

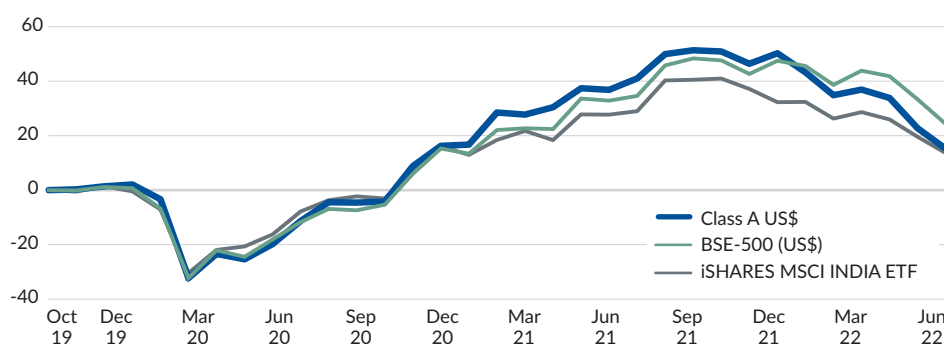
PORTFOLIO AND MARKET UPDATE

Indian markets corrected in June but fared relatively better than most markets. Selling by Foreign Portfolio Investors (FPIs) continued unabated (US\$6.3bn, 9th consecutive month of selling), matched by Domestic Institutions buying US\$6bn, (16th consecutive month of buying). Some developed markets (including the US) are expecting sticky inflation, rising interest rates, and potentially a recession. In this context, India looks in better shape. Inflation may have just peaked in India with Consumer Price Inflation in May having moderated to 7.0% from 7.8% in April. The RBI projects Q4FY23 inflation to exit at 5.8%, inside its tolerance band of 2-6%. The recent fall in commodity prices augurs well. Economic activity continues to be strong. Goods and Services Tax (GST) collection in June came in at US\$17bn up 56% y-o-y. With this, 29% of the government's FY23 GST target has been achieved. India has also joined the growing bandwagon of countries imposing a tax on windfall profits in the oil sector in these 'extraordinary times'. This will help the fiscal maths substantially (~US\$17bn extra revenue). In June, we have made minor changes to our positions to accommodate a new stock, Triveni Turbine, a capital goods company manufacturing steam turbines for industrial captive and renewable power. This month, we discuss our top holding, Reliance Industries in the context of the windfall profit tax.

HOLDING IN FOCUS: Reliance Industries

The government has imposed excise duty on exports of refined petroleum products. Due to the ongoing geopolitical situation, the Singapore Gross Refining Margin (GRM) increased from ~US\$8/bbl to ~US\$25/bbl in recent months. The refining segment is expected to contribute ~28% of the total EBITDA for Reliance Industries (RIL) in FY23E, and it exports ~60% of its refining production. The export tax will effectively deny Reliance 60-70% (US\$7-8/bbl) of the upside in refining margins which could have potentially accrued to Reliance. However, because the increase in refining margins was viewed as "transitory or not sustainable", we had assumed only US\$14/bbl as refining margins for FY23 and US\$12/bbl for FY24. (Refining margins have averaged around ~US\$9-10/bbl for Reliance historically). Thus, there is no change in Ocean Dial's estimates or our investment thesis. If the GRMs stay above US\$20/bbl+ for another quarter estimates will likely be raised for FY23. Our investment case is based on the company's undergoing transformation from generating global cyclical cash flows to secular domestic consumption-oriented cash flows. We maintain our earnings estimates and expect EBITDA CAGR of 25% over FY22-FY24, without imputing any windfall gains.

CLASS A US\$ PERFORMANCE SINCE OCTOBER 2019 (%)



PERFORMANCE (%)

	1m	3m	6m	1yr	2yr	31/10/2019 ²
Class A US\$ ¹	(6.1)	(15.9)	(23.3)	(15.8)	43.6	15.2
S&P BSE-500 US\$ ³	(6.7)	(13.6)	(15.7)	(6.4)	51.8	24.3
iSHARES MSCI INDIA ETF	(5.0)	(11.7)	(14.1)	(11.0)	35.7	13.6

¹ Class A US\$ was launched on 10 September 2012. ² Commencement of Portfolio Adviser Tridib Pathak. ³ With effect from 1 July 2020, S&P BSE-500 Index is the Fund's benchmark.

TOPICAL COMMENT

MONTHLY BOOK REVIEW
10 July

The Most Important Thing - Uncommon Sense for the Thoughtful Investor.

HOOD-INAR CATCH UP
27 April

Moderated by James Crabtree; Jim Walker, Tanvi Madan, and Tridib Pathak debate India's Russian ties, US-China rivalry and their implications on the India Investment story.

NET ASSET VALUE

The Net Asset Value (NAV) per Class A US\$ share as at 30 June 2022 was US\$201.42. In June the NAV was down 6.12% whilst the S&P BSE-500 was down 6.75%. In local currency, the NAV was down 4.57%.

FUND INFORMATION

Structure	UCITS ICAV
Domicile	Ireland
Dealing	Daily
Size (NAV)	US\$21.1m
Strategy AUM	US\$106.9m
Firmwide AUM	US\$242.1m
Launch date	10 September 2012
Adviser start	31 October 2019
Portfolio Manager	Ocean Dial Asset Management
Principal Adviser	Tridib Pathak
Benchmark	S&P BSE-500 Index
Class Q AMC	0.90%
Currency classes	US\$, GBP, EUR

PORTFOLIO CHARACTERISTICS

Number of holdings	26
Median market cap	US\$6.0bn
PE FY23E	20.2
ROE FY23E	17.9%
Tracking Error	4.8%
Active Share	73.6%
Standard Deviation (Daily annualised)	23.8%

INDIA HIGHLIGHT

	MTD	YTD
INR vs US\$ [stronger/ (weaker)]	(1.7%)	(6.2%)
FII Net flows (US\$m)	(6,342)	(28,556)
DII Net flows (US\$m)	5,969	30,318
CPI inflation (May/3m avg)	7.04%	7.26%
GDP Q4 FY22		4.1%
Current account/GDP Q4 FY22		(1.2%)

Source: Ocean Dial Asset Management Limited



QUARTERLY ATTRIBUTION – 3 MONTHS TO 30 JUNE 2022 (%)

TOP 5	Ave. weight	Ave. index weight	Return	Contribution
Neuland Laboratories	3.39	0.00	10.07	0.11
Eicher Motors	1.91	0.34	1.55	0.11
Westlife Development	4.81	0.03	(0.38)	0.04
Cash-USD	(0.82)	0.00	0.00	0.00
Triveni Turbine	0.09	0.02	1.41	(0.01)

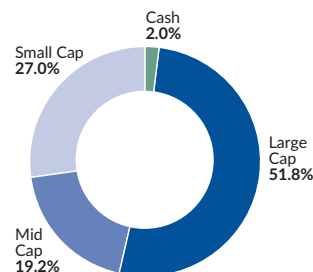
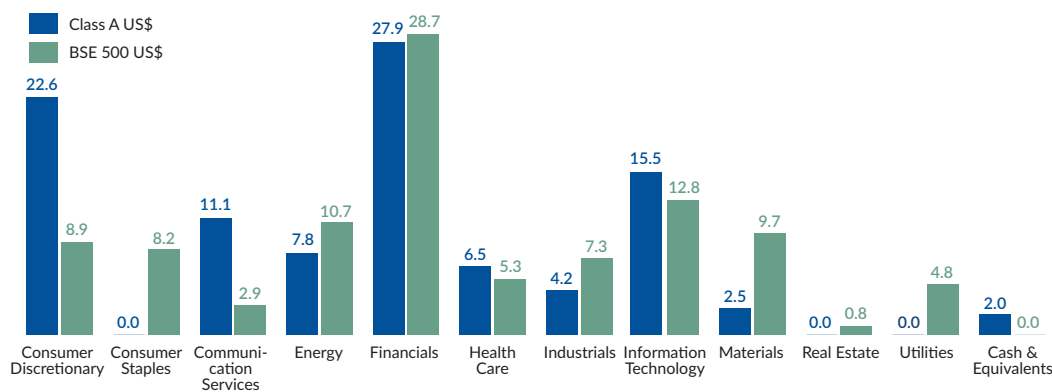
BOTTOM 5	Ave. weight	Ave. index weight	Return	Contribution
HCL Technologies	6.13	1.06	(18.37)	(1.17)
Axis Bank	6.29	1.77	(19.66)	(1.23)
Tech Mahindra	3.18	0.69	(35.96)	(1.32)
Indusind Bank	7.23	0.51	(18.45)	(1.42)
Can Fin Homes	4.05	0.05	(35.16)	(1.59)

Source: Ocean Dial Asset Management Limited, Statpro

TOP TEN HOLDINGS

Portfolio company	Weight	Characteristics	Market cap
Reliance Industries	7.8%	Business transformation of India's largest company into a new economy play	US\$222bn
Bharti Airtel	6.5%	Strengthened survivor in a consolidating market, set to grow ARPU and market share going forwards	US\$49bn
Indusind Bank	6.1%	Fifth largest private sector bank in India and poised to gain market share. Value play with ebbing asset quality concerns	US\$8bn
Axis Bank Ltd	6.0%	Third largest private bank in India and poised to gain market share. Bridging the gap with peers to lead to a re-rating	US\$25bn
Westlife Development	5.0%	McDonald's in India, beneficiary of growing fast food and delivery consumption trend in India	US\$982m
HCL Technologies	4.9%	IT services company benefitting from 'digital transformation' of businesses globally	US\$33bn
ICICI Bank	4.7%	Second largest private sector bank, attractively valued, well poised to capture recovery in credit growth	US\$62bn
Affle India Ltd	4.6%	India's leading advertising technology company with high growth and profitability	US\$2bn
Eicher Motors	4.4%	Premium motorcycle brand, attractively valued, seeing a recovery in sales momentum and margins.	US\$10bn
HDFC Bank	4.2%	Largest private sector bank, consistent compounder	US\$95bn

PORTFOLIO ANALYSIS (%)



PRINCIPAL ADVISER

Tridib Pathak is the Principal Advisor to the Gateway to India Fund and has over 30 years' experience in managing Indian listed equity assets for domestic and international investors. He joined Ocean Dial in 2019 from the Enam Group, where he was a senior portfolio manager. His previous roles included CIO of Lotus Asset Management (a JV with Temasek's Fullerton Fund Management) and CIO of DBS Cholamandalam, a JV with DBS of Singapore. He is a Chartered Accountant from the Institute of Chartered Accountants of India and holds a degree in Commerce from Bombay University.



INVESTMENT PHILOSOPHY

The investment manager believes that in India, optimal returns will be generated over time by investing in companies that are well placed to benefit from the structural growth potential of the Indian economy, combined with the highest quality of management best able to exploit this opportunity. The fund uses a consistent and disciplined bottom up stock picking process to select investments from our best ideas, unconstrained by a benchmark.

FUND MANAGER

Ocean Dial Asset Management Limited is authorised and regulated by the Financial Conduct Authority.
 +44 (0) 20 7068 9870 enquiries@oceandial.com
 Registered office: 13/14 Buckingham Street, London WC2N 6DF

DEALING INFORMATION

Frequency	Daily
Valuation point	13:30 T-1 (Ireland)
Dealing line	+353 1 411 2949
Class A ISIN	IE00B585S747
Class A Ticker	ODGTIAU ID

ADMINISTRATOR

Apex Fund Services



SOURCES

Source of all performance and portfolio analysis: Ocean Dial Asset Management Limited, Bloomberg.

REGULATORY INFORMATION

Any views expressed within this factsheet are those of the Fund Manager as at the date of issue which may be subject to change, and should not be taken as advice to invest. We do not undertake to advise you as to any changes in our views. If you are unsure about the suitability of any investment, please consult a Financial Adviser. The Gateway to India Fund is a sub-fund of Ocean Dial Investment Funds ICAV, an Irish UCITS investment vehicle.

PROSPECTUS AND APPLICATION FORM

The Prospectus and Application Form are available by telephoning the Fund Administrator, Apex Fund Services (Ireland) on +353 1 411 2949.

IMPORTANT INFORMATION

This document is an advertisement for marketing purposes. This is not a contractually binding document. Before making any final investment decisions and subscribing, please read the Prospectus and the key investor information document ("KIID") which are available at <https://www.oceandial.com/strategies/gateway-to-india-fund/>.

Ocean Dial Gateway to India Fund (the "Fund") is a sub-fund of Ocean Dial Investment Funds ICAV that is authorised by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. 352/2011), as amended. Ocean Dial Asset Management Limited ("Ocean Dial") has prepared this document for informational purposes only for the sole use of the intended recipient. It does not seek to make any recommendation to buy or sell any particular security (including shares in the Fund) or to adopt any specific investment strategy. This document does not contain information material to an investor's decision to invest in the Fund. Shares in the Fund are offered only based on information contained in the Prospectus, KIID, and the latest annual audited accounts. Copies are available free of charge from Ocean Dial or on <https://www.oceandial.com/strategies/gateway-to-india-fund/>. The KIID is available in English, French, German, Norwegian, and Swedish. The Prospectus is available in English.

Risk: Factors affecting fund performance may include changes in market conditions (including currency risk) and interest rates, as well as other economic, political, or financial developments. The Fund's investment policy allows for it to enter into derivatives contracts. Leverage may be generated through the use of such financial instruments and investors must be aware that the use of derivatives may expose the Fund to greater risks, including, but not limited to, unanticipated market developments and risks of illiquidity, and is not suitable for all investors. Past performance is not a guide to or indicative of future results. Future returns are not guaranteed and a loss of principal may occur. Ocean Dial may also receive a performance fee for certain Share Classes based on the appreciation in the NAV per share and accordingly the performance fee will increase with regard to unrealised appreciation, as well as realised gains attributable to those Share Classes. The performance fee may create an incentive for Ocean Dial to make investments for Ocean Dial Gateway to India Fund that are riskier than would be the case in the absence of a fee based on the performance of Ocean Dial Gateway to India Fund.

Country Specific Disclaimers: It is the responsibility of any person/s in possession of this document to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Neither Ocean Dial nor Ocean Dial Investment Funds ICAV shall be liable for, and accept no liability for, the use or misuse of this document. If such a person considers an investment in Shares of the Fund, they should ensure that they have been properly advised about the suitability of an investment.

The Management Company, Kroll (Ireland) Management Company Limited, has the right to terminate the arrangements made for the marketing of the sub-funds of Ocean Dial Investment Funds ICAV, including for Ocean Dial Gateway to India Fund. A summary of investor rights can be found here: <https://www.duffandphelps.co.uk/services/third-party-management-company>.

The information in this document does not constitute or contain an offer or invitation for the sale or purchase of any shares in the Fund in any jurisdiction, is not intended to form the basis of any investment decision, does not constitute any recommendation by the Fund, its directors, agents or advisers, is unaudited and provided for information purposes only and may include information from third party sources which has not been independently verified.

Interests in the Fund have not been and will not be registered under any securities laws of the United States of America or its territories or possessions or areas subject to its jurisdiction, and may not be offered for sale or sold to nationals or residents thereof except pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and any applicable state laws. While all reasonable care has been taken in the preparation of this document, no warranty is given on the accuracy of the information contained herein, nor is any responsibility or liability accepted for any errors of fact or any opinions expressed herein.

Past performance is not a guide to future performance and investment markets and conditions can change rapidly. Emerging market equities can be more volatile than those of developed markets and equities in general are more volatile than bonds and cash. The value of your investment may go down as well as up and there is no guarantee that you will get back the amount that you invested. Currency movements may also have an adverse effect on the capital value of your investment. Investing in a country specific fund may be less liquid and more volatile than investing in a diversified fund in the developed markets. This Fund should be seen as a long term investment and you should read the Prospectus whilst paying particular attention to the risk factors section before making an investment. Please refer to the Prospectus for specific risk factors.

Where reference to a specific Class of security is made, it is for illustrative purposes only and should not be regarded as a recommendation to buy or sell that security. Market index information shown herein such as that of the S&P BSE 500 Index is included to show relative market performance for the periods indicated and not as standards of comparison, since indices are unmanaged, broadly based and differ in numerous respects from the Fund.

This document is issued by Ocean Dial Asset Management Limited and views expressed in this document reflect the views of Ocean Dial Asset Management Limited and its Mumbai based affiliated company and advisor, Ocean Dial Asset Management India Private Limited as at the date of publication.

This information may not be reproduced, redistributed or copied in whole or in part without the express consent of Ocean Dial Asset Management Limited. Ocean Dial Asset Management Limited is authorised and regulated by the Financial Conduct Authority in the United Kingdom and is a signatory to the UN Principles of Responsible Investment. Registered office 13/14 Buckingham Street, London WC2N 6DF.

