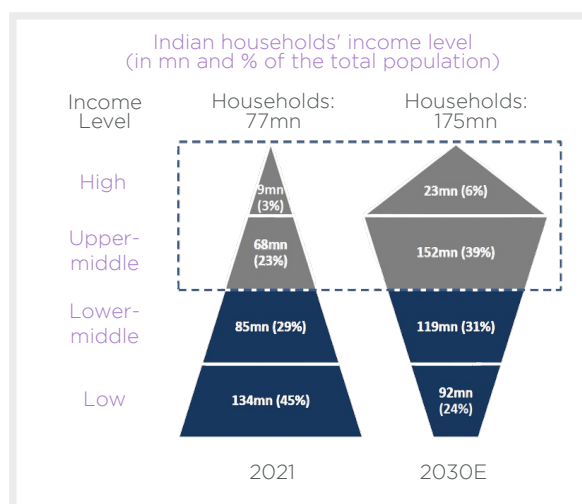


AFTER THE MONSOON RAINS: OPPORTUNITIES IN INDIA

INDIA'S GROWTH TAILWINDS

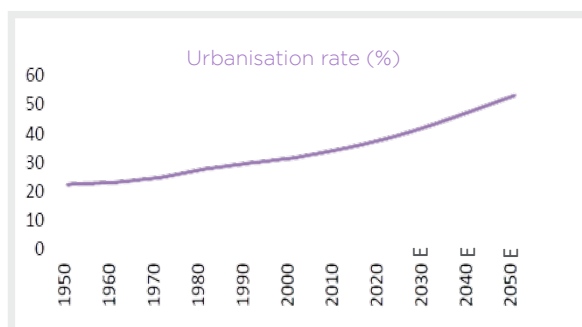
As we look ahead to 2025, India's economic landscape is full of opportunities following another **successful monsoon season**. The recent rainfall, 8% above the long-term average, has set the stage for **robust growth in the rural economy**, a key driver of India's overall economic health. This is in addition to **India's structural story**, which remains compelling. With the world's largest and youngest population, India has the **strongest demographics worldwide**. By 2030, an additional 100 million middle- and high-income households are expected to join this group, creating a new market equivalent in size to the EU. This demographic dividend is not linked to external factors like US interest rates or elections, offering **diversification benefits** to investors.



Source: Lodha, as of January 2024. Annual household income in INR millions: >2.8: high; 0.5-2.8: upper-middle; 0.2-0.5 lower-middle; <0.2 low)

A STRUCTURAL DOMESTIC GROWTH OPPORTUNITY

Infrastructure-related companies present exciting opportunities. India's ongoing urbanisation, **reminiscent of China's growth trajectory 20-30 years ago**, is driving demand for housing and related industries. With 70% of wire demand driven by real estate, Polycab, **India's largest manufacturer of cables and wires**, is well-positioned to benefit from this trend. In addition, the **transitioning to clean energy** requires an overhaul of existing systems, requiring fresh cables for power transmission. Renewables capacity is expected to increase from 184 GW to ~500 GW by FY30E as India aims to meet 50%+ energy needs through non-fossil fuel power sources. As a consequence, Polycab has achieved a **top-line CAGR growth of 14.6%** over the last 8 years.



Source: Macquarie Research, as of August 2023

POLYCAB

IDEAS. CONNECTED.

RURAL GROWTH OPPORTUNITIES

A company that exemplifies the **structural shift toward organised retail** and India's favorable demographics is V-Mart. V-Mart, a retailer focused on small towns and rural areas, which we first met over 10 years ago, has increased its number of stores from 214 five years ago to the current 467. We reinvested in the company after a period of weakness in the stock price back in March, as our on-ground research - including the **Transforming Lives consumer panel** conducted in January with Phool staff - indicated signs of a rural recovery.

Furthermore, **interest rates are expected to decline** in the coming 12 months. This could further **boost property sales and benefit certain financial institutions**. Companies like Mahindra Finance, which also has significant exposure to the rural economy, is well-positioned to capitalise on this.

TRAVEL - AN OVERLOOKED OPPORTUNITY

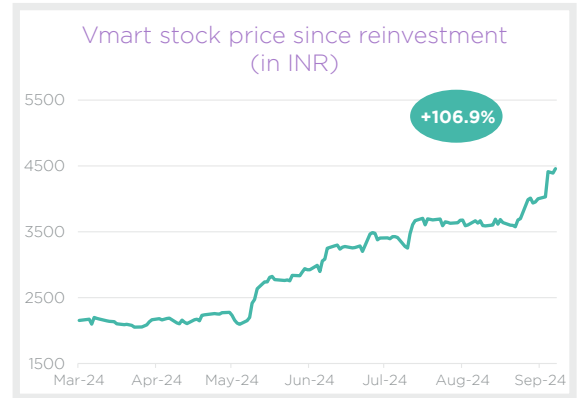
India's domestic travel market is set to become the **3rd largest globally**, presenting opportunities in the leisure and hospitality sectors. The rapid expansion of airports and increasing passenger numbers support this trend, benefiting companies in the tourism industry - which is an **area that is underrepresented in the Indian index**. We have allocated **7% of our portfolio*** to travel-related companies.



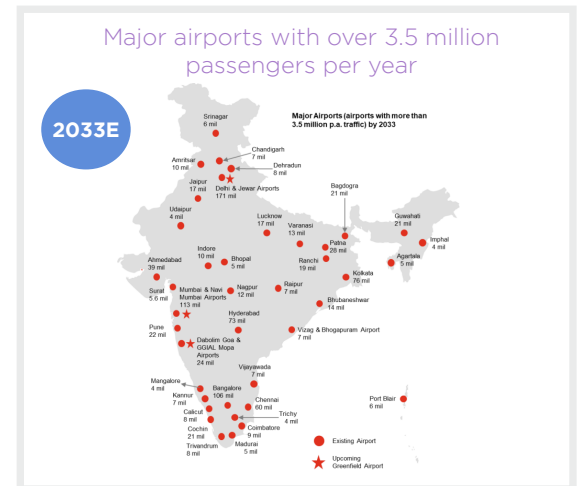
*Alquity (portfolio data, as of 30th September 2024)

VALUATIONS

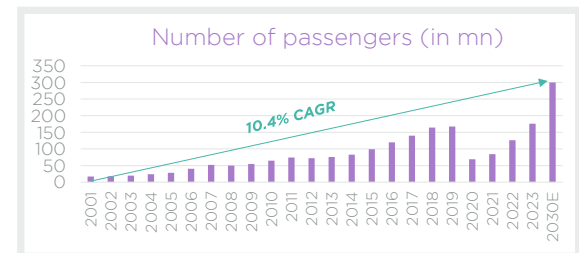
While valuations may appear high at first glance, **India's exceptional multi-year earnings growth and high returns on equity** justify the multiples, and recent market performance demonstrates that these are not a bar to strong returns. Furthermore, **the market is not over-owned by foreign investors**, suggesting room for increased international participation. However, investors should be mindful of potential risks, including political instability, oil price fluctuations and geopolitical tensions. Despite these challenges, none of which we consider to be a near term issue, **India's domestic-focused growth story remains largely insulated from global headwinds**.



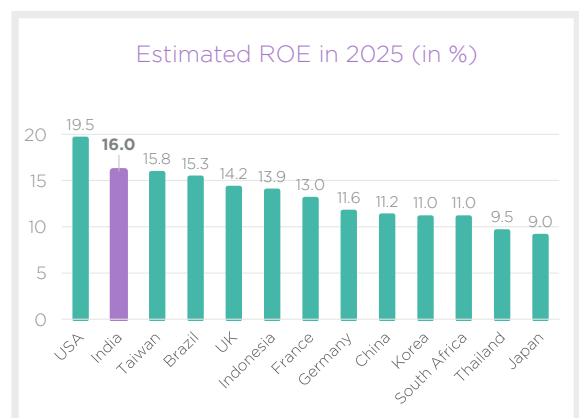
Source: Google Finance, Alquity, as of 30th September 2024



Source: PWC India Analysis, as of March 2022



Source: Bloomberg, as of March 2024



Source: Bloomberg, CLSA as of 12th September 2024

WHY THE ALQUITY INDIA FUND?

India offers a powerful combination of domestic structural growth drivers and near term cyclical tailwinds. For investors looking to capitalise on these opportunities, the Alquity India Fund offers a compelling investment vehicle with several key features:

1) More alpha, less ordinary

50% of our holdings aren't in the index. We unlock growth with a **multi-cap strategy** that champions India's top companies, regardless of size or index status.

2) Strong performance

Since its inception in 2014, **the Fund has delivered a return of 231.2% (USD)** against 153.8% for the ETF.

3) ESG Integration

ESG factors are fully integrated into the investment process. This serves as a crucial **risk mitigation tool**, helping the fund avoid potential pitfalls. Moreover, the Fund has **46% less GHG intensity** and **87% less water intensity** than the index.

4) An experienced and stable team

The fund is managed by a team with deep expertise in the Indian market. **Mike Sell**, who has been running the Fund since its launch 10 years ago, brings almost **30 years of experience investing in India.**

5) Risk management

Despite our focus on growth, small-cap and out-of-index names, our Fund has demonstrated **similar volatility than the index.**

6) Unique insights

Alquity's approach includes on-the-ground research and **consumer panels with beneficiaries of our TL Foundation.** This provides **valuable insights into lower-income segments**, offering an edge in identifying emerging trends, such as the recent pickup in the rural economy.

7) Social Impact

The Fund donates 10% of revenues to social enterprises such as Phool and Shivia to transform lives in India, reflecting its **mission to generate both financial returns and social impact.**

Performance (USD)	10yr	5yr	3yr	2023	2022	2021	2020
Fund	177.9%	109.4%	29.2%	19.9%	-10.1%	44.5%	14.4%
ETF	117.9%	87.8%	27.7%	17.5%	-9.4%	22.4%	14.7%
Index	158.7%	114.2%	39.2%	20.8%	-8.0%	26.2%	15.6%
Quartile	1 st	1 st	2 nd	3 rd	2 nd	1 st	2 nd

Data as of 30th September 2024. The quartile numbers provided here pertain to the Indian equity universe within the Lipper classification.

opportunity

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Alquity Investment
Management

SOURCES

Sources: Bloomberg, United Nations and Macquaire Research (population data, January 2023), Macquaire Research (average age of population, August 2023), Alquity (Relative water and GHG intensity to index, 100% coverage including 95% reported and 5% estimated, as of 30th June 2024), Bloomberg (index and performance data 30th September 2024), Alquity, Lipper and Bloomberg (performance and volatility data, as of 30th September), Alquity (portfolio data, as of 30th September 2024), IMF (GDP growth estimates, as of 30th September 2024), Government of India, Motilal Oswal (rainfall data, as of October 2024), Bloomberg, CLSA (ROE and growth, as of 12th September 2024), PWC India Analysis (estimated number of airports with over 3.5mn PAX, as of March 2022), Google Finance, Alquity (Vmart stock price, as of 30th September 2024).

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This Document is qualified in its entirety by the information contained in the Fund's prospectus and other operative documents (collectively, the "Offering Documents"). Any offer or solicitation may be made only by the delivery of the Offering Documents. Before making an investment decision with respect to the Fund, prospective investors are advised to read the Offering Documents carefully, which contains important information, including a description of the Fund's risks, conflicts of interest, investment programme, fees, expenses, redemption/withdrawal limitations, standard of care and exculpation, etc. Prospective investors should also consult with their tax and financial advisors as well as legal counsel. This Document does not take into account the particular investment objectives, restrictions, or financial, legal or tax situation of any specific prospective investor, and an investment in the Fund may not be suitable for many prospective investors.

An investment in the Fund is speculative and involves a high degree of risk. Performance may vary substantially from year to year and even from month to month. Withdrawals/redemptions and transfers of Interests are restricted. Investors must be prepared to lose their entire investment, and without any ability to redeem or withdraw so as to limit losses.

References to indices herein are for informational and general comparative purposes only. There will be significant differences between such indices and the investment programme of the Fund. The Fund will not invest in all (or any material portion) of the securities, industries or strategies represented by such indices. Comparisons to indices have inherent limitations and nothing herein is intended to suggest or otherwise imply that the Fund will, or are likely to, achieve returns, volatility or other results similar to such indices. Indices are unmanaged and do not reflect the result of management fees, performance-based allocations and other fees and expenses.

All Fund performance results presented herein are unaudited and should not be regarded as final until audited financial statements are issued. Past performance is not necessarily indicative of future results. All performance results are based on the NAV of fee paying investors only and are presented net of management fees, brokerage commissions, administrative expenses, and accrued performance allocation, if any, and include the reinvestment of all dividends, interest, and capital gains. Net returns shown herein reflect those of an investor admitted at inception of the Fund, and are representative of a regular shareholder, net of applicable expenses and reflect reinvestment of dividends and interest. In the future, the Fund may offer share in the Fund with different fee and expense structures.

The Fund's investment approach is long-term, investors must expect to be committed to the Fund for an extended period of time (3-5 years) in order for it to have an optimal chance of achieving its investment objectives.

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The performance shown in this Document is based on our I class charging structure with an OCF of 1%. As the USD I class is not live, we have used the live track record for the USD M class since 30th April 2014 (this adjustment doesn't include the performance fees charged during that period) and the USD Y class since 29th June 2017 and added back 1% per annum up until the launch of its GBP I class (12th November 2019) and converted to USD. Past simulated performance is neither an indicator nor a guarantee of future returns. Actual results will vary from the analysis. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, expressed or implied is made regarding future performance. Performance data is from the iShares India ETF, which has been included to reflect the provisioning for the required Indian Capital Gains Tax. The companies discussed above are provided for information purposes only, are subject to change and this is not recommendation to buy or sell any particular company. The quartile numbers provided herein pertain to the India Equity universe from within the Lipper classification.

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Alquity has engaged with Stikeman Elliott LLP as their legal representation and is relying on the International Dealer Exemption in the provinces of Quebec and Ontario. With respect to statutory rights of action along with connected and related issuer information please refer to our Canadian Wrapper and Prospectus. This material is for distribution to Professional Clients only and does not constitute any recommendation or opinion regarding the appropriateness or suitability of an investment for any prospective investor.