

AAA - INDIA'S LEADING PORTFOLIO MANAGEMENT SERVICE PROVIDER



Why AAA?

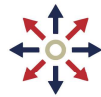
- 1**
FOUNDERS
are the Fund Managers
- 2**
EASY ACCESS
to the fund managers
- 3**
AWARD WINNING
Investment Team and Track record
- 4**
COLLECTIVE
Investment experience of more than 50 years
- 5**
NO CONFLICT OF INTEREST
- we have only one line of activity - PMS and investment advisory
- 6**
ASSOCIATION
with world class institutions - Deutsche Bank and HDFC Bank as Custodian and Fund Accountant; SHCIL as the DP

Investment philosophy and the process

OUR BELIEF

“PROTECT CAPITAL, CREATE WEALTH”

Prudent risk management is the core of our investment philosophy. We do the risk management through:



DIVERSIFICATION



STAGGER INVESTMENT



DEFINED EXIT STRATEGY

Wealth Creation is done through “3M Stock Selection Process”

- 1**
MARKET SIZE
Identify the large business opportunities
- 2**
MARKET SHARE
Identify the companies which are the leaders in their respective segments
- 3**
MARGIN OF SAFETY
Buy the business/ stock at reasonable valuation



AAA MID AND SMALL CAP PMS PLAN



Protect Capital Create Wealth

OVERVIEW

AAA Mid & SmallCap PMS plan is a portfolio of 30-50 companies which are emerging giants with strong corporate governance and high growth potential with an investment horizon of 3-5 years.

WHY INVEST IN AAA MID AND SMALL CAP

- ▲ India investment strategy with strong emphasize on superior and sustainable growth
- ▲ Focus on companies with strong balance sheet and high return on capital employed
- ▲ Focus on companies which are emerging giants

A HIGH CONVICTION AND QUALITY APPROACH

Based on our proprietary 3M Investment Approach, we invest in a portfolio of 30-50 small-midcap organisations that are poised to become large companies Predicated on their strong fundamentals, a robust competitive advantage and excellent corporate governance, we are convinced in their ability to tide over short-term turbulence to deliver superior risk-adjusted returns for investors with a 3-5 year investment horizon.

PRODUCT PROFILE

| | |
|-------------------------------|------------------|
| Number of holdings | Maximum 50 |
| Style | Growth |
| Type | Multicap |
| Benchmark | BSE MidSmall Cap |
| Indicative investment horizon | Long term |

AAA MID AND SMALL CAP PORTFOLIO CHARACTERISTICS

| | |
|---------------------|---|
| Number of holdings | 47 |
| Allocation | Large cap: 3.4% Mid cap: 39.9% Small cap: 46.7% |
| EPS growth (FY 23E) | 45% |
| ROE (FY 23E) | 18.3% |
| PER (FY 23E) | 36x |

AAA MID AND SMALL CAP PERFORMANCE CHART

| Earnings Matrix | Nifty FY20 | Emerging Giants FY20 | Nifty FY21 | Emerging Giants FY21 | Nifty FY22 | Emerging Giants FY22 | Nifty FY23E | Emerging Giants FY23E |
|-----------------|------------|----------------------|------------|----------------------|------------|----------------------|-------------|-----------------------|
| EPS G(%) | 6.9% | 11.7% | 17.9% | 26.3% | 37.6% | 48.8% | 12.8% | 45.4% |
| ROE(%) | 11.6% | 15.6% | 12.0% | 14.2% | 14.2% | 17.5% | 14.4% | 18.3% |
| P/E(x) | | | | | 22.5 | 46.5 | 20.0 | 35.9 |
| P/BV(x) | | | | | 3.2 | 7.5 | 2.9 | 6.1 |

TABLE:

| Compounded Annual Returns (%) | 1 Year | Since inception@ |
|----------------------------------|--------|------------------|
| AAA Emerging Giants PMS | 17.3% | 26.1% |
| BSE MidSmall Cap TRI (Benchmark) | 10.2% | 26.3% |
| BSE Midcap TRI | 7.5% | 21.0% |
| BSE Smallcap TRI | 12.6% | 31.4% |
| Nifty TRI | 7.9% | 14.3% |

(Note: AAA PMS follows Staggered investment approach hence cash levels were higher during the initial period of Jan-Mar21.)
@Since Inception CAGR (1st January 2021 – 31 May 2022). Index performance is calculated as per Total Return Indices as per SEBI Guidelines).

DISCLAIMER

Equity Investments are subject to market risks, read all plan related documents carefully. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Performance related information provided herein is not verified by SEBI.

