

LWM FUND SPOTLIGHT ASHOKA WHITEOAK EMERGING MARKETS STRATEGY

LWM FUND ANALYSIS

This is a brand-new strategy which they are launching in April / May 2023. They are looking to raise £100 million.

This therefore has no track record and may not appeal to investors at this stage. The strategy has no annual fee, and the team are rewarded purely on outperformance over the benchmark.

WhiteOak was founded by Preshant Khemka in 2017 and the team have successfully managed an Indian strategy. Over that time they have built up a sizable team of 40 individuals.

Well resourced team with experience across emerging and developed markets

Team (Yrs of Exp)	Coverage	Team/Yrs of Exp (Coverage)	Team ¹ (Yrs of Exp)	Coverage	Team ² (Yrs of Exp)	Coverage	Team ³ (Yrs of Exp)	Coverage	Team ³ Coverage
 Preshant Khemka ^{1,6} (24)	Founder	 Jorge Robles ⁷ Cons Disc, Comm Svcs, Energy, Utils, Materials	 Ramesh Mantri (19), CIO, Equities	Information Tech	 Vineet Narang (1)	Healthcare, Financials, Materials	 Parag Jariwala (16)	Financials	 Kishij Bansal Consumer, Real Estate
 Manoj Garg ^{1,6} (26)	Healthcare, Materials, Cons Disc, Industrials	 Krishna Sathyamoorthi ¹ Healthcare, Consumer, Industrials	 Trupti Agrawal (14)	Financials, Cons Disc	 Pratyush Agarwal (3)	Information Tech, Comm Svcs,	 Rohit Chordia (18)	Consumer, Comm Srv Energy, Utils	 Kritik Jain Financials
 Sanjay Vaid ^{1,6} (33)	Trading Advisor	 Charles Woo ¹ Trading	 Dheeresh Pathak (16)	Healthcare, Materials	 Divyanshu Sachdeva	Healthcare, Materials	 Anand Bhavnani (11)	Financials	 Samvit Bordia Consumer, Materials
 Ayush Abhijeet ¹ (10)	Information Tech, Cons Disc, Comm Svcs, Real Estate	 Yu Heng Ong ¹ Consumer Disc	 Ashish Agrawal (17)	Trading	 Yash Verma	Cons Disc, Industrials, Materials, Energy, Utils	 Chaitanya Kapur (5)	Trading Advisor	 Rishab Kothari Consumer
 Arthur Kadish ¹ (15)	Consumer, Real Estate	 George Chen ¹ Information Tech, Industrials	 Shariq Merchant (10)	Consumer, Industrials, Real Estate	 Nikunj Sarda	Industrials, Consumer, Real Estate	 Aman Kapadia (5)	Forensics, ESG, Primary Research	 Shane Mathews Financials, Pharma
 Lim Wen Loong ¹ (10)	Information Tech, Industrials		 Neeraj Parkash (5)	Cons Disc, Industrials, Energy, Utils			 Dhanashree Chitvala (3)	Trading Advisor	 Sadeev Singh Financials
 Nori Chiou ¹ (10)	Information Tech, Industrials		 Anupriya Gupta (9)	ESG Advisor			 Darshak Lodhiya (2)	Financials, Cons Disc, Industrials	
 Fadrique Balmaseda ¹ (10)	Consumer, Real Estate, Energy, Utils, Financials		 Vishwamithra Shashishekara (3)	Information Tech, Industrials, Materials, Comm Svcs			 Tejkran Magesh (2)	Financials	

¹Employees of White Oak Capital Partners Pte Ltd. ²WhiteOak Capital AMC. ³White Oak Capital Management Consultants LLP (WOCML). WOCML and White Oak Capital AMC provides non-binding, non-exclusive and recommendatory investment advisory services to White Oak Capital Partners Pte. ⁴White Oak Capital Management (Spain), Sociedad Limitada. ⁵WOCM Asset Management Ltd. ⁶The Ratings are based on the manager's three-year risk-adjusted performance across all funds the manager is managing to 28th February 2023.

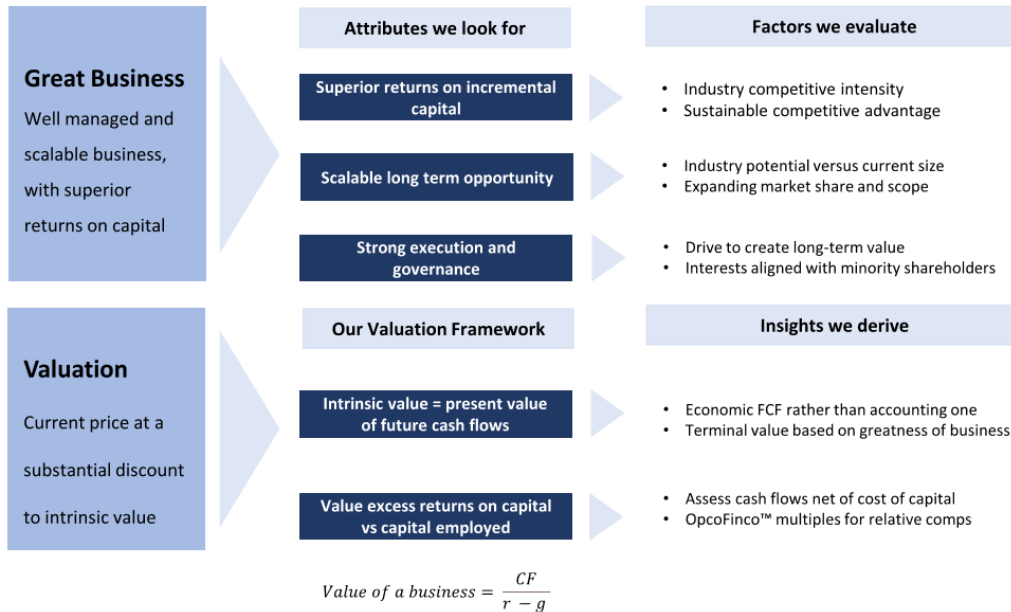
They believe that they offer something very different within the marketplace. It is not just about the team, it is about buying great companies at attractive valuations, avoiding macro bets, and using a time-tested process of research.

Ashoka WhiteOak Emerging Markets Strategy – April 2023



Investment Philosophy

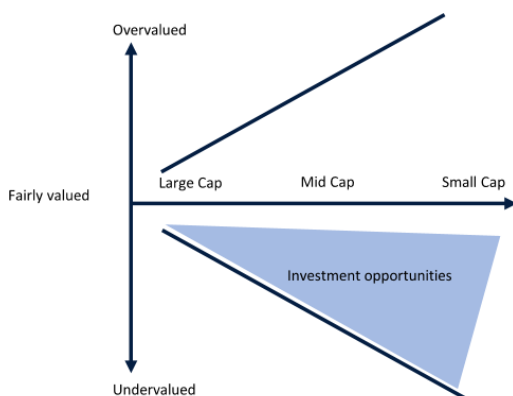
Outsized returns can be earned over time by investing in great businesses at attractive valuations



In terms of the investment universe, this starts with around 2,800 companies and then this is distilled down to 600 to 750 companies. These are great businesses, and of these they will look to invest in between 75 and 150 companies. The strategy is likely to hold 110 companies at launch.

This is not dissimilar to the approach with the India strategy they run.

Higher inefficiencies in mid and small cap



Market cap² attribution since inception (Jul 2018) for AIE¹

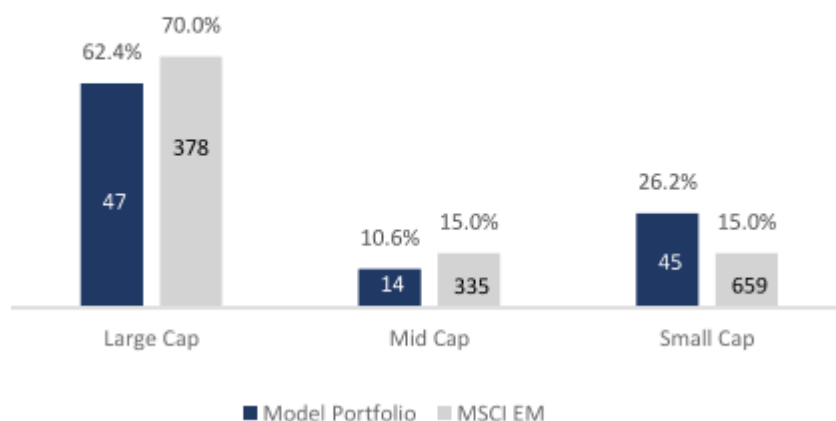
	Avg weights (%)		Cumulative Returns (%)		Attribution		
	Fund	Benchmark	Fund	Benchmark	Selection Effect (%)	Allocation Effect (%)	Total Attribution (%)
Large Cap	48.4	79.9	84.4	59.5	10.7	-3.7	7.0
Mid Cap	21.8	13.9	153.2	39.7	27.9	0.0	27.9
Small Cap/Pre-IPO	25.4	6.2	241.1	-9.5	57.7	-18.5	39.2
Total	100.0	100.0	126.9	51.2	96.3	-20.6	75.7

	Avg weights (%)		Annualised Returns (%)		Compounding (# of times)		
	Fund	Benchmark	Fund	Benchmark	Excess Return (bps)	Strategy (x)	Benchmark (x)
Large Cap	48.4	79.9	14.8	11.1	370	1.8x	1.6x
Mid Cap	21.8	13.9	23.4	7.9	1552	2.5x	1.4x
Small Cap/Pre-IPO	25.4	6.2	32.0	-2.2	3421	3.4x	0.9x
Total	100.0	100.0	20.4	9.8	1056	2.3x	1.5x

One concern we would have is around the number of holdings and whether you can truly know these companies. They argue that due to the size of the team they can really understand the companies and that is what makes them different.

Ashoka WhiteOak Emerging Markets Strategy – April 2023

Market Cap Weights^{1,2}



How they describe it is having three portfolios in one – a dedicated large cap sleeve, mid cap, and small cap. No one name can dominate and they have proven that this strategy works. They have around a 78% active share. They believe that this reduces risk for investors. They ran this at Goldman Sachs and it was in the top quartile of the peer group.

This approach means they can scale up without affecting performance. They have plenty of companies to select from so they don't need to take undue risk. They don't like undemocratic countries and therefore they do have exposure to developed market companies which have exposure to these countries. Some may argue that this is not pure emerging markets, others may argue this provides added protection.

Weight (%) Region/Country	Net Democracy Score	By Country of Listing/Incorporation		
		MSCI EM	WOEM Fund	Active weight
Most democratic countries	>=7	58.2	75.4	17.2
Taiwan	10	15.1	10.2	-4.9
Poland	10	0.7	2.5	1.7
Developed Markets	10	0.4	18.6	18.2
India	9	13.2	18.7	5.5
Indonesia	9	1.9	4.8	2.9
Peru	9	0.3	0.8	0.5
South Africa	9	3.4	3.6	0.1
Brazil	8	5.1	2.3	-2.8
Mexico	8	2.6	4.0	1.3
South Korea	8	11.8	8.0	-3.8
Colombia	7	0.1	0.0	-0.1
Malaysia	7	1.5	0.0	-1.5
Europe/Asia/Latam (Others)	8	2.1	2.1	0.0
Least democratic countries		41.8	21.6	-20.2
Thailand	-3	2.1	0.0	-2.1
Egypt	-4	0.1	0.0	-0.1
Turkey	-4	0.6	0.0	-0.6
China	-7	31.9	21.6	-10.3
Kuwait	-7	0.9	0.0	-0.9
UAE	-8	1.3	0.0	-1.3
Qatar	-10	1.0	0.0	-1.0
Saudi Arabia	-10	3.9	0.0	-3.9
Portfolio	5.2			
Benchmark	2.1			

Below is an example of potential holdings:

Top 15 Holdings

Company Name	Country	Weight (%)
TSMC	Taiwan	5.3
Samsung Electronics	South Korea	4.3
LVMH	France	3.3
AIA Group	China/HK	3.3
Hermes Intl	France	3.2
Hong Kong Exchanges	China/HK	3.0
Naspers	South Africa	2.8
DBS Group	Singapore	2.3
Prosus NV	Netherlands	2.3
Bank Central	Indonesia	2.0
Nien Made	Taiwan	1.5
Yum China Holdings Inc	China	1.5
Wal-Mart de Mexico SAB	Mexico	1.5
Meituan	China	1.4
ASM Intl.	Netherlands	1.4

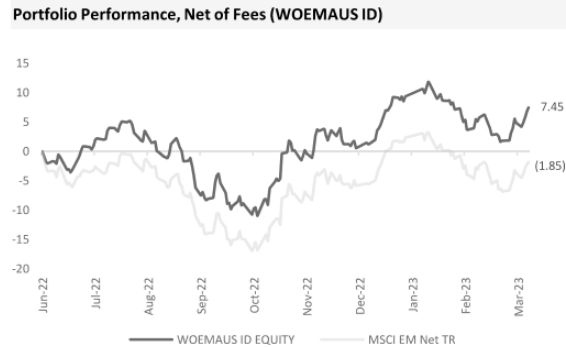
This is an investment trust. They also offer a fund and below is the performance since launch.

Ashoka WhiteOak Emerging Markets Strategy – April 2023

Portfolio Performance: Ashoka WhiteOak Emerging Markets Equity Fund

As on 31 Mar 2023, Net of Fees in US\$ (WOEMAUS ID)²

	Fund-US\$ (WOEMAUS ID)	Benchmark % MSCI EM ²	Excess Returns (bps)
CY23TD	6.24%	3.96%	+228
Q4 2022	10.04%	9.70%	+34
Q3 2022	-6.43%	-11.57%	+514
Partial CY22	1.14%	-5.58%	+672
Since inception ¹	7.45%	-1.85%	+930

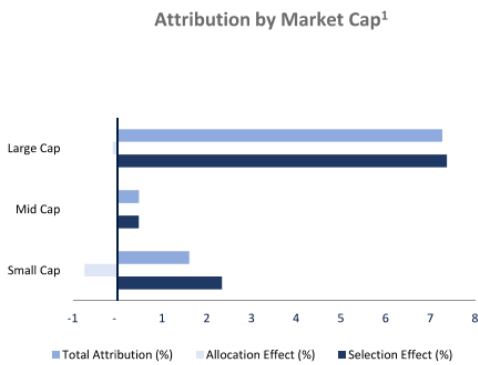


Past performance on the presentation does not predict future returns. The past performance shown has been calculated using US\$-denominated figures. If the US\$ is not your local currency, the returns shown may increase or decrease when converted into your local currency. For fees, refer to the Prospectus.

¹Inception Date: 28 Jun 2022. ² Performance is for Class A shares (Founder class) after accounting for fees and realised taxes. Class A shares are open for subscription ³ All indices are Net Total Return in US\$. Past performance is not a reliable indicator of future results and returns may increase or decrease as a result of currency fluctuations. The fees and charges paid by the Fund will reduce the return on your investment. Certain costs paid by the Fund will be charged in US\$ and exchange rate fluctuations may cause these costs to increase or decrease when converted into your local currency.

Market Cap Attribution Analysis¹

Stock selection drives performance: 28 June 2022 – 31 Mar 2023



	Fund		Benchmark		Attribution		
	Average Weight (%)	Total Return (%)	Average Weight (%)	Total Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Attribution (%)
Large Cap	57.0	12.8	69.2	-0.6	7.4	-0.1	7.3
Mid Cap	12.4	4.5	15.6	2.7	0.5	0.0	0.5
Small Cap	23.1	1.3	15.2	-9.4	2.3	-0.7	1.6
Index Futures/Cash	7.6	-	0.0	0.0	-	-	0.7
Total	100.0	8.2	100.0	-1.4	10.2	-0.6	9.6

¹FactSet's Attribution Analysis. Performance is gross of fees, taxes and expenses. Note: Past performance is not a reliable indicator of future results and returns may increase or decrease as a result of currency fluctuations. Attribution analysis is based on the fund and is not representative of any share class. This is presented as gross of fees.

It has therefore outperformed the benchmark since launch.

From our perspective we understand the idea that this is effectively a best in class across small, mid and large cap. We also understand having a large team means that they really get to know those businesses, and in the short period that the fund has been in place this has outperformed.

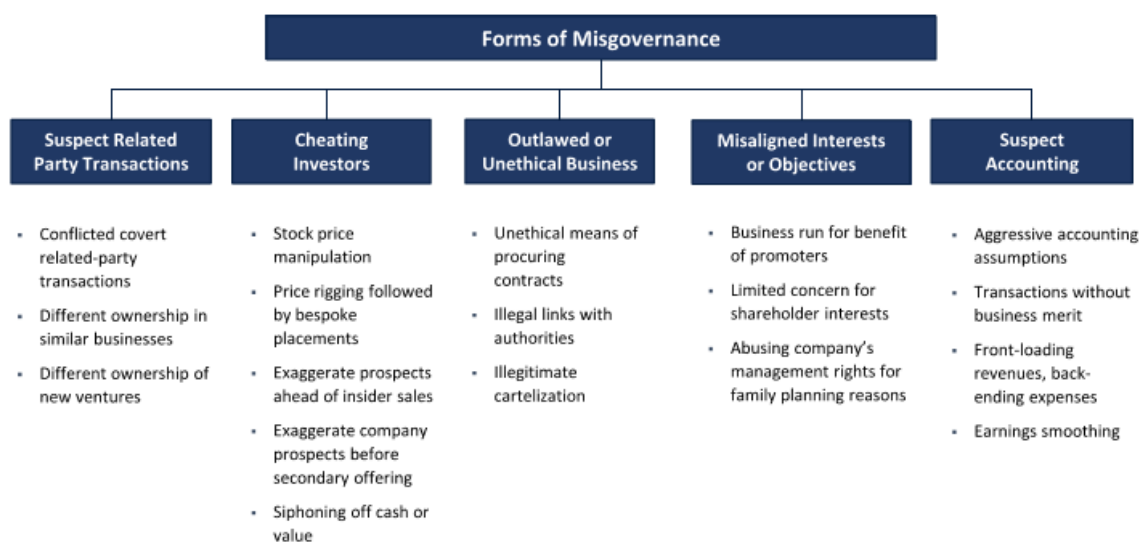
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We pushed the team on the large number of holdings and they were dismissive of this, saying they have shown that this strategy works. Certainly you cannot argue with the figures.

One other area that is slightly challenging is the G-score, especially as they hold Samsung. It is down to interpretation but is it more about holding what everyone else holds.

Step 5: G-Score

We aim to avoid misgoverned companies



He that lieth down with dogs shall rise up with fleas – Benjamin Franklin

In summary, on the positive side this is a best in class strategy with a big team to back this up. It is difficult to pinpoint what “worries” us and it would likely be around the number of holdings and whether the “G” is true especially with Samsung. We would not invest from launch but we would monitor over time and see how this develops. There are many great strategies in the EM space and if we have some nagging concerns we don’t have to rush to invest, now or in the future.

The source of information in this note has been provided by WhiteOak and is correct as of April 2023. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this, and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.

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