

# VAM FUNDS (LUX) - EMERGING MARKETS GROWTH FUND

B CLASS – DECEMBER 2023

Marketing communication / Financial promotion



## Objective and Investment Policy

The investment objective of the Compartment is to achieve long-term capital appreciation. This is achieved through a growth style of investment in equity securities of companies in Emerging Markets. There is no restriction on the market capitalisation or operating history of the underlying securities. The Compartment is actively managed and the strategy of the Compartment is growth oriented. This means it identifies and invests in stocks of companies with perceived future earnings growth potential.

There can be no assurance that the investment objective will be achieved or that there will be a return on capital.

## Key Features

- Employs Driehaus' proven investment approach of identifying companies exhibiting accelerating earnings growth
- In addition to bottom-up stock analysis, employs an important top-down macro perspective on regions and countries
- Flexible all-cap exposure to small, mid and large cap companies in global emerging market countries
- PM team with over 10-year track record

## Profile of Typical Investor

The Compartment is suitable for investors seeking long-term growth through capital appreciation and who want to participate in the long-term growth of the emerging markets economy. It is also suitable for investors wishing to diversify their investment portfolios, who are comfortable with and understand the risks of investing in the emerging markets stock, who have an investment horizon of at least five to seven years, and who seek investment opportunities in the emerging markets.

## Net Performance in USD (%) as at December 2023

|                               | Cumulative |              |            |          |              |        |
|-------------------------------|------------|--------------|------------|----------|--------------|--------|
|                               | 1 month    | 3 month      | YTD        | 12 month | 3 Year       | 5 Year |
| VAM Emerging Markets Growth B | 2.24       | 6.16         | 7.24       | 7.24     | -22.72       | 12.02  |
|                               | Annualised |              | Volatility | Sharpe   | Max Drawdown |        |
|                               | 3 Year     | Since launch | 3 Year     | 3 Year   |              |        |
|                               | -8.23      | 0.53         | 14.46      | -0.69    | -61.21       |        |

## Monthly Performance in USD (%)

|      | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct   | Nov   | Dec   | Total  |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| 2023 | 7.11  | -6.14 | 2.80  | -0.71 | -2.66 | 4.68  | 4.37  | -4.72 | -2.83 | -4.17 | 8.36  | 2.24  | 7.24   |
| 2022 | -5.05 | -3.23 | -1.09 | -6.59 | 0.17  | -6.32 | 0.10  | 0.43  | -8.47 | -0.62 | 7.13  | -3.57 | -24.74 |
| 2021 | 2.05  | -0.62 | -3.79 | 2.59  | 2.45  | 1.64  | -4.64 | 2.60  | -4.64 | 1.90  | -3.57 | 0.19  | -4.25  |

## Fund Statistics (%)

| 5-Year Period      | Compartment |
|--------------------|-------------|
| Annualised Alpha   | -0.55       |
| Sharpe Ratio       | 0.11        |
| Information Ratio  | -0.18       |
| Beta               | 0.86        |
| Standard Deviation | 16.90       |
| Tracking Error     | 5.10        |
| R-Squared          | 0.94        |

Source of performance: Lipper as at December 2023. Past performance is not a reliable indicator of future results. YTD: from 31/12/2022 to the date of this document. Past performance is calculated net of all fees (except for entry, exit or conversion charges, dividend reinvested). Where performance is reflected in a different currency, other than the investor's base currency, the return may increase or decrease as a result of currency fluctuations.

## COMPARTMENT DETAILS

|                           |   |
|---------------------------|---|
| Fund                      | VAM Funds (LUX)   |
| Compartment               | Emerging Markets Growth Fund  |
| Legal Structure           | UCITS – SICAV (Luxembourg)  |
| Inception Date            | 1 <sup>st</sup> June 2007   |
| ISIN                      | LU0293692918  |
| Sedol Code                | B1VTYZ5   |
| Bloomberg Code            | VAMEMCB LX  |
| AUM                       | \$12.45 Million   |
| Currency                  | USD   |
| Investment Style          | Growth Equity   |
| Dealing Day               | Daily<br><a href="http://www.vam-funds.com">www.vam-funds.com</a>         |
| Cut-off time              | 11.00a.m. CET on business day prior to valuation                          |
| Domicile/Place of Issue   | Luxembourg  |
| Management Company        | VAM Global Management Company SA  |
| Investment Manager        | Driehaus Capital Management LLC   |
| Minimum Direct Investment | <b>B shares (institutional)</b><br>\$20,000 initial and \$2,000 additions |
| Investment Horizon        | 5 to 7 years  |
| Entry Charge              | Maximum 5%  |
| Exit Charge               | None  |
| Ongoing Charge            | 2.76%   |
| Performance Fee           | 0.22% (15% with a high-water mark)  |
| Annual Management Charge  | 1.75% per annum (for share classes B)                                     |
| Type of class             | Accumulation  |

## PORTFOLIO MANAGEMENT

**Howard Schwab**, Lead Portfolio Manager  
22 years of industry experience

**Chad Cleaver, CFA**, Portfolio Manager  
20 years of industry experience

**Richard Thies**, Portfolio Manager  
15 years of industry experience



Morningstar Rating™  
Overall



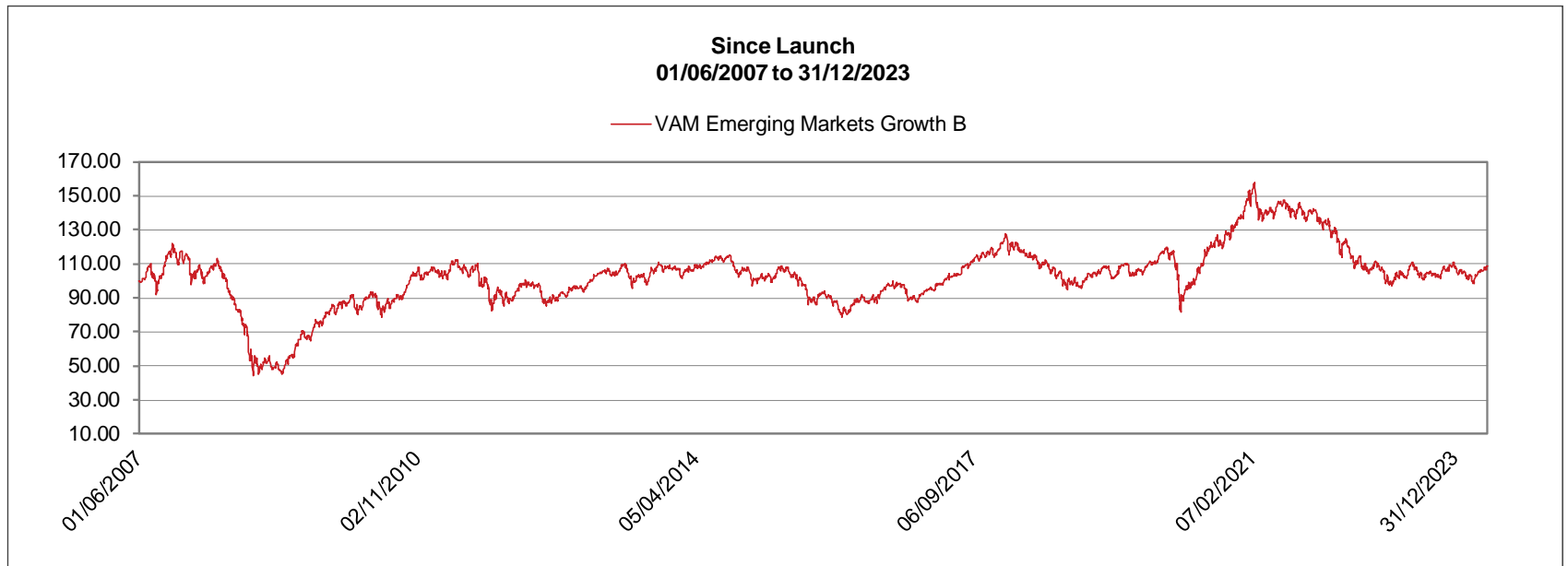
Trustnet Rating



Total Return

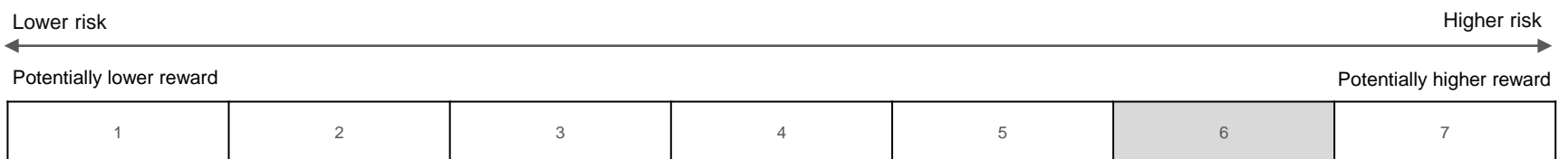
Lipper Leaders Rating

NAV Evolution in USD



Source: Lipper as at December 2023. Past performance is not a reliable indicator of future results. Past performance is calculated net of all fees (except for entry, exit or conversion charges), dividend reinvested. Where performance is reflected in a different currency, other than the investor's base currency, the return may increase or decrease as a result of currency fluctuations.

Risk and Reward Profile



This risk and reward indicator illustrates where the Class is positioned in terms of its possible risk and reward. The higher the Class's position on this scale, the greater the possible reward, but also the greater risk of losing money. This risk indicator is calculated using historical data, which cannot be used as a prediction for the future. Therefore, the risk classification may change over time. Even if the Class is in the lowest risk class you can lose money, as no investments are entirely risk-free.

The risk and reward indicator has been calculated using simulated historical performance data, which may not be a reliable indicator of the Class's future risk and reward profile.

This Class is in category 6 since the price changes of the Class have been high in the past.

Main inherent risks of the Compartment:

**Liquidity risk:** Some of the assets of the Compartment may become difficult to sell at a certain time and for a reasonable price.

**Emerging market risk:** The Compartment invests in securities in emerging markets, which can be subject to economic and political instability, less developed legal infrastructure, possibility of large currency fluctuations or low liquidity in local markets.

**Currency risk:** The Compartment invests in securities that are issued in currencies other than the base currency of the Compartment. As a result, the Fund is subject to currency risk, which arises from changes in the exchange rates between countries.

**Derivative risk:** The Compartment uses derivatives, which are financial instruments whose value depends on the value of an underlying asset. Small price changes in the underlying asset can result in large price changes of the derivative.

# VAM FUNDS (LUX) - EMERGING MARKETS GROWTH FUND

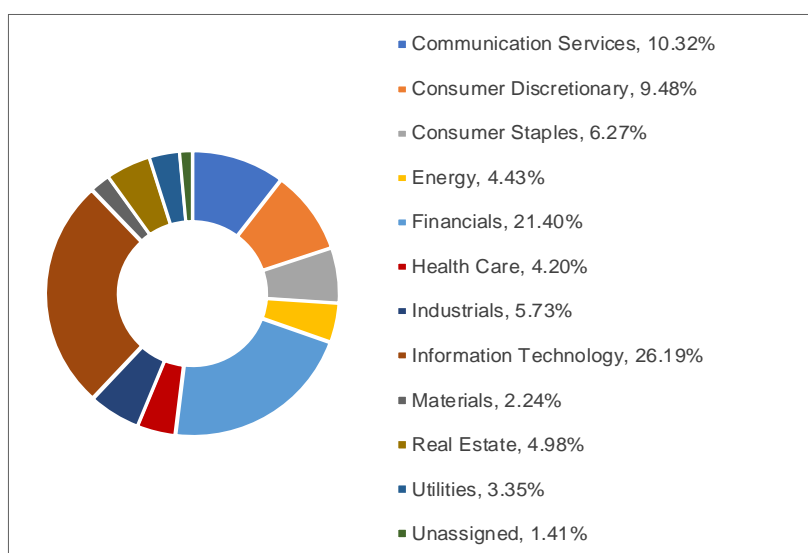
B CLASS – DECEMBER 2023



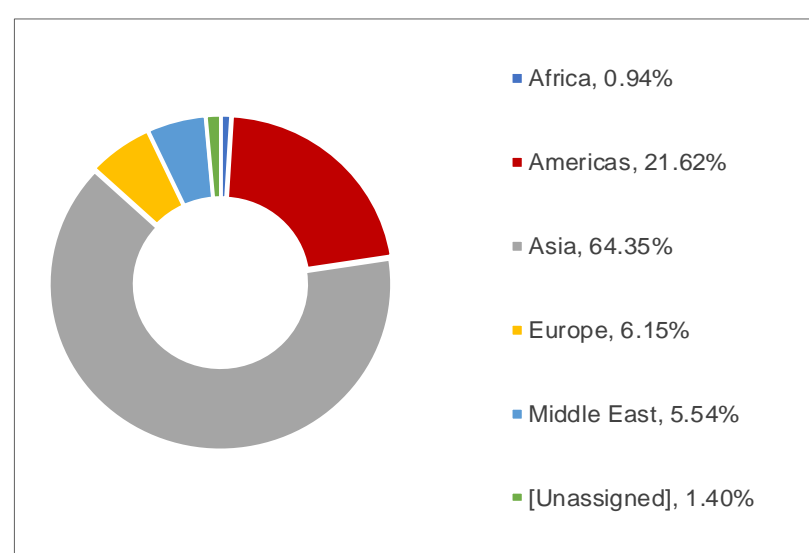
## Top 10 Holdings as of 30/11/2023

| Company   | Sector                 | Compartment |
|---|------------------------|-------------|
| Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR    | Information Technology | 6.44%       |
| Tencent Holdings Ltd.   | Communication Services | 6.43%       |
| Samsung Electronics Co., Ltd.                                 | Information Technology | 3.00%       |
| ICICI Bank Limited Sponsored ADR                              | Financials             | 2.44%       |
| PT Bank Mandiri (Persero) Tbk                                 | Financials             | 2.41%       |
| SK hynix Inc.   | Information Technology | 2.36%       |
| Banco do Brasil S.A.  | Financials             | 2.15%       |
| Grupo Financiero Banorte SAB de CV Class O                    | Financials             | 1.95%       |
| New Oriental Education & Technology Group, Inc. Sponsored ADR | Consumer Discretionary | 1.83%       |
| Reliance Industries Limited                                   | Energy                 | 1.68%       |

## Sector Weights



## Regional Weights



## Country Weights

| Country        | Compartment |
|----------------|-------------|
| Argentina      | 0.80%       |
| Brazil         | 10.45%      |
| Canada         | 1.08%       |
| Chile          | 0.30%       |
| China          | 14.59%      |
| Czech Republic | 1.15%       |
| Greece         | 1.27%       |
| Hong Kong      | 1.63%       |
| India          | 18.36%      |
| Indonesia      | 2.97%       |
| Japan          | 0.45%       |
| Macau          | 0.64%       |
| Mexico         | 8.37%       |

| Country              | Compartment |
|----------------------|-------------|
| Panama               | 0.52%       |
| Philippines          | 1.12%       |
| Poland               | 0.99%       |
| Saudi Arabia         | 2.42%       |
| South Africa         | 0.94%       |
| South Korea          | 10.15%      |
| Taiwan               | 15.10%      |
| Thailand             | 0.54%       |
| Turkey               | 0.80%       |
| United Arab Emirates | 2.32%       |
| United Kingdom       | 1.40%       |
| United States        | 0.92%       |
| Uruguay              | 0.72%       |

## Portfolio Characteristics

| Metric                            | Compartment |
|-----------------------------------|-------------|
| Number of Holdings                | 114         |
| Weighted Average Market Cap (\$M) | 135,213     |
| Median Market Cap (\$M)           | 16,367      |
| Active Share (3-year average)*    | 78.33       |

| Market Cap Breakout   | Compartment |
|-----------------------|-------------|
| \$0.5 - \$1.5 billion | 0.46%       |
| \$1.5 - \$5 billion   | 9.09%       |
| \$5 - \$10 billion    | 12.65%      |
| > \$10 billion        | 76.40%      |
| Unassigned            | 1.40%       |

\*Data is calculated monthly.

Source: Driehaus Capital Management LLC as at December 2023. For illustrative purposes only. Holdings/allocation are subject to change. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or security. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities discussed in this document.

**Major Shareholders**

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|               |                               |       |
|---------------|-------------------------------|-------|
| Shareholder A | (Investment Fund)             | 69.1% |
| Shareholder B | (Other Financial Institution) | 5.4%  |
| Shareholder C | (Bank)                        | 2.8%  |
| Shareholder D | (Nominee)                     | 2.6%  |
| Shareholder E | (Nominee)                     | 2.0%  |

Source: CACEIS Investor Services Bank S.A. as at December 2023. For illustrative purposes only. Shareholder information is subject to change.

**Glossary**

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**Alpha:** Typically refers to the excess return of a strategy relative to returns available in the broader market.

**Beta:** Leverage, which measures the level of a company's debt to its equity.

**Standard Deviation:** Refers to a measure of the average deviations of a return series from its mean; often used as a measure of portfolio volatility. A large standard deviation implies that there have been large swings or volatility in the Manager's return series.

**Consumer Discretionary:** Goods and services that are considered non-essential by consumers, but desirable if their available income is sufficient to purchase them.

**Consumer Staples:** Goods and services most people need to live regardless of the state of the economy.

**Information Ratio:** A measurement of portfolio returns beyond the returns of a benchmark, usually an index, compared to the volatility of those returns.

**Median Market Cap:** The midpoint of market capitalisation (market price multiplied by the number of shares outstanding) of the stocks in a portfolio. Half the stocks in the portfolio will have higher market capitalizations; half will have lower.

**R-Squared:** The percentage of a fund or security's movements that can be explained by movements in a benchmark index. For example, an R-squared for a fixed-income security versus a bond index identifies the security's proportion of price movement that is predictable based on a price movement of the index.

**Sharpe Ratio:** Ratio used to help investors understand the return of an investment compared to its risk. The ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. It is a measure of marginal profitability per unit of risk. When it is positive, the higher it is, the more risk taking is remunerated. A negative Sharpe ratio does not necessarily mean that the portfolio has had a negative performance but that it has been lower than a risk-free investment.

**Tracking Error:** The difference between the performance of a stock or mutual fund and its benchmark.

**Weighted Average Market Cap:** A type of stock market index construction that is based on the market capitalization of the index's constituent stocks. Large companies would thus account for a greater portion of an index than small-cap stocks.

**Active Share:** represents the share of portfolio holdings that differ from the benchmark index holdings.

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This marketing document is intended for retail investors located in Luxembourg, Sweden, the United Kingdom and the United Arab Emirates ("regular investors"). It is not appropriate for retail investors in Singapore or for any US Person. Please read below "Important Information".

## IMPORTANT INFORMATION

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<https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F0000023HB> or <https://www.morningstar.com/company/morningstar-ratings-faq>

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