

ACKNOWLEDGMENT OF THE BASIC TERMS OF ABAKKUS DIVERSIFIED ALPHA FUND

To,
 ABAKKUS ASSET MANAGER PRIVATE LIMITED
 (Formerly known as Abakkus Asset Manager LLP)
 Abakkus Corporate Centre, 6th Floor, Param House,
 Near Grand Hyatt, Off Santacruz Chembur Link Road,
 Santacruz East, Mumbai - 400055, Maharashtra, India.

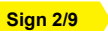

Dear Sir/Madam,

Subject: Acknowledgment of the basic terms of Abakkus Diversified Alpha Fund

I/We, _____
 residents of/having Registered/principal office at _____

here acknowledge and confirm that:

1. I/We intend to open AIF account with Abakkus Diversified Alpha Fund. I/We request ABAKKUS ASSET MANAGER PRIVATE LIMITED (Formerly known as Abakkus Asset Manager LLP) to download and use/update if required KYC details and documents available with KYC Registration Agency (KRA) /CKYC. I/ We undertake and confirm that the KYC details & documents as available on KRA/CKYC are updated and correct. My KYC/CKYC number is _____
2. The Fund will invest predominantly in Equity and Equity related securities and is subject to market risk and there are no guaranteed returns. I/We have understood all terms and conditions, risk factors, investment objective, features related to the Fund.
3. I/We hereby voluntarily opt for Aadhaar OVD KYC or e-KYC or offline verification and hereby submit my/our Aadhaar number, virtual ID, E-Aadhaar, XML, Masked Aadhaar, Aadhaar details, Demographic information, identity information, Aadhaar registered mobile number, face authentication details and/or biometric information.
4. I/We are aware that Holding/Portfolio details are confidential in nature and disclosure of the same to third party or in public forum is prohibited.
5. I/We hereby agree that though my/our risk profile may be different from the risk of the Product offered by Abakkus Diversified Alpha Fund i.e., of high risk (aggressive) and decision to avail services have/has been taken by me/us only after reading and having understood all the risk factors mentioned in the PPM and agree that the product is suitable to me/us.
6. It is a close ended Fund with a tenure of 5.5 years (i.e. 66 months) from the date of the first closing which can be further extended by 2 years (1+1). There is a 1 year lock-in period i.e. 12 months from the date of final closing or payment of the last drawdown which ever is later. The investors have an option to redeem a part of the investments after the lock-in period with applicable charges.
7. If we have chosen the drawdown option, any default on our outstanding commitment amount, post drawdown period, we could be subject to penal and/or interest charges and potential forfeiture of our existing units.
8. The Fund has disclosed the distribution fee/placement fee charged to me/us at the time of onboarding and I/We understand that such fee paid shall be only from the management fee.

 (First Contributor) Authorised Signatory with Stamp	 (Second Contributor) Authorised Signatory with Stamp	 Distributor / RM with stamp
--	--	---

Date	D	D	M	M	Y	Y	Y	Y	Place
------	---	---	---	---	---	---	---	---	-------

STRATEGY NOTE

Introducing ABAKKUS ASSET MANAGER PRIVATE LIMITED (Formerly known as Abakkus Asset Manager LLP)

- Abakkus is alpha focused asset management firm set-up by Mr. Sunil Singhania, managing over ~INR 10,000* crores in long only equity strategies.
- Sunil, a CA Rank Holder and CFA charter holder, has a distinguished track record of over 2 decades in Equity Investments. Earlier as CIO-Equities for Reliance Mutual Fund (now Nippon India Mutual Fund), he played an instrumental role in building RMF (now Nippon India Mutual Fund) into one of India's largest AMCs overseeing ~USD 11bn of equity assets.
- Reliance Growth Mutual Fund (now Nippon India Growth Mutual Fund), independently managed by him, has the unique distinction of having grown over 100 times in 21 years. Reliance Small Cap Mutual Fund (now Nippon India Small Cap Mutual Fund) was rated amongst the top Mutual funds in its category.
- He is currently appointed on the IFRS Capital Markets Advisory Committee (CMAC) and the only member from India to be appointed for the same. (2020-2023)
- He served on the Global board of CFA Institute, USA (2013-2019) and as Chairman of the Investment Committee (2018 - 2019) of the CFA Institute, USA.

Investment Philosophy

Risk reward equation

- Expected returns must justify the risk / uncertainty taken
- A good company might not necessarily be a good stock
- Focus on the price we pay, and value derived
- What is in the price?

Alpha generators

- Believe in investing with an endeavor to generate alpha over the markets rather than just allocating within benchmark index
- Growth companies where profitability is expected to grow higher than market average
- Fundamentally underpriced stocks with reasonable growth expectations
- Mid Cap companies with a scalable business model and growth potential to become large cap

Patient investors

- Buy and hold
- Invest in a stock as if investing in a business
- Think like a partner

Agile and flexible

- Each investment opportunity is looked upon individual merit
- Not constrained to a particular theme or style

Fundamental driven

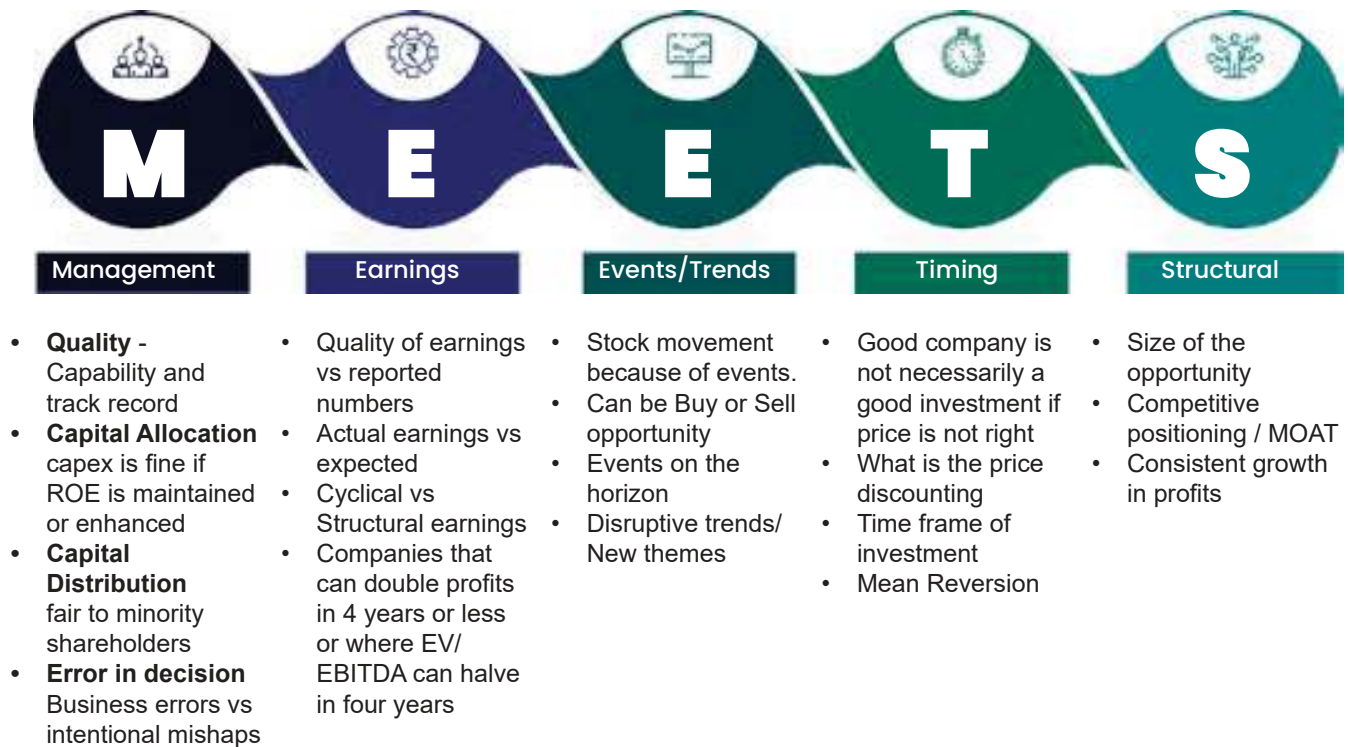
- Bottom-up research with focus on balance sheet
- Numbers speak more than presentations and hype
- Returns ultimately are all about earnings

Happy to be contrarian

- Prefer to be first, early and/or only investors
- Do not chase the momentum
- Open to look at companies across sectors and market caps and business cycle



Our Unique MEETS Framework



Opportunity Matrix

Large Cap



Large, Stable

- Fundamental approach to investing
- Valuations do matter
- Judiciously invest rather than allocation-based approach
- Selective sector calls
- Depending on the economic scenario take small cyclical sector exposure from time to time

Mid Cap

- Bottom-up stock picks via in-house research
- Focus on entrepreneurs driving businesses with competitive moat
- Companies that are gaining market share
- Consistency in fundamental track record
- Strong Number 2 or Number 3 in their respective sector



Established, Fast moving

Small Cap



Volatile, Swift

- Invest in new sectors and emerging themes
- Bank on entrepreneurship which is thriving in India
- Companies with unique positioning in their respective sector
- Small companies but in niche sectors
- Opportunistic exposure to events, special situations
- Under Researched \ Disbelief

Micro Cap

- Undiscovered companies with long term high growth potential
- Sound businesses that are priced significantly below our estimation
- Under penetrated sectors / industries having Macro tailwinds
- Invest in potential turnaround stories
- Companies with less awareness / research



Flexible, Agile

Characteristics resembling companies/image are for illustrative purpose only. It may/may not be applicable to respective market capitalization

*Indicative Market Cap Breakup on a fully constructed portfolio, may differ due to fund raising during commitment period. Market cap classification based on internal criteria.

Vector figure credits: Elephant – 123RF; Bull, Tiger – Vectorstock; Squirrel – Freepik.

Fund Characteristics

- Unique 40:30:20:10 approach to portfolio construction
- Capturing opportunities across market capitalization
- Lower volatility through large cap and larger mid cap exposure
- Alpha creation via exposure to mid, small & micro caps
- Risk discipline and management by way of position sizing
- Liquidity management as smaller capitalization companies have incrementally smaller weights

*Indicative Market Cap Breakup on a fully constructed portfolio, may differ due to fund raising during commitment period. Market cap classification based on internal criteria. Indicative allocation only at the time of investment. May change at the discretion of Investment Manager (IM);

Fund Features

Fund / Scheme Name	Abakkus Diversified Alpha Fund
Fund Type	A Close Ended Category III Alternative Investment Fund (AIF) Scheme
Target Corpus	INR 1000 crores with a green-shoe option of up to INR 1000 crores
Commitment Amount	Minimum INR 1 crore (100% upfront or option to investment with 50% initial drawdown)
Investment Manager / Sponsor	ABAKKUS ASSET MANAGER PRIVATE LIMITED (Formerly known as Abakkus Asset Manager LLP) / Abakkus Fund Sponsors LLP
Tenure of the Fund	5.5 Years (from date of First Closing), with an option to redeem with exit /charges* after the expiry of lock-in period.
Lock-in period	Lock-in period is 12 months from the date of final closing or payment of last drawdown; whichever is later
Benchmark	S&P BSE 200
Trustee	Amicorp Trustees (India) Private Limited
Custodian and Fund Accountant	ICICI Bank Limited
Legal and Tax Advisor	I. C. Universal Legal / Price Waterhouse & Co. LLP
RTA and Stamp Duty Collection Agent	Computer Age Management Services Limited
Taxation	No specific pass-through status accorded to a Category III AIFs. Trust taxation principles to apply to the AIF and practically, taxes to be discharged at the AIF level. Investors are strongly urged to consult their tax advisors with specific reference to their own situations. For more details , please refer to private placement memorandum.

For more details, please refer to private placement memorandum

Risk



For more details, please refer to Risk Factors in the Private Placement Memorandum

About Us

ABAKKUS ASSET MANAGER PRIVATE LIMITED (Formerly known as Abakkus Asset Manager LLP) ("Abakkus") is registered as a Portfolio Manager with SEBI under SEBI (Portfolio Managers) Regulations, 2020 as amended from time to time and the Circulars and Guidelines issued there under from time to time vide SEBI Reg. No.: INP000006457 dated March 14, 2019 and as an Investment Advisor under SEBI (Investment Advisors) Regulations, 2013 as amended from time to time and the Circulars and Guidelines issued there under from time to time vide SEBI Reg. No.: INA000015729 dated February 03, 2021. Abakkus is also the Investment Manager to Abakkus Growth Fund, a SEBI registered Category III AIF vide SEBI Reg. No.: IN/AIF3/18-19/0550 dated June 05, 2018, India-Ahead Venture Trust, a SEBI registered Category I AIF vide SEBI Reg. No.: IN/AIF1/21-22/0976 dated January 25, 2022 and India-Ahead Private Equity Trust, a SEBI registered Category II AIF vide SEBI Reg. No.: IN/AIF2/21-22/0980 dated January 27, 2022, under SEBI (Alternative Investment Fund) Regulations, 2012 as amended from time to time and the Circulars and Guidelines issued there under from time to time collectively referred as the SEBI Registered Intermediary.

Disclaimer and Disclosures

This document is confidential and is intended only for the personal use of the prospective investors/contributors (herein after referred as the Clients) to whom it is addressed or delivered and must not be reproduced or redistributed in any form to any other person without prior written consent of Abakkus. This document does not purport to be all-inclusive, nor does it contain all of the information which a prospective investor may desire. This document is neither approved, certified nor its contents is verified by SEBI.

Abakkus retains all the rights in relation to all information contained in the document(s) and to update the same periodically or otherwise from time to time. The document is neither a general offer nor solicitation to avail the service of investment from the SEBI Registered Intermediary under the services offered by Abakkus/Fund nor is it an offer to sell or a generally solicit an offer to become an investor in the services offered by the Abakkus/Fund. The delivery of this email/document at any time does not imply that information herein is correct as of any time subsequent to its date. The contents of this document are provisional and may be subject to change. In the preparation of the material contained in this document, Abakkus has used information that is publicly available, certain research reports including information developed in-house. Abakkus warrants that the contents of this document are true to the best of its knowledge, however, assume no liability for the relevance, accuracy or completeness of the contents herein.

Abakkus declares that the data and analysis provided shall be for informational purposes. The information contained in the analysis shall be obtained from various sources and reasonable care would be taken to ensure sources of data to be accurate and reliable. Abakkus will not be responsible for any error or omission in the data or for any losses suffered on account of information contained in the analysis. While the Abakkus will take due care to ensure that all information provided is accurate however the Abakkus neither guarantees/warrants the sequence, accuracy, completeness, or timeliness of the report. Neither the Abakkus nor its affiliates or their partners, directors, employees, agents, or representatives, shall be responsible or liable in any manner, directly or indirectly, for views or opinions expressed in this analysis or the contents or any systemic errors or discrepancies or for any decisions or actions taken in reliance on the analysis. Abakkus does not take any responsibility for any clerical, computational, systemic, or other errors in comparison analysis.

There can be no assurance that future results, performance or events will be consistent with the information provided in this document and the past performance, if any is not the guarantee of the future/assured performance. Any decision or action taken by the recipient/visitor of this document based on this information shall be solely and entirely at the risk of the recipient/visitor of the document. The distribution of this information in some jurisdictions may be restricted and/or prohibited by law, and persons into whose possession this information comes should inform themselves about such restriction and/or prohibition and observe any such restrictions and/or prohibition. Unauthorized disclosure, use, publication, dissemination or copying (either whole or partial) of this information, is prohibited. Abakkus shall not treat recipient/user as a client by virtue of his receiving/using the contents of the document in full or part. Neither the Abakkus nor its affiliates, directors, partners, employees, agents, or representatives, shall be responsible or liable in any manner, directly or indirectly, for the contents or any errors or discrepancies herein or for any decisions or actions taken in reliance on the information. The person accessing this information specifically agrees to exempt/absolve the Abakkus or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse/improper/illegal use and agrees not to hold the Abakkus or any of its affiliates or employees responsible for any such misuse/improper/illegal use and further agrees to hold the Abakkus or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

Abakkus (including its affiliates) and any of its Partners, officers, employees, and other personnel will not accept any liability, loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this document or any information in any manner whatsoever. This document may include certain forward-looking words, statements and scenario which contain words or phrases such as "believe", "expect", "anticipate", "estimate", "intend", "plan", "objective", "goal", "project", "endeavor" and similar expressions or variations of such expressions that are forward-looking statements, words, and scenario. Actual results may differ materially from those suggested by the forward-looking statements due to risks, uncertainties, or assumptions. Abakkus takes no responsibility of updating any data/information. The contents of this document cannot be copied, reproduced, in whole or in part or otherwise distributed without prior written approval of the Abakkus.

Prospective investors/clients are advised to review this document, the Private Placement Memorandum/Disclosure Document, the Contribution Agreement/Client Agreement, representations and presentation(s) and other related documents carefully and in its entirety and seek clarification wherever required from the SEBI Registered Intermediary/Abakkus. Prospective investors should make an independent assessment, and consult their own counsel, business advisor and tax advisor as to legal, business and tax related matters concerning this document and the other related documents before becoming investing with /through the Abakkus/in the Fund.

The information contained in this document has been prepared for general guidance and does not constitute a professional advice/assurance and no person should act upon any information contained herein without obtaining specific professional advice/Assurance. Neither the Abakkus nor its Affiliates or advisors would be held responsible for any reliance placed on the content of this document or for any decision based on it. Each existing/prospective client, by accepting delivery of this document agrees to the foregoing. The Investment portfolio are subject to several risk factors including but not limited to political, legal, social, economic, and overall market risks. The recipient alone shall be fully responsible/are liable for any decision taken based on this document. Abakkus, its partners, employees, PMS clients, AIF scheme(s), Advisory clients may have existing exposure to the stocks that form part of the PMS portfolio/Advisory portfolio/AIF scheme(s). Further, in view of the investment objective/strategy of the PMS /Advisory and AIF scheme(s) there may be situations where Abakkus may be selling a stock which is part of the PMS portfolio/Advisory portfolio/AIF scheme as the case may be.

Abakkus (including its affiliates) may offer services in nature of advisory, consultancy, portfolio management, sponsorship of funds, investment management of funds which may conflict with each other. Abakkus operates from within India and is subject to Indian laws and any dispute shall be resolved in the courts of Mumbai, Maharashtra only.

Alternative Investment Fund

As per SEBI Circular No. SEBI/HO/IMD/DF6/CIR/P/2020/24 dated February 05, 2020, details of industry benchmark and AIF level performance versus Benchmark Reports are available at <https://www.crisil.com/en/home/what-we-do/financial-products/alternate-investment-funds-benchmarks.html> and <https://www.nseindia.com/products-services/aif-benchmark-report>.

Compliance Officer details under AIF: Mr. Bihari Lal Deora, **Tel:** 022-68846600; **Email** – complianceteam@abakkusinvest.com

Portfolio Management Services: You may refer the Disclosure Document available at <https://abakkusinvest.com/regulatory-disclosure/> for detailed disclosures.

Principal Officer and Compliance Officer Details under PMS: **Principal Officer:** Mr. Sunil Singhania, **Tel:** 022-68846600; **Compliance Officer:** Mr. Bihari Lal Deora, **Tel:** 022-68846600; **Email** – complianceteam@abakkusinvest.com

Investment Advisory Services: You may refer the Disclosure Document available at <http://ria.abakkusinvest.com/> for detailed disclosures.

Principal Officer and Compliance Officer Details under IA: **Principal Officer:** Mr. Bihari Lal Deora, **Tel:** 022-68846600; **Email** – complianceteam@abakkusinvest.com
Compliance Officer: Mr. Lijo Varghese, **Tel:** 022-68846600; **Email** – complianceteam@abakkusinvest.com

Contact Us: Website: www.abakkusinvest.com | **Email:** info@abakkusinvest.com | **Tel:** 022-68846600

Corporate and Registered Address: Abakkus Corporate Center, 6th Floor, Param House, Shanti Nagar, Near Grand Hyatt, Off Santacruz Chembur Link Road, Santacruz East, Mumbai – 400055. LLPIN: AAM-2364;

I/We hereby confirm and agree that I/We have read and understood the information in the Strategy Note between pages 8-11 of this booklet.

<div style="background-color: yellow; padding: 2px; display: inline-block;">Sign 3/9</div> (First Contributor) Authorised Signatory with Stamp	<div style="background-color: yellow; padding: 2px; display: inline-block;">Sign 3/9</div> (Second Contributor) Authorised Signatory with Stamp	<div style="background-color: yellow; padding: 2px; display: inline-block;">Sign</div> Distributor / RM with stamp
--	---	--