

ASHOKA INDIA EQUITY INVESTMENT TRUST PLC


WHITE OAK
 CAPITAL MANAGEMENT

Objective

To achieve long-term capital appreciation, mainly through investment in securities listed in India and listed securities of companies with a significant presence in India.

Company Facts

Ticker:	AIE
ISIN:	GB00BF50VS41
Benchmark:	MSCI India IMI ¹
NAV:	106.26p
Share price:	108.50p
(Discount)/Premium:	2.1%
Number of investments:	46
Total net assets:	£65.1 million
Active share:	87.7%
Launch date:	06 July, 2018
On-going charges ratio ⁶ :	0.75% p.a.
Gearing:	0%
Discount Control:	Annual redemption facility at or close to NAV
Investment Advisor:	White Oak Capital Management Consultants LLP (India)
Firmwide AUM ⁴ :	£1.20 billion

Fees & charges

Management fees:	0%
Performance fees:	30% of outperformance (capped)

¹ The Company does not follow this or any other benchmark, it is given for illustrative purposes and for calculation of the performance fee only.

² Past performance cannot be relied upon as a guide to future performance.

³ The funds raised from the IPO got substantially invested at the end of July.

⁴ Refers to aggregate assets under management or advisory for the investment advisor, White Oak Capital Management Consultants LLP (India).

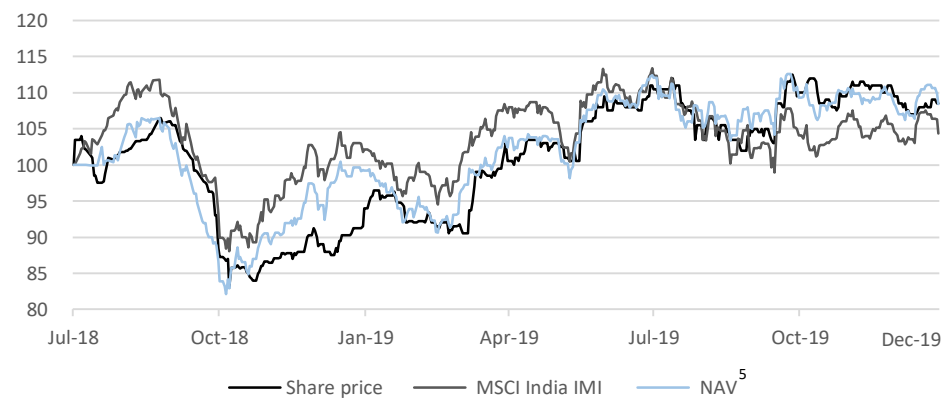
⁵ The beginning NAV of 98 has been rebased to 100 for comparison with the benchmark and share price.

⁶ On-going charges ratio calculated on a 6 month moving average of net assets.

Investment Performance²

Growth	Dec 19	2019	4Q19	3Q19	Since IPO*	Since 31-Jul-18 ³
AIE NAV	-1.2%	8.8%	-2.9%	0.6%	8.4%	7.0%
MSCI India IMI	-1.2%	1.3%	-2.4%	-2.9%	4.4%	-2.9%
NAV Outperformance	+1 bps	+744 bps	-51 bps	+350 bps	+404 bps	+985 bps
Share Price	-2.3%	18.9%	-3.6%	3.2%	8.5%	7.5%
Currency (INR/GBP)	-0.9%	-5.3%	-7.0%	0.5%	-2.5%	-3.6%

*Since IPO: 06 July - 31 December 2019

Performance since launch (GBP)²

Top 10 Holdings (as at 31 December 2019)

Holdings	GICS Sector	% of AUM
1. Bajaj Finance	Financials	7.2
2. Bajaj Finserv	Financials	7.1
3. HDFC Bank	Financials	4.9
4. HDFC Asset Management Co	Financials	4.7
5. Asian Paints	Materials	4.2
6. Titan Co	Consumer Discretionary	3.7
7. NIIT Technologies	Information Technology	3.5
8. L&T Technology Services	Industrials	3.5
9. Navin Fluorine International	Materials	3.4
10. Maruti Suzuki India	Consumer Discretionary	3.2
Total		45.2%

Market Cap Classification (as at 31 December 2019)

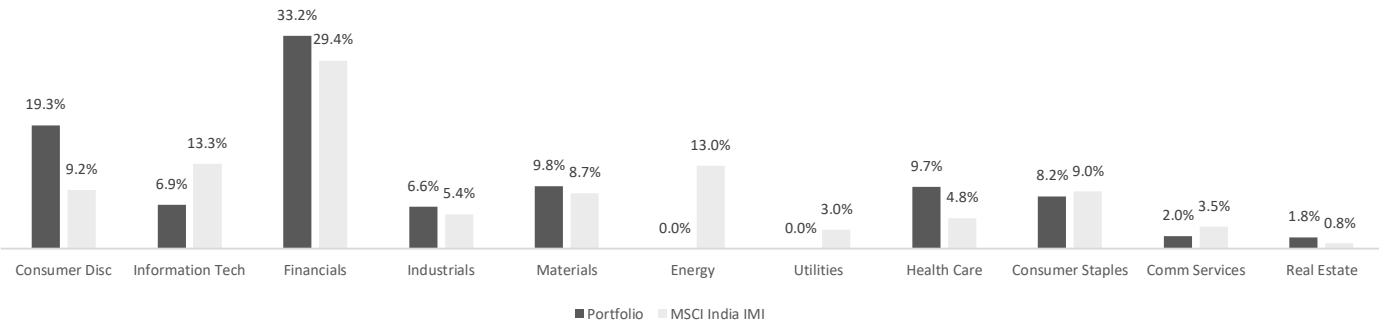
Market Cap	Portfolio End Weight (%)	MSCI India IMI (%)
Large Cap	43.9%	80.0%
Mid Cap	31.7%	15.0%
Small Cap	21.8%	5.0%
Cash	2.6%	-
Total	100.0%	100.0%

Large cap > £4.3bn; Mid cap = £4.3bn - £1.0bn; Small cap < £1.0bn

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Sector Exposure (as at 31 December 2019)



Top 5 Contributors and Detractors (2019)

Contributors	Ending Weight (%)	Total Return (%)	Contribution to Return (bps)
HDFC Asset Management Co	4.7	+108.8	+330
Bajaj Finance	7.2	+50.8	+328
Info Edge India	2.0	+65.6	+157
Axis Bank	2.0	+14.5	+122
NIIT Technologies	3.5	+30.9	+98

Detractors	Ending Weight (%)	Total Return (%)	Contribution to Return (bps)
Infosys	0.0	-20.7	-133
L&T Technology Services	3.5	-18.1	-122
Jyothy Labs	1.0	-34.1	-103
Delta Corp	1.0	-26.1	-74
Intellect Design Arena	0.9	-42.1	-73

Market Review

For the calendar year 2019, MSCI India IMI index delivered 1.3% underperforming global markets. US equities (S&P 500) was up 25.6% followed by MSCI World up 22.7%, and MSCI EM up 13.8% in GBP terms.

Foreign Portfolio Investors bought £10.7bn worth of Indian equities during the year. Crude oil prices increased by 17.9% during the same period.

Among sectors, energy and financials outperformed while utilities and healthcare underperformed during the year. From a market cap segmentation perspective, large caps outperformed mid and small caps during the same period.

Performance Review

The fund delivered 8.8% in 2019, outperforming the benchmark by +744bps. The key contributors were HDFC Asset Management (+108.8%), Bajaj Finance (+50.8%) and Info Edge India (+65.6%), while the main detractors were L&T Technology Services (-18.1%), Jyothy Laboratories (-34.1%) and Intellect Design Arena (-42.1%).

Key Contributors 2019

HDFC Asset Management Company (HDFC AMC) is India's largest asset management company (AMC) with close to 15% market share in total mutual fund AUM. India is amongst the most underpenetrated mutual fund markets with c12.9% AUM to GDP compared to the global average of c61%. This provides HDFC AMC a long runway for growth. It has been delivering industry leading revenue and profitability on a consistent basis. During the year it continued to gain significant market share particularly in the debt mutual funds category and delivered better than expected performance despite headwinds due to regulatory cuts in total expense ratio.

Bajaj Finance is India's leading consumer lending franchise. Leveraging its industry leading technology deployment, it straddles across consumer, SME, commercial, rural and mortgage segments. In consumer, it primarily caters to mass affluent customers. It has delivered robust performance in an otherwise tight liquidity environment with rising cost of funding for the overall industry. Its low cost of funding is a result of its enviable track record of prudent risk management which puts it on a much stronger footing compared to the peer group, several of whom face liquidity challenges. It has a long runway for growth on the back of new customer additions as well as cross-selling opportunities, led by continued strong execution by the management.

Info Edge is the leader in online classifieds in India. It operates naukri.com and

99acres.com - India's no.1 jobs and real estate classifieds businesses respectively. It has also made highly successful investments in India's leading food delivery platform (Zomato) and online insurance aggregator (Policy Bazaar). We like Infoedge for its dominant market position in a fast growing online classifieds industry and for its entrepreneurial management that has a long track record of prudent capital allocation. During the year, the company's share price performed well on the back of strong growth momentum across its business divisions.

Key Detractors 2019

L&T Technology Services (LTTS) is a leading Engineering R&D Services companies globally and counts 51 out of the top 100 R&D spenders as its customers. It has strong competencies across transportation, process engineering, industrial automation and telecom & hi-tech verticals. A multi-vertical strategy, global design centres, competencies across technologies, account mining, and selective acquisitions are expected to drive strong business performance over the coming years. The stock price declined during the year as ramp down in specific client accounts impacted overall growth. However we continue to like LTTS for its strong capabilities across its operating verticals as well as its focused and experienced management team.

Jyothy Laboratories is an FMCG company with a strong portfolio in fabric care, dishwashing, household insecticides and personal care segments. It has a dominant 71% market share in fabric whiteners and is the second largest player in the dish washing segment along with a niche presence in premium laundry and soaps. The market in India is fragmented with roughly half the market being dominated by unbranded, unpackaged, home-made products, operating mostly in the rural markets and this presents a long-term structural opportunity for Jyothy to gain market share. The stock price declined as a broader softness in the consumption environment led to lower volume growth for Jyothy.

Intellect Design Arena is a financial services software product company and regarded as a leading solution providers in Transaction Banking software, which accounts for 45% of its revenue. Other product suites include payments, retail banking and digital banking software. It has cumulatively invested over \$200 million in product R&D over the last ten years and is now monetizing the enterprise software product suite. The stock price declined during the year due to the ongoing weakness in technology spending amongst North American & European banking customers. The sales cycle have elongated, consequently impacting deal closures and revenue momentum. However we continue to like the business given its market leadership in global transaction banking software products and strong growth trajectory expected from its broad product pipeline.

ASHOKA INDIA EQUITY INVESTMENT TRUST PLC**WHITE OAK**
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This document has been issued for information purposes only. It does not contain any advice, investment recommendations or any offer, invitation or inducement to invest in the Company. Investors should seek advice from an authorised financial adviser prior to making investment decisions.

Capital may be at risk as the value of investments may go down as well as up and is not guaranteed; therefore investors may not get back the amount originally invested. Past performance is not a guide to future performance, nor a reliable indicator of future results or performance. Changes in the exchange rates between currencies may cause the value of investments to fluctuate. Investments in shares of smaller companies are generally considered to carry a higher degree of risk as the market for their shares may be less liquid than that for shares of larger companies, making shares of smaller companies more difficult to buy and sell.

The performance of shares of smaller companies may be more volatile than the shares of larger companies over short time periods; therefore investors should regard such investments as long term. There can be no guarantee that the investment objective of the Company will be achieved or provide the returns sought by the Company.

An investment in the Company is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise from such an investment (which may be equal to the whole amount invested). Such an investment should be regarded as long term in nature and complementary to existing investments in a range of other financial assets and should not form a major part of an investment portfolio.

An investment trust is a public limited company, the shares of which are traded on the main market of the London Stock Exchange. Accordingly, the ability of shareholders to sell their shares will be dependent on the market price of the shares. The shares may trade at a discount or premium to their net asset value. Investment trusts may borrow money in order to make further investments. This is known as gearing. The effect of gearing can enhance returns to shareholders in rising markets but will have the opposite effect on returns in falling markets.

White Oak Capital Management Consultants LLP (India) does not provide retail investors with investment advice.