

HOLT®

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Facilitating smarter investment decisions

Why HOLT?

HOLT's approach and flexible analytical platform, evolved over 40 years, provides an objective view of over 20,000 companies around the world. This provides investors with an extremely robust perspective to add to their investment process.

Cash flows vs. Accounting data; Wealth creation vs. EPS growth

While the Street is generally focused on accounting data and EPS growth, HOLT's methodology corrects for subjectivity and converts accounting data into cash based metrics, which more closely approximates a company's underlying economics.

A focus on wealth creation principles allows for a differentiated viewpoint where wealth creating companies can be identified as distinct from high EPS growth companies.

Practical uses of HOLT

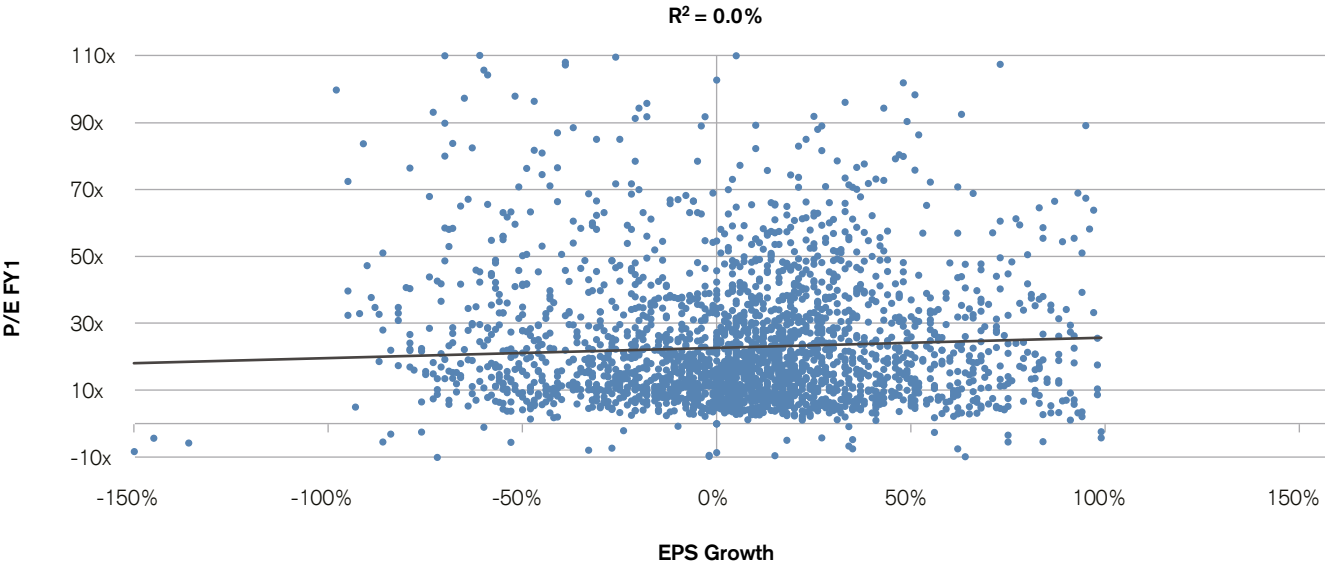
- Idea generation (robust screening tools can generate the best ideas)
- Disciplined and robust valuation (20,000 DCF models at your fingertips)
- Help to gauge "What the market has already priced" – key for buy/sells
- Detailed single stock analysis
- Risk analysis at a stock or portfolio level
- Scale for a small team covering a wide universe
- Helps build expertise outside of home markets for teams going global
- Differentiated factors for use in quant analysis & systematic strategies

Broad global coverage, including extensive APAC coverage

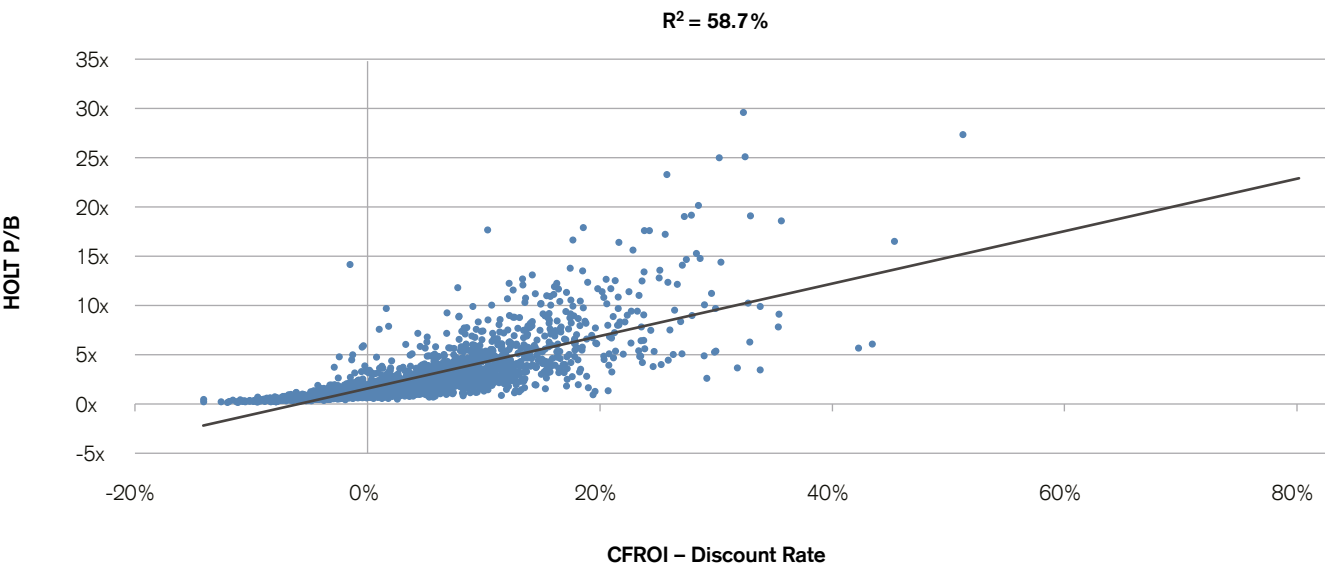
HOLT's universe now includes approximately 20,000 companies in 70 markets, including 11,000 in the Asia Pacific region, offering a comprehensive coverage for institutional investors. HOLT's dataset is overseen by a dedicated team of specialists to ensure high quality.

Do cash based measures improve on accounting measures? We think so!

EPS growth vs. P/E



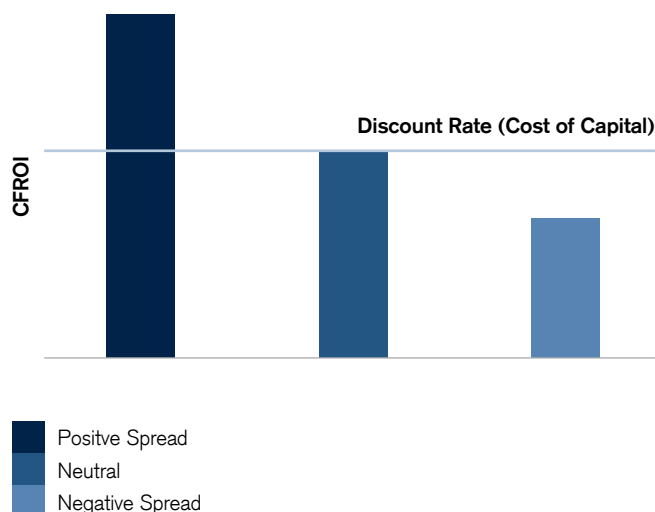
CFROI® vs. HOLT P/B



Source: Credit Suisse HOLT
Universe: Asia-Pacific ex-Japan, Market Cap > US\$1bn, EPS Growth < 100%, HOLT P/B < 30x, 2,594 Companies, February 2023

Focus on the fundamentals of wealth creation and not just EPS growth

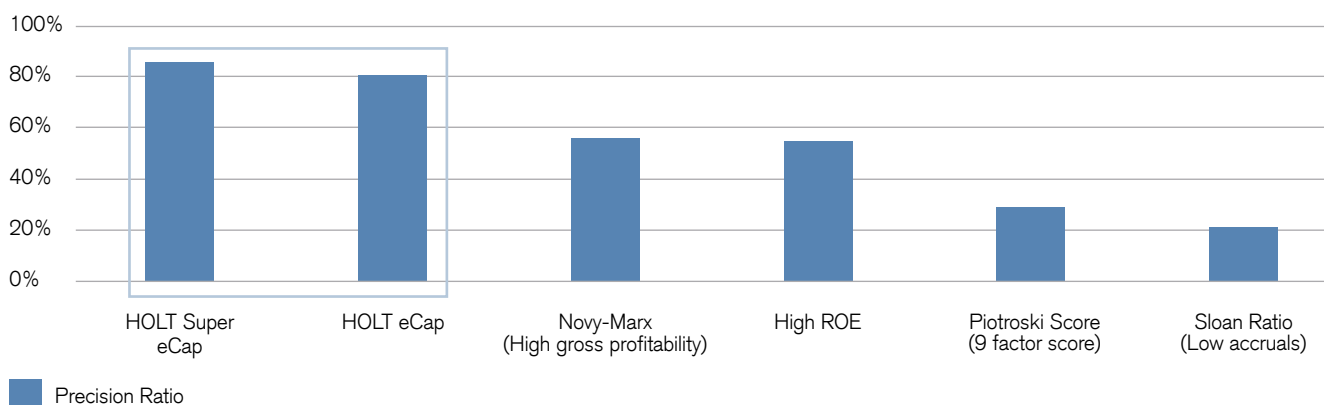
HOLT's proprietary metrics such as CFROI, market implied discount rates and economic profit allow investors to focus on the fundamentals of wealth creation. They assist in identifying companies that create value versus those that are wealth destroyers, some of which may be showing high EPS growth rates.



HOLT has better measures to identify high quality companies

HOLT's measures of quality such as "eCAP" and "Super eCAP" have significantly higher precision in identifying high quality companies compared to traditional accounting based quality metrics such as RoE and others.

Precision Ratio Comparison



Source: Credit Suisse HOLT.

Quality Precision Universe: US Industrial and Service firms; minimum market capitalization \$1bn scaled through time. Period: Jan 1990 – Dec 2015. Monthly Rebalance.

Note: eCAP refers to empirical Competitive Advantage Period

Idea generation as well as detailed single stock analysis

Improving single stock analysis – HOLT's framework gives a very quick and objective overview of a firm's wealth creation profile and allows analysts to conduct an insightful analysis using HOLT's robust discounted cash flow valuation model. The framework also provides a perspective on leverage, accounting quality and risks embedded in individual stocks or a portfolio.

Screening and Scorecard – HOLT's screening platform has over 800 variables to choose from, allowing investors to generate pools of interest and identify single stock ideas. HOLT's Scorecard is also a robust framework to generate fundamental long and short ideas.

* Please note that Scorecard function may be provided via alternative methods in your jurisdiction

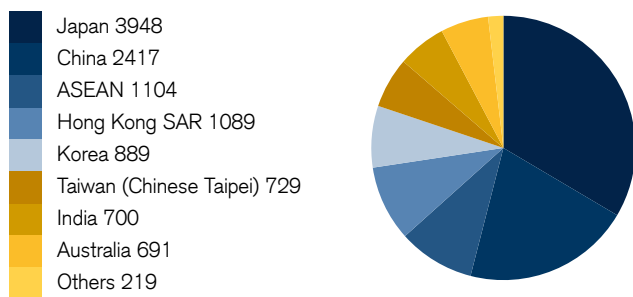


The HOLT Lens[®] online platform has over 11,000 companies in the Asia Pacific region

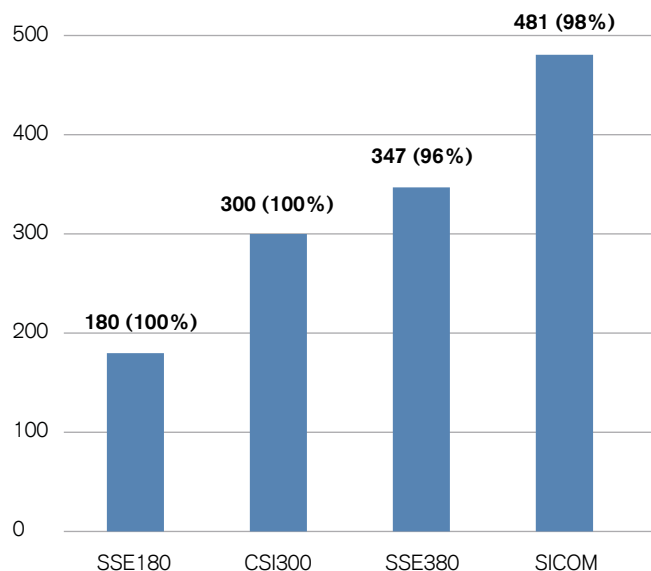
Japan and China are our largest databases within the region with over 3,900 and 2,400 companies respectively. We also have over 1,000 stocks in Hong Kong (including China H-shares) and in ASEAN markets. The comprehensive coverage allows HOLT users to efficiently compare companies and screen for new investment ideas.

HOLT has maintained a China A-Share database for over a decade. With increasing investor interest, HOLT has ramped up the coverage of A-Share companies in recent years, bringing the total to over 2,200 companies. The current universe provides almost 100% coverage (by market cap) of the CSI 300, SSE 180, SSE 380 & SICOM stock indices.

HOLT APAC Coverage (by market)



HOLT China A-Share coverage (by index)



Source: Credit Suisse HOLT. Date as at February 6, 2023

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HOLT Methodology

The HOLT methodology does not assign ratings or a target price to a security. HOLT is an analytical tool that involves use of publicly available, fact-based data and applies a set of proprietary quantitative algorithms and warranted value calculations against such data, collectively called the HOLT valuation model. The HOLT methodology is consistently applied to all the companies included in its database. The HOLT valuation model is a discounted cash flow model (DCF). The % upside/downside is the difference between HOLT’s default warranted price (as determined by an objective, systematic DCF framework) and a security’s most recent closing price, expressed as a percentage. Third-party data (including consensus earnings estimates) are systematically translated into a number of default variables and incorporated into the algorithms available in the HOLT valuation model. The source financial statement, pricing, and earnings data provided by outside data vendors are subject to quality control and may also be adjusted to more closely measure the underlying economics of firm performance. These adjustments provide consistency when analyzing a single company across time, or analyzing multiple companies across industries or national borders.

The default scenario that is produced by the HOLT valuation model establishes a warranted price that represents the expected mean value for a security based upon various factors, including the use of third-party data and empirically derived fade algorithms that forecast a firm's future cash return on capital and growth rates over an extended period of time. A default set of algorithms apply to all the securities. As the data are updated, the warranted price updates automatically. A company's future achieved return on capital or growth rate may differ from the result generated from the default scenario that is produced by the HOLT valuation model. Additional information about the HOLT methodology is available upon request.

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