

Alchemy Leaders of Tomorrow*

Product Premise — December 2019

Investment Objective & Strategy[#]

The investment strategy for Alchemy Leaders of Tomorrow (“the Fund”) seeks to generate long term capital appreciation by investing in companies showing best traits of adaptability to the new economic normal, driven by innovation & ingenuity. The Fund shall invest in (i) Listed Indian equities, (ii) Private Investment in Public Equity (“PIPES”) on listed Indian equities, and (iii) IPO opportunities.

Investment Philosophy

Alchemy’s Investment Philosophy is “Growth at Reasonable Price” which is rooted in the premise that India is a high growth economy and the best way to play this is to identify and invest in companies best equipped to take advantage of emerging domestic and global opportunities.

Investment Premise

Past few years have been the witness to range of economic disruptions caused by change in regulations, new trade equations, geopolitics, and technologies.

Several Disruptions in Current Business Environment

Disruptive Technology i.e. advent of E commerce, Electric Vehicles, 4G-5G , AI, etc.	Changing Regulatory Framework i.e: GST, RERA, Bankruptcy code, etc.	New Trade Equations, both domestic & International	Geopolitics
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We believe that these disruptions also bring in significant opportunities in the long run. In the new economic paradigm, disruption, adaptability, and resilience are the key to a successful, sustainable and thriving business. Quality companies are able to adapt and demonstrate several traits to navigate the same.

Quality Companies Adapt and Demonstrate Several Traits

Ability to understand and adopt new technology	Use advanced and innovative management practices to build a lean organization	Understand consumer behavior
Focus of R&D and innovation	Ability to identify & integrate Mergers & Acquisition	Access underserved consumer markets

Following are the few examples of companies reflecting these traits.

Traits	Examples of Cos Reflecting The Traits
Ability to understand and adopt new technology	Tata Elxsi, L&T Technology Services
Use advanced and innovative management practices to build a lean organization	Bajaj Electricals, Ramco Cement
Understand consumer behavior	Pidilite, Trent
Focus of R&D and innovation	BASF, Syngene
Ability to identify & integrate Mergers & Acquisition	Motherson Sumi, Qess Corp
Access underserved consumer markets	V-Mart, TCNS, Delta Corp

- A Scheme of **Alchemy Alternative Investment Trust**, registered with Securities and Exchange Board of India (SEBI) as a Category III – Alternative Investment Fund [vide registration number IN/AIF3/17-18/0381](#)

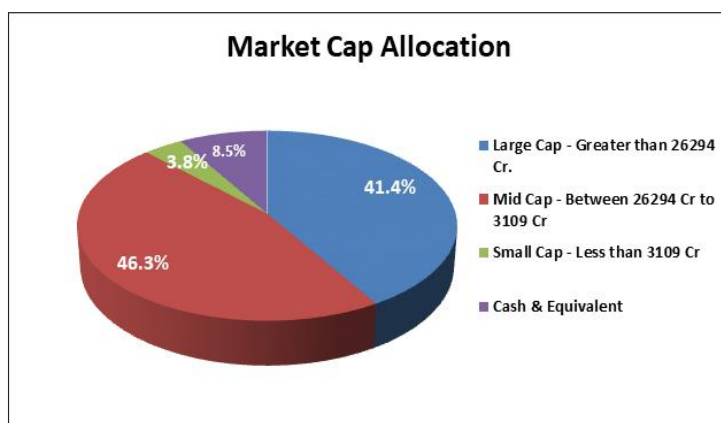
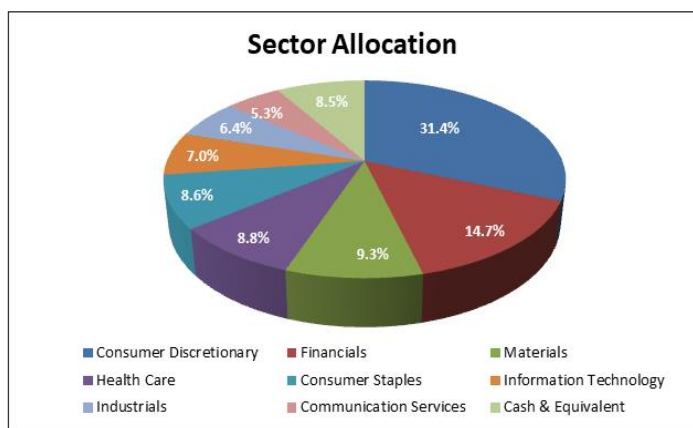
The fund objectives are merely a target and there are no assurances that it would be achieved. This is not complete information on the strategy. Kindly refer the Private Placement memorandum and its amendments for detailed information.

Portfolio Holdings

Company	Sector	Weight (%)	Market Cap (INR Crs)
Trent	Consumer Discretionary	10.6%	18,507
Bajaj Finance	Financials	9.9%	2,45,125
Pidilite Industries	Materials	9.3%	66,190
Syngene International	Health Care	8.8%	12,676
United Spirits	Consumer Staples	8.6%	44,052
Titan	Consumer Discretionary	8.2%	1,02,957
Tata Elxsi	Information Technology	7.0%	5,022
Bajaj Electricals	Consumer Discretionary	5.5%	3,480
Info Edge India	Communication Services	5.3%	32,215
Multi Commodity Exchange	Financials	4.8%	5,999
KDDL	Consumer Discretionary	3.8%	381
Quess Corp	Industrials	3.3%	7,664
Thomas Cook (India)	Consumer Discretionary	3.2%	5,877
Sterling & Wilson Solar	Industrials	3.1%	4,895
Cash & Cash Equivalent		8.5%	
Total		100%	

Data as on 30 Nov'2019

All the above companies are listed public companies and their financial information are available on the websites of the stock exchange at <https://www.bseindia.com> or <https://www.nseindia.com>



Fund Asset under Management and Performance

	AUM as on 30 Nov 2019 (in Crs)	1 Month	3 Months	6 Months	1 Year	Since Inception
Funds Consolidated Returns (%)	246	-5.5%	0.4%	-8.8%	-7.3%	-6.3%
S&P BSE 500 (%)		1.2%	9.4%	0.3%	7.9%	2.2%

Inception date: 4th Jan 2018; Consolidated Returns are calculated using unitization method.

The Consolidated Returns may vary with investors returns depending on the class/series investor have subscribed into. Returns are net of all fees and expenses and provision for taxes.

Returns less than 1 year is absolute, greater than 1 year is CAGR

Past performance is not the indicative of the future performance.

Fund Key Terms[#]

Scheme Name	Alchemy Leaders of Tomorrow
Investment Managers	Alchemy Capital Management Pvt Ltd.
Investment Horizon	3 to 5 yrs.
Underlying Asset Class	Listed equities, PIPES, Private placements, QIP's, Debt instruments
Initial Contribution	Minimum Rs 1 Cr
Redemption Windows	2 yrs. Lock in. (Thereafter redemption Quarterly with prior notice of 15 days)
Risk Appetite	High Risk
Subscription Period	First of every month
Eligible Investors	Resident Indians, NRI ,HNI, Hindu undivided Family (HUF), Banks, Bodies Corporate, Partnership Firm,& Trusts
Fee Plan Option I Fixed Fee Plan	<p>Management Fees: Investment Amt: 1 Cr to Less than 5 Cr- 2.5% p.a. on Net Assets Value. Investment Amt: 5 Cr to Less than 10 Cr- 2.25% p.a. on Net Assets Value. Investment Amt: more than 10 Cr- 2.0% p.a. on Net Assets Value.</p> <p>Performance Fees: Nil</p>
Fee Plan Option II Variable Fee Plan	<p>Management Fees: Investment Amt: 1 Cr to Less than 5 Cr- 1.5% p.a. on Net Assets Value before performance fee. Investment Amt: 5 Cr to Less than 10 Cr- 1.25% p.a. on Net Assets Value before performance fee. Investment Amt: more than 10 Cr- 1.0% p.a. on Net Assets Value before performance fee.</p> <p>Performance Fees: 15% of returns charged at the end of financial year with the hurdle rate of 10%, including High Water Mark provisions.</p>

[#]These are not the complete terms; please refer the Private Placement Memorandum and its amendments for complete details.

Fund Manager



Fund Manager - Hiren Ved

Mr. Ved joined Alchemy in 1999, spearheading the firm's asset management business. With over two decades of experience in equity markets, he has carved a niche in "Bottom-up" research and stock picking with extensive coverage of companies across various sectors. A certified cost accountant, he has over 25 years experience in the Indian equity markets. He has been a Co-Founder and Chief Investment Officer at Alchemy since its inception.

GENERAL RISK FACTORS

- An investment in the fund involves a high degree of risk. Opportunities for withdrawal and transferability of interest are restricted, so investors may not have access to capital when it is needed. There is no secondary market for the interest and none is expected to develop.
- Investments in financial instruments or other products carry significant risk, including the possible loss of the principal amount invested. Financial instruments or other products denominated in a foreign currency are subject to exchange rate fluctuations, which may have an adverse effect on the price or value of an investment in such products.
- Please read Offer Documents (includes Private Placement Memorandum and Contribution Agreement) carefully before investing. Investors are expected to understand the risk factors associated with investment & act on the information solely at their own risk.
- As a condition for providing this information, you agree that Alchemy Capital Management Pvt. Ltd., its Group or affiliates (collectively, "Alchemy") do not accept any liability in any way arising to them for any loss or damage (whether direct, indirect or consequential), from any use of this document or the information contained herein.

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- The information and opinions contained in this document may contain "forward-looking statements", which can be identified by the use of forward-looking terminology such as "may", "will", "seek", "should", "expect", "anticipate", "project", "estimate", "intend", "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, including those set forth under the Offer Documents actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.
- Index performance and yield data are shown for illustrative purposes only and have limitations when used for comparison or for other purposes due to, among other matters, volatility, creditor other factors (such as number and types of securities) An index does not account for the fees and expenses generally associated with investable products. The S&P BSE 500 Index serves as a comprehensive representation of the Indian economy, covering all 20 major sectors in the country. The index comprises of the top 500 companies listed on the Bombay Stock Exchange, with selection based on a combination of average float-adjusted market capitalization, average value traded, and average total market capitalization. Rebalancing occurs semi-annually on the third Friday of June and December, after the markets close.