs to acquire or dispose of underlying investments due to money in or out of the Fund. These costs are paid to the Fund. Currently, the cost is 0.25% each way.
Constitution	The constitution of the Fund, as amended from time to time.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Custodian	One Fund Services Limited ACN 615 523 003
Fund	Thymos Global Equities Long Only Fund.
Investor	A Unitholder.
Investment Management Agreement	The investment management agreement entered into by the Manager and the Trustee.
Investment strategy	The investment strategy for the Fund as implemented by the Manger on behalf of the Trustee as set out in this Information Memorandum and as amended from time to time.
Manager or Thymos	Thymos Funds Management Pty Ltd ACN 649 612 788.
Market Cap	Size of the company on the listed market defined as number of listed shares multiplied by the share price.
MSCI	Morgan Stanley Capital International.
NAV or Net Asset Value	Have the same meaning as that in the Constitution.

Offer	The offer of Units in the Fund under this Information Memorandum.
PE	Share Price / Earnings per Share.
Redemption Request Form	The redemption request form issued by the Trustee from time to time.
Registrar	One Registry Services Pty Limited ACN 141 757 360.
ROE	Return on Equity as Net Profit After Tax / Equity.
Scoring	Calculating numerical representation of stock characteristics such as PE, growth, EPS Revisions such that they can be compared and blended.
Scrubbing data	Performing data checks usually by automated processes but also by visual inspection to ensure data quality.
Security	A generic reference to a listed instrument that gives holder exposure to equity, debt or derivative of private or public entities.
Stock	Shares of listed company.
Trustee	One Fund Services Limited ACN 615 523 003.
Unit	A fully paid unit in the Fund.
Unitholder	A person who is a registered holder of Units.

GOVERNING LAW

This Information Memorandum is governed by the laws of New South Wales.

DIRECTORY

MANAGER

Thymos Funds Management Pty Ltd (ACN 649 612 788)
Suite 208, 59 Great Buckingham St, Redfern NSW 2016
www.thymoscapital.com.au

TRUSTEE

One Fund Services Limited (ACN 615 523 003, AFSL 493421)
Level 16 Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000
www.oneinvestment.com.au
Email: operations@oneinvestment.com.au
Phone: (02) 8277 0000

ADMINISTRATOR

Unity Fund Services Pty Ltd
ACN 146 747 122
Level 16 Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000
www.unityfundservices.com.au
Email: enquiries@unityfundservices.com.au
Phone: (02) 8277 0070

REGISTRAR

One Registry Services Pty Limited
ACN 141 757 360
Level 16 Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000
www.oneregistryservices.com.au
Email: info@oneregistryservices.com.au
Phone: (02) 8188 1510