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FUND STATISTICS		FUND HIGHLIGHTS	INVESTMENT OBJECTIVE
<b>Investment Team:</b>	Jonathan Asante, Tom Prew, Chris Grey	Chikara Global Emerging Markets Opportunities Fund is a concentrated long only equity portfolio typically investing in between 20-35 stocks. The Fund is generally expected to have a strong focus on, and exposure to, economic activity in Emerging Markets.	To provide investors with long term capital appreciation through an actively managed portfolio of equities of companies that conduct a proportion of their business in, or generate revenues from, Emerging Markets on a global basis, and which are listed on Recognised Exchanges.
<b>Investment Manager:</b>	Chikara Investments LLP		
<b>Fund Size:</b>	USD 14m		
<b>Active Share<sup>(2)</sup>:</b>	94.9%		
<b>Number of Holdings:</b>	30	<b>PERFORMANCE &amp; COMMENTARY</b>	
<b>Launch Date:</b>	06.11.2023	Performance data will only be shown from twelve months after the launch date of the fund, in accordance with the FCA rules.	
<b>Dealing:</b>	Daily	A client update will be provided on a quarterly basis.	
<b>Denomination:</b>	USD	Registered for sale in: UK, Ireland, Germany, Luxembourg, Finland, Sweden & Switzerland and Institutional and Accredited Investors only in Singapore.	
<b>Benchmark<sup>(3)</sup>:</b>	M1EF: MSCI Emerging Markets Net Total Return USD Index	For KID/KIID documents and more information, please visit: <a href="http://www.chikarainvestments.com">www.chikarainvestments.com</a>	
<b>Structure:</b>	Irish OEIC, UCITS V		

TOP 10 HOLDINGS <sup>(2)</sup>		SECTOR BREAKDOWN <sup>(2)</sup>		COUNTRIES OF LISTING <sup>(2)</sup>	
Holding	(%)	Sector	(%)	Country	(%)
Tiger Brands	6.9	Consumer Staples	45.2	India	26.3
Natura & Co	6.5	Industrials	15.2	China	16.1
Yifeng Pharmacy Chain	6.0	Financials	10.6	Brazil	11.2
PB Fintech	5.9	Health Care	7.1	South Africa	9.3
Henkel AG	4.9	Information Technology	6.9	United States	6.0
Zhejiang Supor Co	4.8	Consumer Discretionary	6.8	Taiwan	5.3
HDFC Life	4.8	Communication Services	2.7	Germany	4.9
Taiwan Semiconductor	4.2	Cash	5.5	Mexico	4.8
United Breweries	4.2			Indonesia	3.5
PT Unilever	3.5			Japan	2.6
				Chile	1.9
				Hong Kong	1.3
<b>Total</b>	<b>51.6</b>	<b>Total</b>	<b>100.0</b>	<b>Total</b>	<b>93.2</b>

SHARE CLASS DETAILS				
SHARE CLASSES	ISIN	Management Fee	Ongoing Charges Figure <sup>(1)</sup>	Minimum Initial Investment
Class A (USD)	IE000GIX1P78	1.00%	1.30% (capped)	\$100,000
Class A (GBP)	IE00002JYQN6			£100,000
Class A (EUR)	IE0005K78KV9			€100,000
Class A (CHF)	IE000XUBUMV5			₣100,000
Class B (USD)	IE000OULAXF5	0.70%	1.00% (capped)	\$1,000,000
Class B (GBP)	IE000GGWCHH2			£1,000,000
Class B (EUR)	IE0009YN9Q63			€1,000,000
Class B (CHF)	IE0004AEOPM6			₣1,000,000
Class F (USD)	IE0001RNBJ50	0.50%	0.80% (capped)	\$5,000,000
Class F (GBP)	IE000IUIHZ07			£5,000,000
Class F (EUR)	IE00032MYCA4			€5,000,000
Class F (CHF)	IE0006PAGA72			₣5,000,000

## KEY RISKS

- Liquidity risk – The Fund may encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity.
- Credit and counterparty risks – the Fund may be exposed to credit and counterparty risks in relation to the securities and counterparties it invests in and with whom it transacts.
- Concentration risk – This Fund holds a limited number of investments. If one of these falls in value, it can have a greater impact on the Fund's value than if the Fund held a larger number of investments.
- Currency risk – Investing in assets in a currency other than your own exposes the value of your investment to exchange rate fluctuations.
- Emerging market risk – Investment in emerging markets may be considered speculative. Commonly legal and accounting regimes can offer less protection to investors than in developed markets.
- Sustainability Risk - Environmental, social and governance events or conditions could occur that have an adverse impact on the value of the Fund's investments, either directly, or by contributing to the impact or materiality of other risks.
- The Fund prospectus gives you further details about all the risks for this fund – see under “Important Information” for how to obtain a copy.

## IMPORTANT INFORMATION

- 1) Ongoing charges figure: Note the OCF for the following classes are currently capped, classes A (USD), (GBP), (EUR) and (CHF) are capped at 1.30%, classes B (USD), (GBP), (EUR) and (CHF) are capped at 1.00%, classes F (USD), (GBP), (EUR) and (CHF) are capped at 0.80%. The cap may be terminated on 60 days' notice.
- 2) Source: S&P Capital IQ Pro
- 3) Reference to the benchmark is made for comparison purposes only. The fund is not managed by reference to the benchmark, nor does the fund otherwise use the benchmark for the purposes of the Benchmark Regulation (Regulation (EU) 2016/1011).

All data as at 28.03.2024 unless stated otherwise. All information is sourced from Chikara unless stated otherwise.

This document does not purport to provide investment advice and should not be relied on for the purposes of any investment decision. It is not an offer to sell or the solicitation of an offer to purchase shares in Chikara Global Emerging Markets Opportunities Fund, (a sub-fund of Chikara Funds plc, an open ended investment company with variable capital incorporated in Ireland and authorised by the Central Bank of Ireland as a UCITS pursuant to the UCITS Regulations). Any such offer or solicitation can only be made by means of the formal subscription documentation and the related Prospectus dated 26th July 2023 together with the Chikara Global Emerging Markets Opportunities Fund Supplement dated 31st July 2023 (together the Prospectus) and only in those jurisdictions where it is permitted by law. Chikara, as investment manager, has discretion in managing the investments of the Chikara Global Emerging Markets Opportunities Fund (the “Fund”) and selects equities through research using fundamental, bottom-up stock selection techniques. The Fund is actively managed, which means that Chikara has discretion over the composition of the Fund's portfolio, subject to the Fund's stated investment objective and policy. Reference to the Benchmark is made for comparison purposes only. The fund is not managed by reference to the benchmark, nor does the fund/ otherwise use the benchmark for the purposes of the Benchmark Regulation (Regulation (EU) 2016/1011).

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The representative in Switzerland is 1741 Fund Solutions Ltd, Burggraben 16, CH-9000 St. Gallen. The Swiss Paying Agent in Switzerland is Telco Ltd, Bahnhofstrasse 4, CH-6430 Schwyz. The prospectus, the articles of association, the Key Information Documents, as well as the annual and semi-annual reports may be obtained free of charge from the representative. In respect of the units distributed in and from Switzerland, the place of performance and jurisdiction is the registered office of the representative.

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Copies of the Prospectus in English, UCITS KIDs in English and PRIIPS KIDs in English, German and Swedish may be found at [www.fundinfo.com](http://www.fundinfo.com) and copies of the Prospectus and the latest annual report and any subsequent half-yearly report of the Company in English free of charge from Administrator, Northern Trust International Fund Administration Services (Ireland) Limited, George's Court, 54 – 62 Townsend Street, Dublin 2 or the Investment Manager, Chikara Investments LLP, 31-32 St James's Street, London SW1A 1HD. Tel : 0207 321 3470. A summary of investor rights is available in English at <https://www.chikarainvestments.com/summary-of-investor-rights>.

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## The Importance of an Oath

*“Show me the incentive and I will show you the outcome”.*

Charles Munger

When describing how we invest for clients we often try to start off with our team’s oath which is shown below. The oath was the idea of a former colleague many years ago and the reason we highlight it is we feel it is key to understanding how we were able to deliver long term acceptable results for our clients in the past. Put simply it was because we put our clients’ long-term interests ahead of our own.

This meant not buying the many companies which became temporarily popular in Global Emerging Markets (“GEM”) indices over the decades in favour of ones which we felt were more likely to offer far stronger returns (and lower risk) in the long term. It meant closing funds in 2013 rather than investing in a set of large lower quality companies for clients. And it meant writing letters and telling clients when we felt the returns might no longer justify the risk of investing in even the best set of companies in places like Latin America or China.

We continue to review how to best prioritise clients’ interests. This starts with the work we conduct before we make investment decisions for clients. We undertake all our own analysis because we aim to invest in companies for the long term. The short term-driven views of investment bankers are not greatly useful to do this. We are happy to share our work in person with clients and discuss the pros and cons of all investments made on their behalf.

Taking care of clients’ interest naturally extends to how we charge you relative to ourselves. We seeded the Chikara Global Emerging Markets (“GEM”) Opportunities fund with our own money in the most expensive share class, which feels like the right thing to have done. All clients can access cheaper share classes. The last two decades offer numerous examples where financial misalignment delivered poor outcomes. We believe that properly deferred remuneration is a powerful way to align client and fund manager interests. Lastly, we feel it is in clients’ interests to have as flat a team structure as possible so aim to share equally in the earnings because hierarchy in investment teams creates unnecessary distraction.

## The GEM team's Oath for Financial Stewardship

***In the daily course of working in funds management the EM team will endeavour:***

- To put clients' interests ahead of our own and to treat others as we would wish to be treated
- To recognise that business conduct should reflect how we invest clients' money
- To focus on the long term because nothing enduring can be created in the short term
- To launch funds offering acceptable long term return prospects for clients after fees
- To admit our mistakes
- To strive to keep a balanced view and avoid falling victim to investment fads and fashions
- To focus in conversations with clients just as much on what could go wrong as could go right
- To remember capital preservation is as important in achieving client returns as capital growth
- To advocate where possible for financial sector reform to further the aims above

## The Opportunity as We See It

We have written at length on how we invest in companies operating in lower income countries and there are several written pieces on the Chikara website addressing issues that may be of interest to clients. Over the last two decades we have narrowed down the investible universe of emerging markets to a small group of companies in which we have a high degree of confidence long term, and we invest only when we estimate they can provide acceptable returns for the risk we are taking in owning them. The companies are based all over the developing world, a few are even based in the developed world (but possess large GEM businesses). We have been waiting for many years for share prices of some to fall to levels that we believe provide an attractive investment opportunity. The reason we launched a fund last November was because we felt enough now did so.

It makes little sense from an investment viewpoint to have all clients' money exposed to simply one country as things can always go badly wrong with even the strongest looking set-up. Diversification therefore plays a role in how we make decisions, but over or underweighting countries does not. This is because in the past, we have benefitted as a few well-run companies in countries like Chile, South Africa, or Brazil, performed better than ones we would never own in countries like China and India. Our approach therefore has little to do with predicting flows of capital affecting large indices and everything to do with the operating performance of specific companies over five to ten year periods.

We offer no forecast as to where GEM markets or indices will go. We do not believe the future is greatly forecastable and we have never believed indices to be an effective representation of the GEM opportunity. At 95% (March 2024), the active share of the fund suggests that we have fully backed these beliefs in the 30 portfolio holdings (March 2024). We would hope we have already proved in the past that a portfolio of the best quality GEM companies can offer acceptable returns for clients while making more money with lower risk than the GEM index in the long term. For us, a minimum long-term return threshold of 10% per annum at the portfolio level seems sensible for the risk being taken. A hundred dollars grown at 10% per annum is worth USD 259 dollars in ten years' time and USD 673 in twenty. Many of our biggest holdings could offer far higher returns than this if those running the companies do a decent job.

Whatever the future holds will be navigated by those running the companies in which we invest. Because of this we focus on their competence, integrity, and risk awareness before we even start to look at business franchises and stock market valuation. We also try to apply this harsh lens to ourselves as far as is possible with varying degrees of success. Ultimately, we know that clients will be the best judge of whether they can trust us with their money and all we can do is behave in a manner consistent with our beliefs.

**Jonathan Asante, March 2024**

## **Important Information**

This should not be regarded as investment advice or as a recommendation regarding any particular investment, or an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, or as an opinion on the merits or otherwise, of any particular investment or investment strategy, and should not be relied on for the purposes of any investment decision. Chikara, its affiliates and clients may, as at the date of publication, have a long or short position in any securities covered in this document. We intend to continue trading in these securities, and may at any time be long, short or neutral these securities (or any other securities of the same issuer) or any related securities, regardless of the position or views expressed in this article. It is not an offer to sell or the solicitation of an offer to purchase shares. In particular this document is not intended for

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