

Fund philosophy and approach - Equity

<p>Philosophy</p>	<ul style="list-style-type: none"> • Portfolio construction with lowest probability of risk • Focus on strong risk adjusted returns with highest level of focus on quality of business and management track record
<p>Approach & Style</p>	<ul style="list-style-type: none"> • Portfolio would be driven by mix of top-down and bottom-up analysis • While the bed-rock of our approach would be investment into good quality businesses, the style would have a mix of growth and value investing depending on fund strategy and market environment • The choice of companies would be determined based on quality parameters, earnings growth outlook and valuations
<p>Risk mitigation & Avoidance</p>	<ul style="list-style-type: none"> • Endeavour would be the avoid stocks having any concerns on corporate governance or misallocation of capital or having balance sheet risk • Constantly review portfolio for changes in business and macro environment and new risks emerging from the same

Stock selection criteria – QOV process

Quality (Q)	Outlook (O)	Valuation (V)
<ul style="list-style-type: none"> • Promoter and Management • Quality of Business • Track Record 	<ul style="list-style-type: none"> • Cyclical Sector Outlook • Earnings Outlook • Cash flow generation vs capex 	<ul style="list-style-type: none"> • Valuation ratios compared to growth outlook • Valuation ratios compared to peers and history • Valuations compared to market fair value
<ul style="list-style-type: none"> • Monitor corporate governance red flags • Internal threshold level of ROE 	<ul style="list-style-type: none"> • Prefer companies with earnings growth outlook higher than sector/ industry average and peer company 	<ul style="list-style-type: none"> • Prefer companies with valuations below assessed market fair value