

AlphaCentric Robotics and Automation Fund

The first actively managed mutual fund dedicated to robotics and automation

AlphaCentric Robotics and Automation Fund

GNXAX | GNXCX | GNXIX

Q4 2019 Presentation

- Global Growth Opportunity**
- We believe growth in robotics for workplace automation has reached a tipping point toward wide-scale adoption
 - In 2019, the worldwide robotics revenue forecast was up 30.7% from 2018. By 2025, Tractica expects these revenues will reach \$248.5 billion, an increase of 288.9%
 - In 2019, the worldwide robotics spending forecast was \$115.7 billion. By 2022, IDC expects this spending will reach \$210.3 billion with a compound annual growth rate (CAGR) of 20.2%
 - Demand for highly automated solutions should exceed GDP and corporate profit growth for years to come

- Thematic Investment Opportunity**
- Participate in growth dynamics related to adoption of robotics and workplace automation
“The Second Machine Age”
 - Currently, the only actively managed mutual fund dedicated to robotics and automation
 - Demand trends should protect holdings from macro forces
 - Diversified by company/industry/sector/country/market capitalization and style

- Advantage**
- Singular focus of investment team
 - Significant long-term earnings growth and capital appreciation potential
 - Long-term investment horizon should produce tax-efficient returns

There is no assurance these opinions or forecasts will come to pass and past performance is no assurance of future results.

*Tractica Research - Report dated 8/30/19

*International Data Corporation - Press Release dated 12/4/18

- **One powerful trend benefits many industries**

- Robotic solutions are used in 5 sectors, with 22 application communities (and growing)

Commercial

- Robotic surgical platforms
- Picking, packing and sorting
- Biotech/Agriculture
- Warehouse/Laboratory automation



Industrial

- Industrial robotics
- Injection molding and machining
- Solar cleaning and tracking



Military

- Unmanned aerial vehicles
- Unmanned ground vehicles
- Autonomous marine systems and geological exploration
- Surveying and location instruments



Sensors & Components

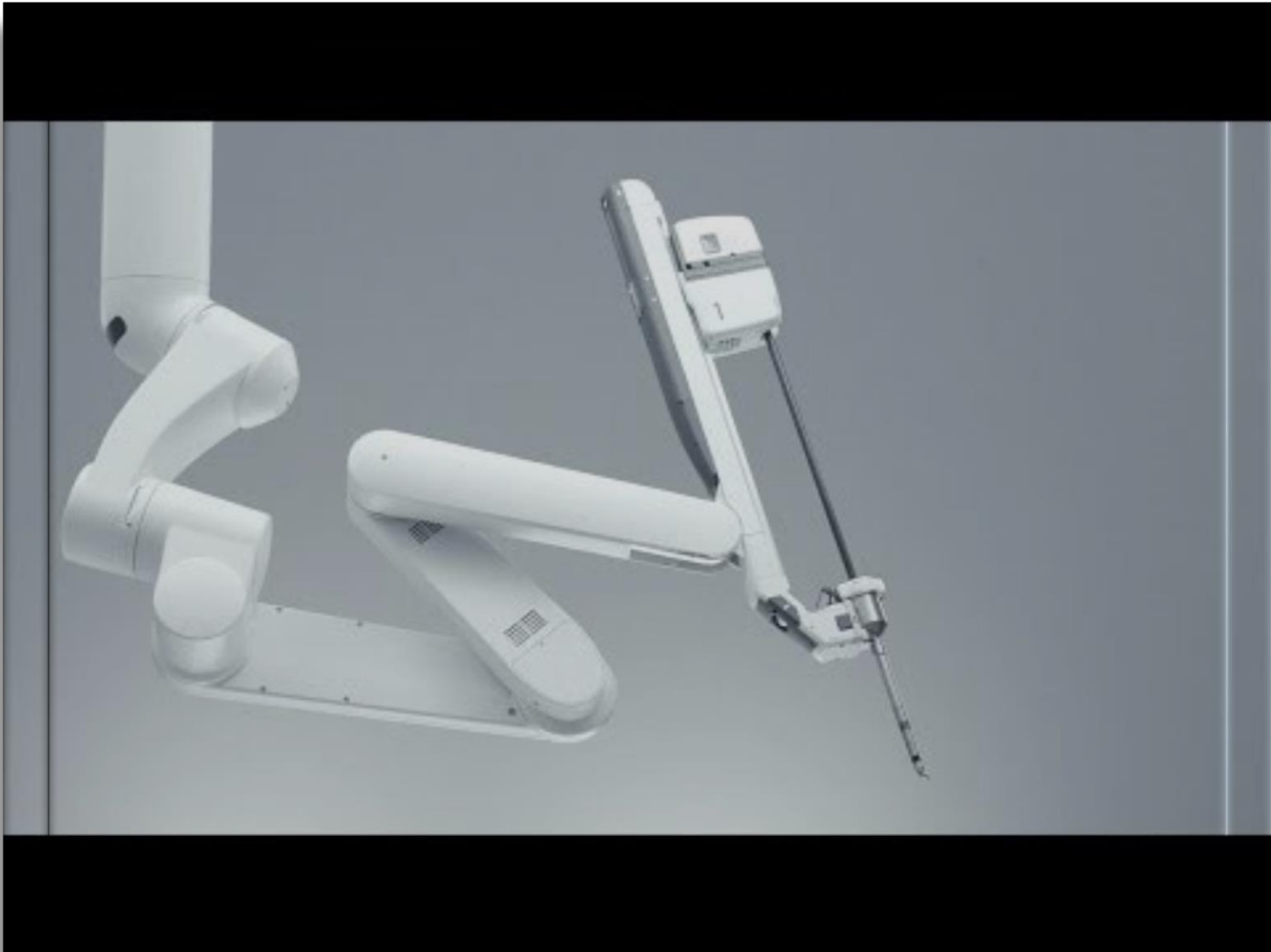
- Visual/Cameras
- Light
- Motion



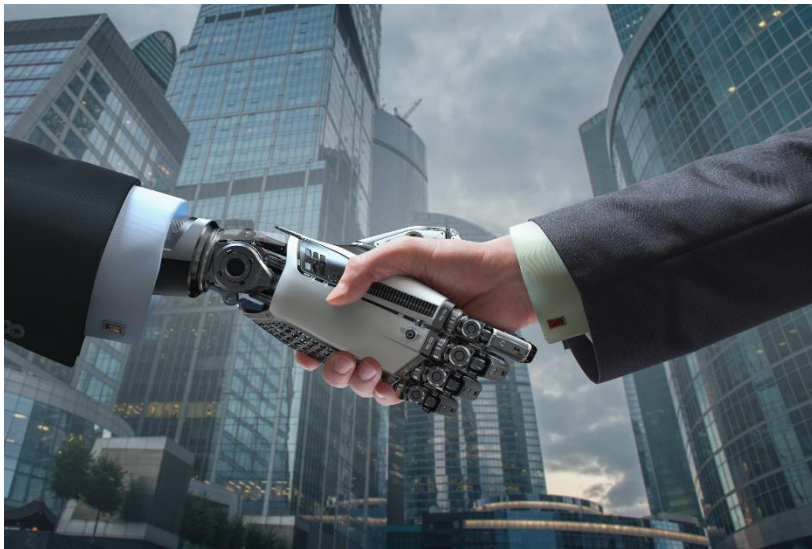
Consumer

- Toys and entertainment
- Bionic, exoskeleton and prosthetics
- Education
- Home task robots





- *Watch Six Surgical Robots in Action* - https://youtube/2fnv_3qn3Yc



Targeted Theme Investments

Accuray (0.86%)	- Robotic radiation therapy
AVRA Medical Robotics	- Preoperative surgical simulation
Cyberdyne	- Exoskeletons for medical uses
Ekso Bionics Holdings	- Exoskeletons for medical/industrial uses
Globus Medical (2.68%)	- Robotic navigation and brain/spine surgery
Intuitive Surgical (3.59%)	- Robotic laparoscopic surgery
Microbot Medical	- Micro-robotic assisted medical technologies
Omniceil, Inc. (3.23%)	- Pharmaceutical distribution automation
Second Sight Medical	- Bionic eyes for the visually impaired
Siemens Healthineers (2.55%)	- Cardiovascular and neuro robotics
Smith & Nephew	- Robotic arthroscopic surgery
Tecan Group (2.98%)	- Laboratory automation
Teladoc Health (2.54%)	- Virtual medical services
Titan Medical	- Robotic laparoscopic surgery
TransEnterix	- Robotic laparoscopic surgery and imaging
Venus Concept	- Medical aesthetic robotic equipment



- KUKA @ Mecspe 2017 Trade Fair - <https://youtu.be/3iq5tGYD0zg>



Holdings are subject to change and should not be considered investment advice.

The security holdings are presented to illustrate examples of the securities that the fund has bought and the diversity of areas in which the funds may invest and may not be representative of the Fund's current or future investments.

■ Targeted Theme Investments

Fanuc (2.84%)

- Global manufacturer of factory automation and industrial robots

KUKA

- Global specialist in the field of robotics and automation technology, KUKA covers virtually all payload ranges and robot types, and sets standards in the field of human-robot collaboration (HRC)

OMRON (2.83%)

- Robot arms, robot controllers, and vision systems for flexible production lines along with Autonomous Intelligent Vehicles (AIVs) assist with routine, labor intensive material handling tasks

Yaskawa Electric

- Robot arms, robot controllers, and vision systems for flexible production lines along with Autonomous Intelligent Vehicles (AIVs) assist with routine, labor intensive material handling tasks
- Symbol: 6506 JP (Japan)
- Market cap: \$6.6 billion (as of 12/31/2018)
- The company was founded in 1915, by Keiichiro Yasukawa. Yaskawa applied for a trademark on the term "Mechatronics" in 1969, it was approved in 1972.
- Revenues grew from \$4.07 billion in 2018 to \$4.31 billion in 2019.

THE “SMART WAREHOUSE” Kardex Remstar LR 35 – Smart Warehouse



- *Kardex Remstar LR 35 – Smart Warehouse* - https://youtu.be/LB5KqPx9W_A



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Targeted Theme Investments

Kardex Group (2.56%)

- The Kardex Group is a global industry partner for intra-logistic solutions and a leading supplier of automated storage solutions and material handling systems.
- Products: Remstar & Mlog
- Location: Zurich, Switzerland
- Market Capitalization: \$1.35 billion (as of 12/31/19)
- Symbol: KARN SW (Switzerland)
- The company was founded in 1898, by Rand Ledger. Kardex as a company name was introduced in 1915, subsumed in 1927 and revived in 1978. It is currently borne by the Kardex Group, based in Zurich, Switzerland, which makes filing system components as well as many other products for handling materials and information, mostly in physical form.
- Revenues grew from \$471 million in 2018 to \$524 million in 2019.

KION Group

- The KION Group designs, builds and supports logistics solutions that optimize material and information flow within factories, warehouses and distribution centers.
- Products: automated lifts, fleet management & integrated automation systems.
- Location: Frankfurt, Germany
- Market Capitalization: \$8.22 billion (as of 12/31/19)

Share Classes

- A Shares: GNXAX
- C Shares: GNXCX
- I Shares: GNXIX

Robotics and Automation Team

- Portfolio Manager: Brian Gahsman
- Managing Director: Rob Branton

Objective

- Long-term growth of capital through investments in global equity securities
- Primary focus - Companies involved with innovative/breakthrough technologies in robotics and automation
- Goal - Outperform the S&P 500 and MSCI All Country World Equity Index

Strategy

- Identify companies with innovative technological solutions for any aspect of business process automation
- Conduct proprietary, fundamental analysis on businesses with products/services that should benefit from the automation trend over the long term
- Purchase the shares of companies that are believed to be best positioned to benefit disproportionately

Opportunity

- Technological advances in sensors, semiconductors and wireless data transmission have dramatically reduced the cost of robotic solutions for a wide range of industries
- The efficiency gains, quality improvement and fast payback on these expenditures are increasing adoption rates by industrial facilities worldwide
- Capital expenditures favor automated solutions for reducing/eliminating repetitive/dangerous tasks, completing highly precise functions with low error tolerances, implementing projects with fast payback leading to ancillary cost savings
- Accelerating demand + Low penetration rates = Heightened earnings visibility

Universe Criteria

- Proprietary bottom-up research identifies companies worldwide that exhibit breakthrough innovative technologies
- Market capitalizations in excess of \$50 million
- Level or increasing 90-day average volume
- High ratio of research and development spending to sales
- For startup companies without earnings, the company should be in the final stages of development/approval phase with estimated production within 18-months

Fundamental Research

- Understand industry dynamics and target company's competitive position
- Analyze regulatory filings and sell-side research to develop an earnings model
- Conduct high-level channel checks (speak with competitors, suppliers and customers) to compile internal revenue forecasts
- Purchase the shares of businesses believed to have the best outlook with high potential product demand, as well as a diversified pipeline

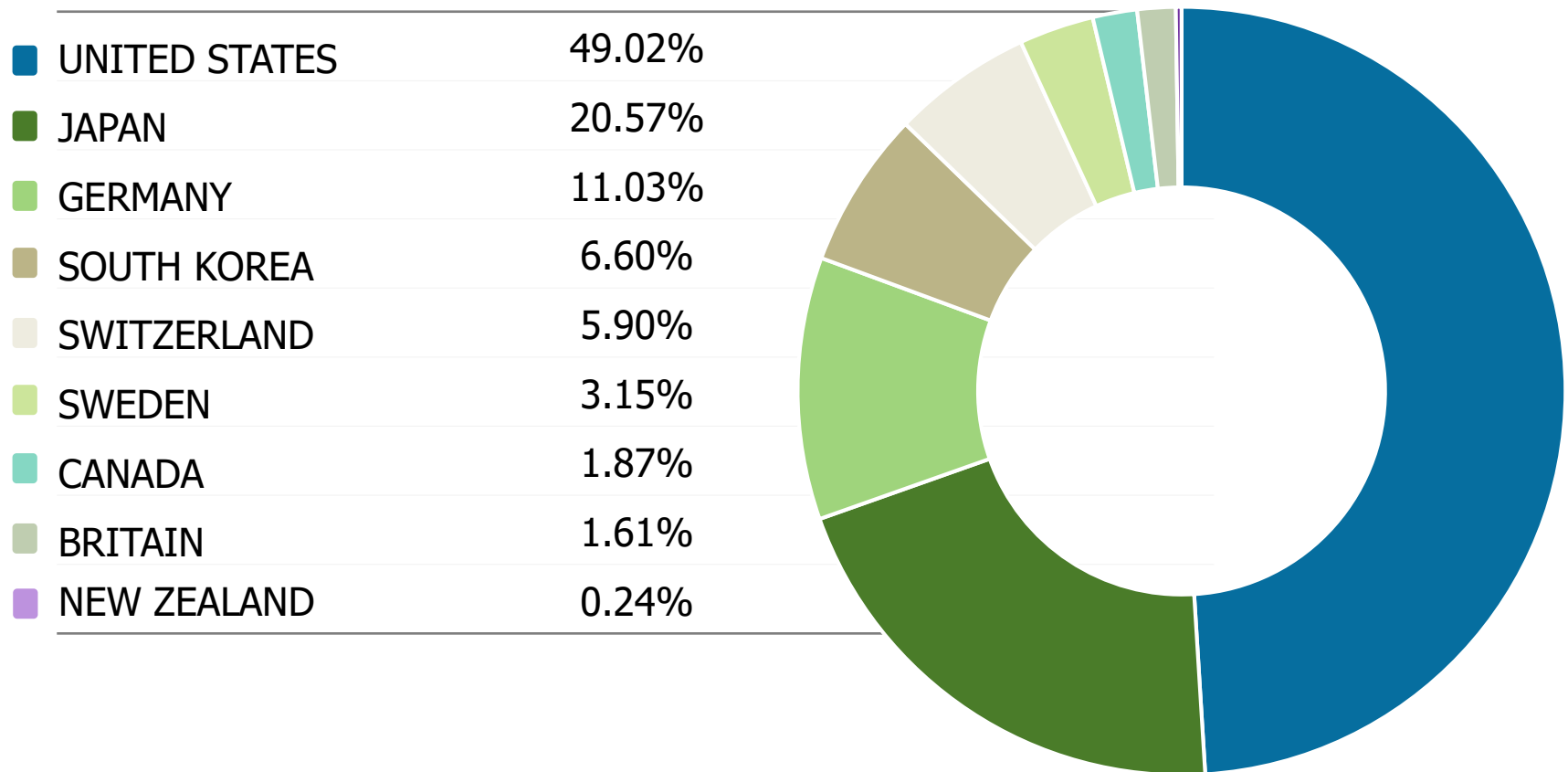
Portfolio Construction

- New positions will be established when share prices are flat or trending higher along with the 50-day and 200-day moving averages
- Portfolio will typically contain 25-30 positions
- No single holding will represent in excess of 10% of the Fund's assets
- Robotics and automation companies will comprise at least 80% of fund net assets

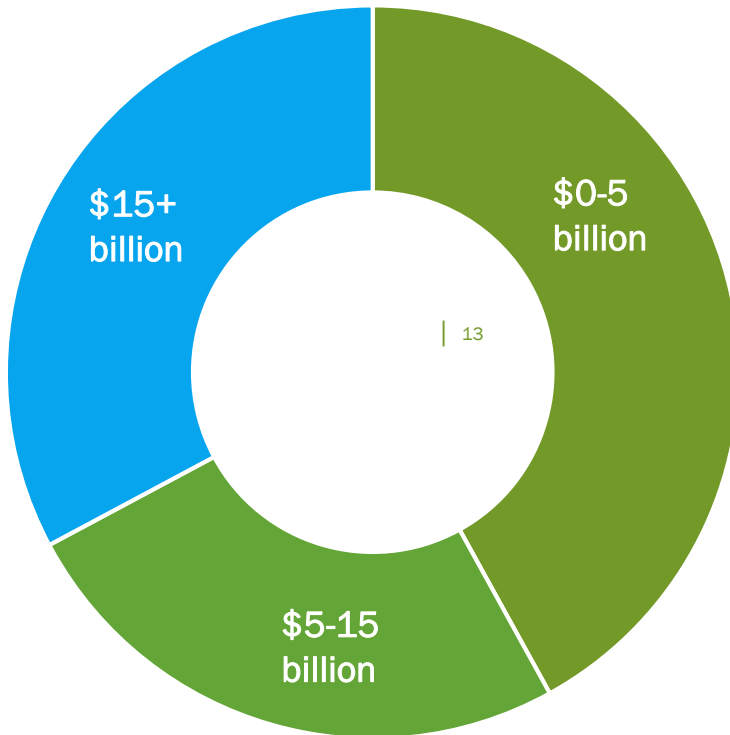
Risk Management

- Earnings growth potential of stocks trading at high valuations is heavily scrutinized
- For startup companies without earnings, the holding period may potentially be short term due to poor guidance from management, delays in the estimated production timeline, not achieving product approval, significant short campaigns or other events which negate the initial selection criteria
- Price targets are used to protect the portfolio from valuation risk and begin the process of trimming holdings
- Positions are eliminated when fundamentals change (earnings decelerate, margins compress, pricing becomes challenged or a corporate action takes place which may be detrimental to holding the position)
- Positions are eliminated if the company's cash burn rate is increasing, cash runway is decreasing and multiple share dilutions are likely

Country Allocation (as of December 31, 2019)



Market Capitalization Breakdown



Average Market Cap	\$14.4 billion
Median Market Cap	\$5.1 billion

Thematic Groupings

- Surgical Robotics
- Industrial Robotics
- Automation Systems and Equipment
- IoT and AI Systems
- Automation Software
- Autonomous Mobility
- Diversified Innovations
- Cash and Equivalents

Top Targeted Holdings

- INTUITIVE SURGICAL INC (3.8%)
- OMNICELL INC (3.4%)
- SFA ENGINEERING (3.4%)
- INFINEON TECHNOLOGIES (3.3%)
- KOH YOUNG TECHNOLOGY (3.2%)

- Growth**
- All stocks in sector are at the infantile entry levels, think Amazon, Google 10 years ago
 - Positioned as a core growth allocation

- Global**
- Robotics + Automation is a Global Movement = The Second Machine Age
 - Every industry in every developed and emerging market in world
 - Positioned as Global/International allocation

- Sector**
- New Sector Play – Nascent stage of robotics and automation
 - Akin to Biotech in the late 1970's
 - Positioned as replacement for sector play allocation (Biotech, Healthcare, Technology, etc.)
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Contego Capital Group, Inc.

- Brian Gahsman joined the Contego Capital Group in August of 2018 as the Chief Investment Officer
- Manage the AlphaCentric Robotics and Automation Fund as well as a number of private accounts
- Sub-adviser to AlphaCentric Robotics and Automation Fund
- Committed to achieving client financial goals
- Services include separately managed accounts and commingled funds

Focus

- Niche strategies typically within inefficient market segments
- Fundamental research and thorough due diligence
- Time-tested strategies managed by seasoned professionals

Current Strategies Offered

- Global Innovations – Thematic equity strategy focused on companies involved in robotics and automation
- Global Select – Global core momentum strategy with thematic group rotation
- Nanotech – Pure play in growing nanotech sector
- Sustainable Earth – strategy focused on companies that are involved in water, pollution control, renewable energy, agriculture, and medical breakthroughs

Brian Gahsman CIO

Brian graduated with a Bachelor of Business Administration in Finance from the quantitative securities analysis program of Haworth College of Business, at Western Michigan University, in July of 2004.

After graduation, Brian served as a Global Network Management Consultant, within the International Asset Services Group, at Wells Fargo. His responsibilities included oversight and account maintenance of Foreign Securities and American Depository Receipts. In April of 2008, Brian joined the Leuthold Group (Leuthold Weeden Capital Management) as an Operations Research Analyst/Institutional Trader, primarily focusing on market entry, country exposure, foreign taxation, foreign exchange trading, fair value pricing and global corporate actions analysis. He was also responsible for hedge/mutual fund trading, valuation, administration and audit support. In addition, he provided a variety of support to research, portfolio management, marketing, and executive management teams. In April of 2013, Brian joined investor Steve Leuthold as portfolio manager co-managing the Leuthold Strategies Fund along with a number of private accounts. In this capacity, Brian mainly focused on investments in global water, robotics & automation and biotech. In 2015, Steve Leuthold formally retired and the Leuthold Strategies Fund was closed. In July 2016, Brian, along with Rob Branton, formed Gahsman Branton, LLC to focus exclusively on making investments in businesses benefiting from the robotics and automation theme. Brian is currently the Chief Investment Officer of the Contego Capital Group.

Rob Branton CEO

Rob graduated with a Bachelor of Arts in Finance and Marketing from St. Cloud State University. He also holds the following licenses in the security and insurance industry: Series 7, 24, 66 and life/health and annuities license.

Rob has been involved in the financial industry for 20 years, most recently as CEO of Contego Capital, a registered investment adviser in Edina, MN. Rob started his career with Merrill Lynch managing money for clients and implementing company retirement plans and corporate cash plans. Rob left Merrill Lynch to become one of the founding members of Orion Wealth Management, a wealth manager that was ultimately acquired by a larger wealth manager. Upon the sale of his company, Rob was recruited to enter the wholesaling and distribution side of the financial services business. He managed multi-person sales teams that drove sales of funds, retirement plans, and annuities for two of the largest distributors in the world, AIG and Pacific Life.

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ADDITIONAL INFORMATION

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Investors should carefully consider the investment objectives, risks, charges and expenses of the AlphaCentric Funds. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 844-ACFUNDS (844-223-8637) or at www.AlphaCentricFunds.com. The prospectus should be read carefully before investing. The AlphaCentric Funds are distributed by Northern Lights Distributors, LLC, member FINRA/SIPC. AlphaCentric Advisors LLC and Contego Capital Group, Inc. are not affiliated with Northern Lights Distributors, LLC.

Investing in the Fund carries certain risks. The Fund may invest a percentage of its assets in derivatives, such as futures and options contracts. The use of such derivatives and the resulting high portfolio turnover may expose the Fund to additional risks that it would not be subject to if it invested directly in the securities and commodities underlying those derivatives. The Fund may experience losses that exceed those experienced by funds that do not use futures contracts and options strategies. To the extent the Fund invests in the stocks of smaller-sized companies, the Fund may be subject to additional risks, including the risk that earnings and prospects of these companies are more volatile than larger companies. Smaller-sized companies may experience higher failure rates than larger companies and normally have lower trading volume than larger companies. These factors may affect the value of your investment. The Fund is non-diversified and as a result, changes in the value of a single security may have significant effect on the Fund's value. The Fund is subject to regulatory change and tax risks; changes to current rules could increase costs associated with an investment in the Fund. These factors may affect the value of your investment. Investments in international markets present special risks including currency fluctuation, the potential for diplomatic and political instability, regulatory and liquidity risks, foreign taxations and differences in auditing and other financial standards. Risks of foreign investing are generally intensified for investment in emerging markets. Emerging market securities tend to be more volatile and less liquid than securities traded in developed countries.