

# AAA - INDIA'S LEADING PORTFOLIO MANAGEMENT SERVICE PROVIDER



## Why AAA?

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

## 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”

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



# AAA BUDDING BEASTS PMS PLAN



## Protect Capital Create Wealth

### OVERVIEW

AAA Budding Beasts 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 BUDDING BEASTS PMS PLAN

- 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            | Minimum 30       |
| Style                         | Growth           |
| Type                          | Multicap         |
| Benchmark                     | BSE MidSmall Cap |
| Indicative investment horizon | Long term        |

### AAA BUDDING BEASTS PMS PLAN PORTFOLIO CHARACTERISTICS

|                     |   |
|---------------------|---|
| Number of holdings  | 55  |
| Allocation          | Large cap: 5.4%<br>Mid cap: 38.5%<br>Small cap: 53.2% |
| EPS growth (FY 23E) | 46.2%   |
| ROE (FY 23E)        | 16.8%   |
| PER (FY 23E)        | 42.8x   |

### AAA BUDDING BEASTS PMS PLAN PERFORMANCE CHART

| Earnings Matrix | Nifty FY21 | AAA Budding Beasts FY21 | Nifty FY22 | AAA Budding Beasts FY22 | Nifty FY23E | AAA Budding Beasts FY23E | Nifty FY24E | AAA Budding Beasts FY24E |
|-----------------|------------|-------------------------|------------|-------------------------|-------------|--------------------------|-------------|--------------------------|
| EPS G(%)        | 17.9%      | 26.3%                   | 36.3%      | 46.9%                   | 11.2%       | 45.5%                    | 15.7%       | 30.4%                    |
| ROE(%)          | 12.0%      | 14.2%                   | 14.2%      | 18.5%                   | 14.3%       | 16.2%                    | 14.9%       | 17.7%                    |
| P/E(x)          |            |                         |            |                         | 22.3        | 38.6                     | 19.3        | 30.5                     |
| P/BV(x)         |            |                         |            |                         | 3.2         | 6.1                      | 2.9         | 5.0                      |

### TABLE:

| Compounded Annual Returns (%) | 1 YEAR | *Since Inception |
|-------------------------------|--------|------------------|
| AAA Budding Beasts PMS Plan   | 4.7    | 25.5             |
| BSE MidSmall Cap Index        | 0.7    | 23.9             |
| BSE Midcap Index              | 2.7    | 20.2             |
| BSE Smallcap Index            | -1.0   | 27.5             |
| CNX Nifty                     | 5.7    | 15.2             |

(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 December 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.

