

INTRODUCING ABAKKUS ASSET MANAGER

- Abakkus is alpha focused asset management firm set-up by Mr. Sunil Singhania, managing over INR 7000* 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 Ex-Honorary Chairman of the Investment Committee (2018-2019) of the CFA Institute, USA.



INVESTMENT PHILOSOPHY

Alpha Generators	<ul style="list-style-type: none"> ➤ Believe in investing with an endeavor to generate alpha over the markets than just allocation within benchmark index ➤ Growth companies where profitability is expected to grow higher than market average ➤ Fundamentally underpriced stocks with reasonable growth expectations to triggers ➤ Mid Cap companies with a scalable business model and growth potential to become large cap
Fundamental Driven	<ul style="list-style-type: none"> ➤ 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	<ul style="list-style-type: none"> ➤ Prefer to be first, early and/or only investors ➤ Not chase the momentum ➤ Open to look at companies across sectors and market caps and business cycle
Agile and Flexible	<ul style="list-style-type: none"> ➤ Each investment opportunity is looked upon individual merit ➤ Not constrained to a particular theme or style
Patient Investors	<ul style="list-style-type: none"> ➤ Buy and hold ➤ Invest in a stock as if investing in a business ➤ Think like a partner
Risk Reward Equation	<ul style="list-style-type: none"> ➤ Expected returns have to 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?

OUR UNIQUE 'MEETS' FRAMEWORK

Management	<ul style="list-style-type: none"> › Quality - Capability and track record › Capital Allocation - capex is fine if ROE is maintained or enhanced › Capital Distribution - fair to minority shareholders › Error in decision - Business errors vs intentional mishaps
Earnings	<ul style="list-style-type: none"> › Quality of earnings vs reported numbers › Actual earnings vs expected › Cyclical vs Structural earnings › Companies that can double profits in 4 years or less or where EV/EBITDA can halve in four years
Events/Trends	<ul style="list-style-type: none"> › Stock movement because of events › Can be Buy or Sell opportunity › Events on the horizon › Disruptive trends/New themes
Timing	<ul style="list-style-type: none"> › Good company is not necessarily a good investment if price is not right › What is the price discounting › Time frame of investment › Mean Reversion
Structural	<ul style="list-style-type: none"> › Size of the opportunity › Competitive positioning/MOAT › Consistent growth in profits

OPPORTUNITY MATRIX

Large Cap	<ul style="list-style-type: none"> › Contra and differentiated approach to investing › Judiciously invest rather than allocation-based approach › Selective sector calls › Depending on the economic scenario take small cyclical sector exposure from time to time
<ul style="list-style-type: none"> › Bottom-up stock picks via inhouse research › Focus on entrepreneurs driving businesses with competitive moat › Companies that are gaining market share › Consistency in fundamental track record › Invest in sectors that are small but growing fast 	Mid Cap
Small Cap	<ul style="list-style-type: none"> › Tap 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

*Market Cap based on Internal Classification

PORTFOLIO CHARACTERISTICS

- › Benchmark Agnostic Flexi-cap diversified portfolio of around 30 companies
- › Endeavor to generate alpha over 3-5 years holding period
- › Limited exposure of up to 15% in smaller companies/special situations to generate additional alpha
- › Select IPO investments as an Anchor Investor/QIB/Pre-IPO.
- › Single stock exposure at max 10% and sector exposure below 30% at the time of investment

Type*	Indicative* Minimum Exposure	Indicative* Maximum Exposure
Large Cap	~35%	~65%
Mid Cap	~35%	~60%
Small Cap	~5%	~15%

*Market cap classification based on internal criteria. Indicative allocation only may change at the discretion of Investment Manager (IM)

FUND FEATURES

Fund/Scheme Name	Abakkus Growth Fund - 2 (Close ended Category III Alternative Investment Fund (AIF))
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
Term	5 Years (from date of Final Closing), with an option to redeem with exit/charges* the expiry of 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/PricewaterhouseCoopers Private Limited
RTA and Stamp Duty Collection Agent	Computer Age Management Services (CAMS)
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.
Redemption	At least 30 Business Day notice period, post Lock-in period, subject to applicable charges*. Exit Day is the last business day of the month, or such other Business Day as the Investment Manager may determine

*For more details on exit and other charges, management fees, redemption process please refer to private placement memorandum. Plus taxes and all statutory levies as applicable.

RISKS

- › **Concentration Risk:** Diversified portfolio of around 30 companies, single stock exposure limited to less than 10% and sector exposure limited below 30%.
- › **Company Risk:** The best way to handle company risk is by knowing in-depth details about what you own and why you own. There is no substitute for this. Our uncompromised focus on balance sheet and fundamental numbers will help us in mitigating the same.
- › **Valuation Risk:** While there is no right or wrong valuation number, we are definitely wary of overpaying. We would be maintaining discipline on this
- › **Market Risk:** We would be focusing more on the portfolio than trying the futile guess over where markets are headed. While we would be definitely monitoring the market, we believe the best way to handle market risk is by being patient.
- › **Liquidity Risk:** Liquidity can be a near term risk in broader market, however the flexi cap portfolio is designed to take care of this, with the ability to move across large cap and broader markets providing stability and liquidity to the portfolio. We would urge investors to factor in a 3-5 years time horizon for investing.

For more details on risk factors, key terms etc, please refer to private placement memorandum

OTHER DISCLOSURES AND DISCLAIMERS

About Us: ABAKKUS ASSET MANAGER PRIVATE LIMITED (Formerly known as Abakkus Asset Manager LLP)

("the LLP") 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. The LLP is also the Investment Manager to Abakkus Growth Fund, a SEBI registered Category III AIF 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 vide SEBI Reg. No.: IN/AIF3/18-19/0550 dated June 05, 2018, collectively referred as the SEBI Registered Intermediary.

Disclaimer and Disclosures: This document 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 the LLP. 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.

The LLP 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 provided on personal/confidential/issued on a Private Placement basis and 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 the LLP/Fund nor is it an offer to sell or a generally solicit an offer to become an investor in the services offered by the LLP/Fund. The delivery of this 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, the LLP has used information that is publicly available, certain research reports including information developed in-house. The LLP 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.

The LLP 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. The LLP 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 LLP will take due care to ensure that all information provided is accurate however the LLP neither guarantees/warrants the sequence, accuracy, completeness, or timeliness of the report. Neither the LLP 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. The LLP 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 of the document based on this information shall be solely and entirely at the risk of the recipient 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. The LLP 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 LLP 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 LLP 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 LLP or any of its affiliates or employees responsible for any such misuse/improper/illegal use and further agrees to hold the LLP 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.

The LLP (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. The LLP takes no responsibility of updating any data/information.

This document cannot be copied, reproduced, in whole or in part or otherwise distributed without prior written approval of the LLP.

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/LLP. 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 LLP/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 LLP 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 on the basis of this document. The LLP, 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.

The LLP (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.

The LLP 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-fundsbenchmark.html#>

Date: _____

RM Name:	1. <u> I2 </u>
Employee Code:	2. <u> Jt2 </u>
Contributors Name:	Contributors Signature