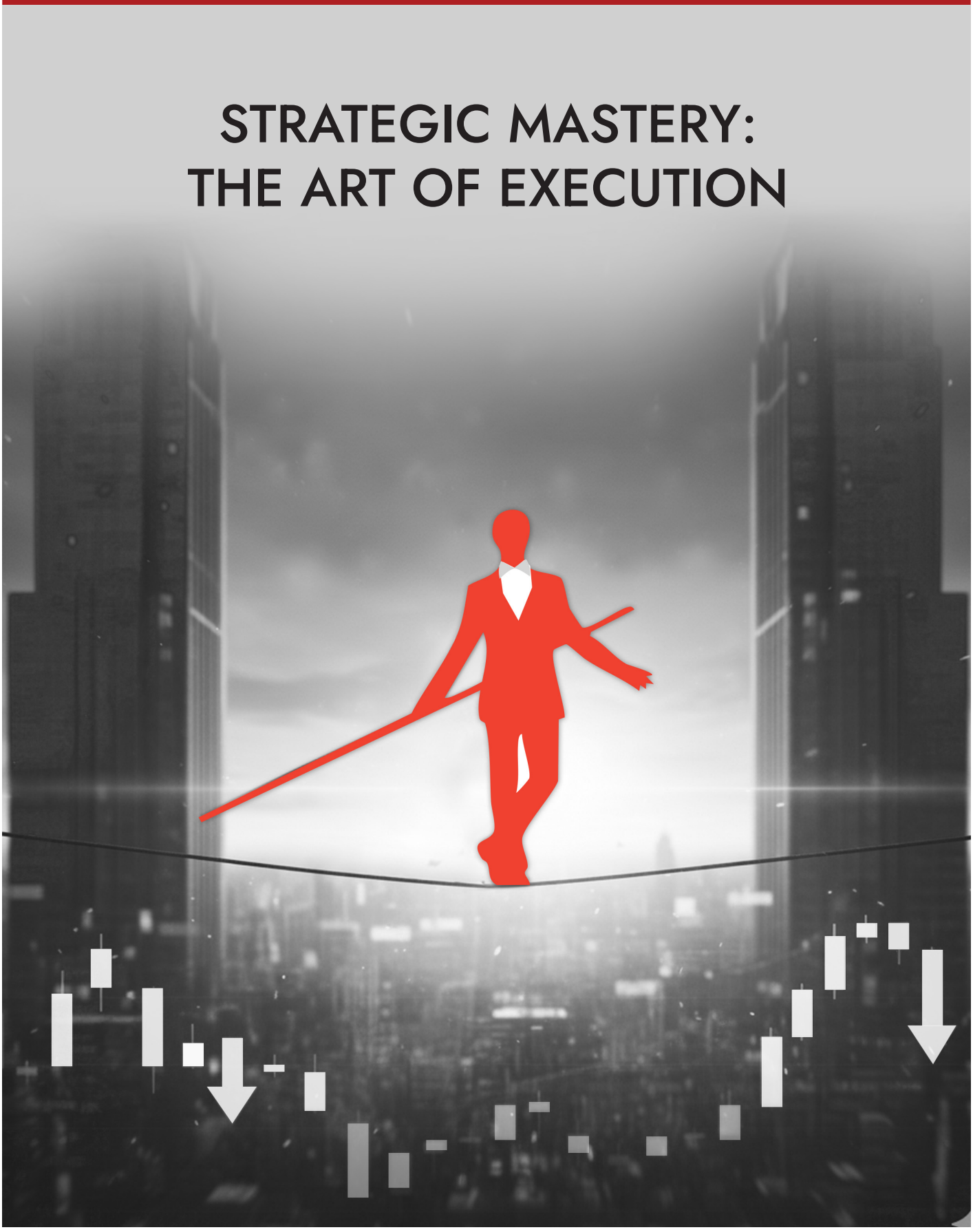
AMBIT
Acumen at work
Asset Management

MONTHLY NEWSLETTER October 2025

STRATEGIC MASTERY: THE ART OF EXECUTION



Art Of Execution

A lot has been written on how to pick winning stocks, but far less on two equally critical aspects: portfolio construction and execution strategy. We recently came across an insightful book, The Art of Execution by Lee Freeman-Shor. One of its core lessons is this: investing success is not just about being right most of the time—it's about how you act when you're wrong or right.When a stock corrects despite strong business performance, the best investors often double down.When a stock rallies, they ride the trend while periodically booking profits (i.e., rebalancing).This disciplined approach can significantly accelerate portfolio returns, especially since markets rarely move in a straight line, even though performance is often judged point-to-point.

Art of execution is extremely underrated globally

Globally, as well as in India we see several books written on how to pick a winning stock but not much on the art of execution. Whilst picking the winning stock is important, it is equally important to act when the same stock corrects sharply. The action may be to (a) add more stocks if the correction is despite the investment thesis being on track or there is a transient setback; or (b) exit early if the thesis is not playing out or there is a sudden change due to the external environment (recent tariff announcement by the US). Equally important is to ride your winners, given that getting big winners right in your portfolio is a rarity; most investors who have made big money have held onto the winners for long enough to offset all the losses they would have made.

The author has very well divided the book into two halves: (a) what to do when you are losing and (b) what to do when you are winning.

During the losing phase, the author describes 3 different types of investor behaviours:

- **Rabbits:** This type of investor does not act when the stock price is falling, irrespective of whether the investment thesis is playing out or not. This indecision is referred to as a mode of inertia by the author and is construed as the most unwanted behavioural pattern, given that more often than not rabbits will consistently underperform with respect to the benchmark returns over a long period, given that drawdowns tend to be sharp at times which curtails investment returns during the recovery phase.

- **Assassins:** This type of investor is a master at cutting losses; more often than not, this investor believes in running with a stop loss and acts unemotionally whenever the stop loss is hit, irrespective of whether the investment thesis is playing out or not. More often than not, assassins end up outperforming the respective benchmarks over a long period given that disciplined stop losses help protect capital erosion during tough times when the stock calls are not working.

- **Hunters:** This type of investor is a master at averaging; in other words, hunters double down on a losing position, thereby bringing down their acquisition cost. More often than not, hunters end up outperforming the respective benchmarks over a long period of time, given that their investing philosophy works on a contrarian approach as they believe in exploiting market irrationality.

  The key when the stock price is falling is either to be an assassin or a hunter but never a rabbit, given they don't act which is dangerous. Generally, being an assassin works in portfolio strategy which is more liquid (as one can get in and get out easily) and a hunter's strategy works in less liquid portfolio strategies (selling here can hurt you more, given that during bad times, liquidity generally dries up).

During the winning phase, the author describes 2 different types of investor behaviours:

- **Raiders:** This type of investor believes in exiting early as the fear is of losing this small profit in case the stock were to fall subsequently. In the long term, this kind of investor tends to underperform given there are only a few big winners in a portfolio which lead to alpha generation and if one were to exit early, then the returns over a longer term tend to get hurt. Patience to hold and conviction in the idea is what a raider lacks.

- **Connoisseurs:** This type of investor believes in riding the winners for long enough, given it's a rarity. Over a longer term, this philosophy pays, given these winners tend to eventually become multi-baggers and thereby offset all losses they would have made. In this journey, they also do some part profit booking at regular intervals, similar to a connoisseurs who takes a small bite of the food and leaves the rest for later. In this process, they are able to satisfy the urge to realise some gains as well as have enough holdings to enjoy the ride along.

  The key when the stock price is doing well is to be a connoisseur who can ride the stock price rally; remember winners are a rarity. Raiders, on the other hand are not able to enjoy compounding given their urge to exit early which is lethal given the losses in other stocks then pull down the portfolio returns over a longer period.

What to do when you are losing?

Often, when we meet investors, they shy away from discussing their losers, whilst boasting a lot about their winners. To be very honest, it is very difficult to believe that in the journey of an investor there are no losers. If you agree, please continue reading the section below. In the following sections, we will expand upon each of the behavioural traits that an investor exhibits whenever they are losing money. As highlighted earlier, there are 3 types of behavioural traits: (a) Rabbits, (b) Assassins and (c) Hunters.

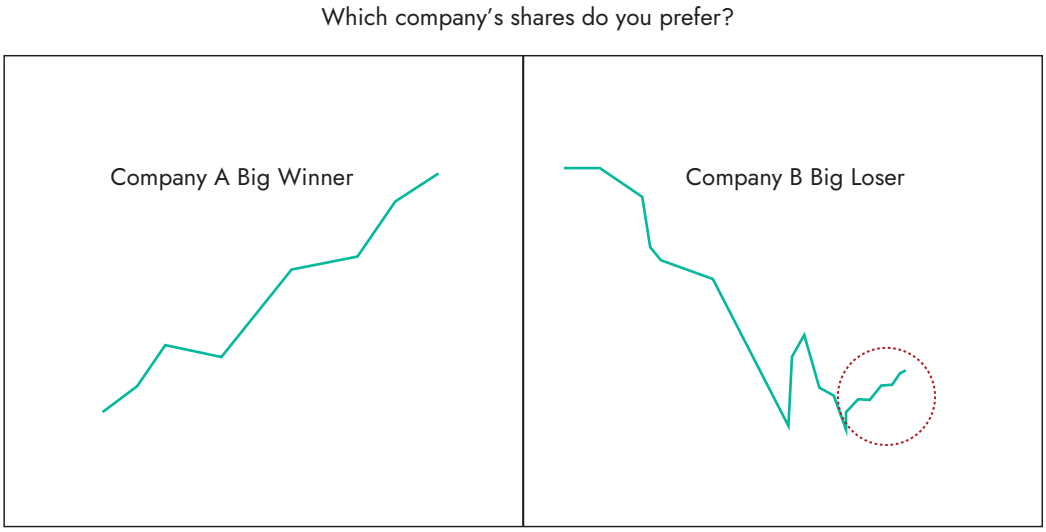
Rabbits

Who are rabbits: Rabbits refer to those investors who often dug tunnels that were so deep that they never saw the light of day again. In other words, when the stock price was falling, they went into an inertia mode - sitting upon it and not taking any action. Resultantly, they were among the worst investors in portfolio returns.

Rabbits are largely a result of biases and influences that they failed to control or circumvent through better habits. Below are the key factors that influenced the inertia of the Rabbits.

- **Overconfidence:** When the rabbits found themselves in a losing position, they continued to believe their investment thesis is not broken and had conviction that the share price would rebound. They were constantly justifying their buying at higher prices, ignoring the consistent decline in share prices.

Exhibit 1: This shows framing bias - when people make decisions they tend to reach a conclusion based on the way a problem has been presented



Source: Art Of Execution, Ambit Asset Management

- **I'm in love:** Rabbits ignored all negative news on the stock given their affection towards the company. They failed to match reality with their initial view of the company and were unwilling to accept new findings.

- **Too Soon?** Large losses that happen over a short duration are almost impossible to accept, especially when they are substantial. It's easier to hold onto a losing position with the hope of the price rebounding than to crystallize a loss.

- **The pull of the crowd:** Going against the crowd makes an investor nervous. The author signals that the rabbits were rarely unique in the investments they made. Sadly, this trait also makes rabbits invest at the end of the bull run; no one wants to be seen as the fool who stands on the side while peers are making great returns.

- **Ego:** Rabbits cared more about proving they were right than making money. Ego, along with self-attribution bias- blaming others or external factors for misfortunes without accepting own mistake but taking full credit when things go well only comforts the ego but fails to make a return.

- **The wrong information:** A hugely appealing temptation for more information comes from the need to abrogate responsibility in times of crisis. It is very common when a difficult decision has to be made to see the decision-maker involve more people. Although more information increases a person's confidence, it does not increase their accuracy (success ratio).

- **Too big to fail:** Rabbits were less inclined to walk away from a large losing investment than a small losing investment (refers to the denomination effect). This can be a problem for concentrated funds than diversified ones. Let's say a stock is down 40% in an equal-weighted portfolio. The fund manager in a 100-stock portfolio will not find it difficult to sell since he will realise a loss of 0.4% whereas a fund manager of a 10-stock portfolio will have to book a loss of 4% making it more difficult to crystallize the loss.

  It's advisable to refrain from being a rabbit, as the worst thing to do when the stock price is falling is to sit on it, justify the investment and not add or trim despite the fall in stock price.

Assassins

Who are Assassins: Assassins are the investors who live by the principle of never losing money. When it came to losing positions so as to preserve their capital, they were ruthless, pulling the trigger without any emotions. Generally, people find it very difficult to switch off after they have sold positions; assassins on the contrary, believe that the upside return potential is significantly greater than the downside potential loss.

Exhibit 2: The impact of losses

Percentage loss	Gain required to break even
-10%	11%
-20%	25%
-33%	50%
-50%	100%
-75%	300%
-90%	900%

Source: Art Of Execution, Ambit Asset Management

Below are the rules of the assassins on what to do in a losing situation and these are key learnings as systematic adherence to these rules allowed them to emerge as winners over a longer period of time:

- **Kill all losses when stock is down 20-33%:** The rationale behind exiting at 20-33% loss is to kill a losing trade; the temptation to wait is overwhelming. The assassin's rules require them to put a stop loss in place at the same time that they bought any shares; the stop loss would automatically sell their entire stake if the share price went down by a certain amount. Stop losses are frowned upon in the investing world as it is attuned to trading and not investing. However, assassins believe that the share price is reality and everything else is vanity. The fact that a stock price has fallen in the range of 20-33% points to some challenges in the investment thesis which an investor may not be aware of.

- **Kill losers after a fixed amount of time:** Assassins believe that being in a losing position for too long, even if the loss hasn't hit 20% or more-can have a devastating effect on wealth; time value of loss. Let's take an example to explain this. Let's say you take a mortgage and decide to invest a lump sum of money in the stock market to help pay it off on the assumption that you will make 9% a year and will therefore be in a position to pay off the mortgage in 8 years (initial investment would have doubled in this time). Sadly returns are not linear, in this example you find yourself at the end of year 2 with your initial investment down 10%, although this isn't low enough to trigger a stop loss, now you will have only 6 years left to double your money and pay the mortgage which will require a significant return of 14.2% per annum-significantly above the long run average of the stock market.

  In theory, selling losers quickly is the key, but most people struggle because realising a loss is ten times more painful than living with it merely on paper. The idea of stock rallying after we sell it also freezes many into inaction. A good investor is one who cuts their losses early to avoid big losers.

Hunters

Who are Hunters: Hunters are the investors who unlike assassins, did not sell out their positions when it was making losses but significantly bought more shares. In a well-chosen investment, this strategy wins over time – you acquire more and more assets at a lower price and when the price of the asset goes up above the average price you have spent even if it is hardly motoring into new highs, you will be making money.

Below are the key characteristics of Hunters:

- **Success starts from failure:** For hunters, success starts from failure; instead of being disappointed in making losses at the start of the journey they used every downfall to add more of the same stocks. Hunters believe in a contrarian approach which is dangerous because you are going against the crowd. Hunters end up doubling or trebling their holdings at the bottom and enjoy the rewards as the shares recovered- such moments gave the hunters an adrenaline rush as there is no better feeling than to snatch victory from the jaws of defeat.

  Such an approach works a lot in small and micro-cap investing, where market sentiments also play a big role in influencing the stock price. However, this approach requires patience and discipline. Hunter has to expect the share price to go against them in the near term and not panic when it does. Hunter has to be prepared to make money from stocks that may never recapture the original price they paid for the first lot of shares.

- **Hunting for the Compounding Effect:** Hunters exploit the power of compounding; they believe that one should invest big when the odds are great and they have an edge. If a stock one is invested in has fallen materially in price, but nothing has changed- the investment thesis is still intact- your odds would have significantly improved, and you should materially increase your stake in the company. Hunters do not believe in risk diversification by diversifying the portfolio into more stocks. Instead, hunters choose to control risks by thoroughly understanding the risk and returns of a particular stock or handful of stocks- the goal is to find companies that have unbelievably attractive, asymmetric payoff profiles.
  Hunters' is a rare investing style; pressure felt by such investors can be intense when things are not working in the short term. A stock price that has gone up is seen as "good" and will attract buyers, while a stock price that has gone down is seen as "dog" and will be shunned by all but the bravest investors.

Conclusion:

The key learning is that success often arises from what you do when you are losing. Whilst one can get big decisions wrong, money can still be made provided one is willing to materially adapt. The matrix below shows that doing nothing is never an option.

Exhibit 3: Decision matrix

Who/action taken	Stock price goes up	Stock price goes down	Stock price stays same
Rabbits do nothing	Wrong	Wrong	Wrong
Assassins sell	Possibly wrong	Right	Right
Hunters buy	Right	Possibly wrong	Possibly wrong

Source: Art of Execution, Ambit Asset Management

What do to when you are winning?

It may seem that life becomes much easier when stocks are doing well but several investors destroy wealth by doing the wrong things when they are winning; many are anti-alchemists, turning gold into lead. In the following sections, we will expand upon each of the behavioural traits that an investor exhibits when he/she is losing money. As highlighted earlier, there are 2 types of behavioural traits: (a) Raiders, (b) Connoisseurs.

Raiders:
Who are raiders: Raiders are investors who like nothing better than taking profits as soon as practical. They are the stock market equivalent of golden age adventures: having penetrated through the dark jungle and found the lost temple or buried treasure, they fill their pockets with ancient coins and gems they can and then turn their tail and run. They are terrified of getting caught and losing everything, and to ensure they at least come away with something end up losing countless chests and saw-bags of treasure behind completely unnecessarily.

In other words, when winning, you do not want to do what the raiders did.

Why do investors sell too soon?

There are a number of reasons that investors become raiders:

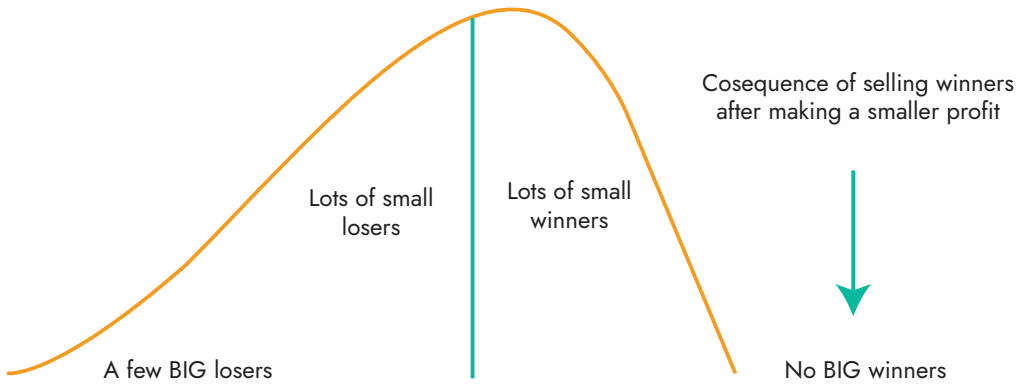
- Selling for a profit is a nice feeling. Raiders are addicted to the happiness and mental satisfaction whenever they book a profit.
- Being bored and frustrated also makes investors take unnecessary selling in the portfolio; getting tired of waiting for action is part of human nature. Staying invested in a winning position is easier said than done- to put up with the pressure of selling and not giving in requires patience and calmness.
- Raiders are "present-biased" without realising it; various studies have shown humans prefer $1 today vs $2 tomorrow, a phenomenon termed as hyperbolic discounting.
- Another reason is fear and risk aversion. Fear turns many investors into Raiders when a share starts doing well. Pain of short-term loss overpowers the pleasure of long-term gain. This myopic (short-term) focus and a hatred of losing is called "myopic loss aversion".
- People are risk-averse when winning but risk-taking when losing, hence, they book profits faster than they sell off their losers. When losing, risk is appealing because anything is better than a certain loss and when winning, selling is appealing because the certainty of a small victory is better than the uncertainty of a loss of greater victory.

Why you should not sell early?

Below are some reasons why one should not sell early:

- Big winners are rare and some of the most successful investors have made most of their money because they won big in a few names, while ensuring the bad ideas did not materially hurt them.
- Stock market returns over time show kurtosis which means fat tails are larger than would be expected from a normal distribution curve. This means that a few big winners and losers distort the overall market return, and an investor's return- if you are not invested in those big winners your returns are drastically reduced.
- Winners can keep winning- stock leadership does seem to persist long enough beyond company fundamentals because everyone loves a winner and a stock whose share price keeps going up and up becomes a market darling.

Exhibit 4: What a losing investment approach looks like



Source: Art of Execution, Ambit Asset Management

Investing is more like a test match than a T20 cricket match; if an investor is playing a T20, then being a Raider is better; else read on to become a connoisseur.

The Connoisseurs:

Who are connoisseurs: Connoisseurs are investors who believe in enjoying the very last drop. These investors treated every investment like a vintage wine; if it was off, they got rid of it immediately, but if it was good, they knew it would only get better with age. It takes a lot of nerve to do nothing or merely trim a position when winning. Often, fund managers are under pressure from investors on why profit was not booked on stocks that are doing well; it gets even more awkward if that profit retraces its step at some point.

How to ride winners?

- Find unsurprising companies: Given that the holding periods of connoisseurs were long, they would buy businesses that they viewed as low negative surprise. The future growth of earnings for these companies was seen as predictable even if in the future they had terrible management. The only risk here was whether the stocks are being bought expensive price given that the value is in the eye of the beholder.

- Look for big upside potential: Often, many investors make the mistake of investing in too many ideas with limited upside potential (of say 10-30%). This may be to lower the risk of volatility. Connoisseurs, however, do not believe in investing in limited upside potential ideas as they know that finding a winner is rare; they might as well invest in a multi-bagger and spend more time researching.

- Don't be scared: One of the keys to becoming a big winner is to avoid being scared of it. To avoid being scared, connoisseurs took small profits along the way rather than selling entirely out of the position having made 20% or 50%

- Make sure you have a pillow: One of the key requirements of investing in a big winner is to have a high boredom threshold. Most investors will find this difficult as there is a need to do something when we get to the office every day. Many investors after making a profit of 40% in one stock start looking at other companies to invest in – instead of leaving it invested. This is precisely why not many investors are successful.

  It's very difficult for investors to become a connoisseur if one has to manage a career risk, given that most are judged by their bosses and employers on how they perform against an index or peer group over a short period of time. Remember diversification strategies are not risk-averse; they just transfer risk from a company-specific risk (idiosyncratic) to market risk (systematic risk).

Winner's checklist

We conclude by highlighting five winning habits of investment titans:

- Best ideas only: Invest only in a handful of best ideas; having one or two big winners is essential for success. Over-concentration can be risky as bad luck happens; research shows that the chances of success in a stock is <50%. As Bruce Berkowitz says; "Why not buy more of your best idea rather than your 60th idea?"

- Position size matters: Invest a large amount of money in each idea but not so much that one decision determines fate. Act like a successful gunslinger (who always has a fully loaded chamber so that he can fire another bullet if the first one misses the target) than an arrogant gunslinger (loads only one bullet). The reason successful gunslingers survive to become legends is that they always have fully loaded chambers which helps to add money to a losing position akin to firing another bullet.

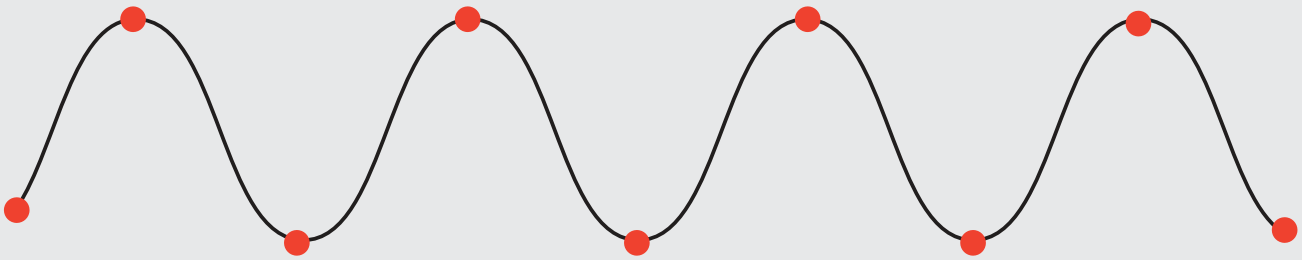
- Be greedy when winning: Stop trying to make a quick 10% or 20%; give your investments the possibility of winning big given that winners are rare and everyone loves winners which allows the stock price to compound fast.

- Materially adapt when you are losing: Either add meaningfully to a losing bet or sell out. By doing this, you can turn a loser into a winner. Always expect to see yourself in a losing situation as the same will allow you to adapt to losing situations.

- Only invest in liquid stocks: Make sure your portfolio is liquid enough; there is nothing worse than knowing what to do, wanting to do but being unable to do it.

AMBIT
Acumen at work
Asset Management

INVEST SUCCESSFULLY ACROSS MARKET CYCLES WITH AMBIT ASSET MANAGEMENT

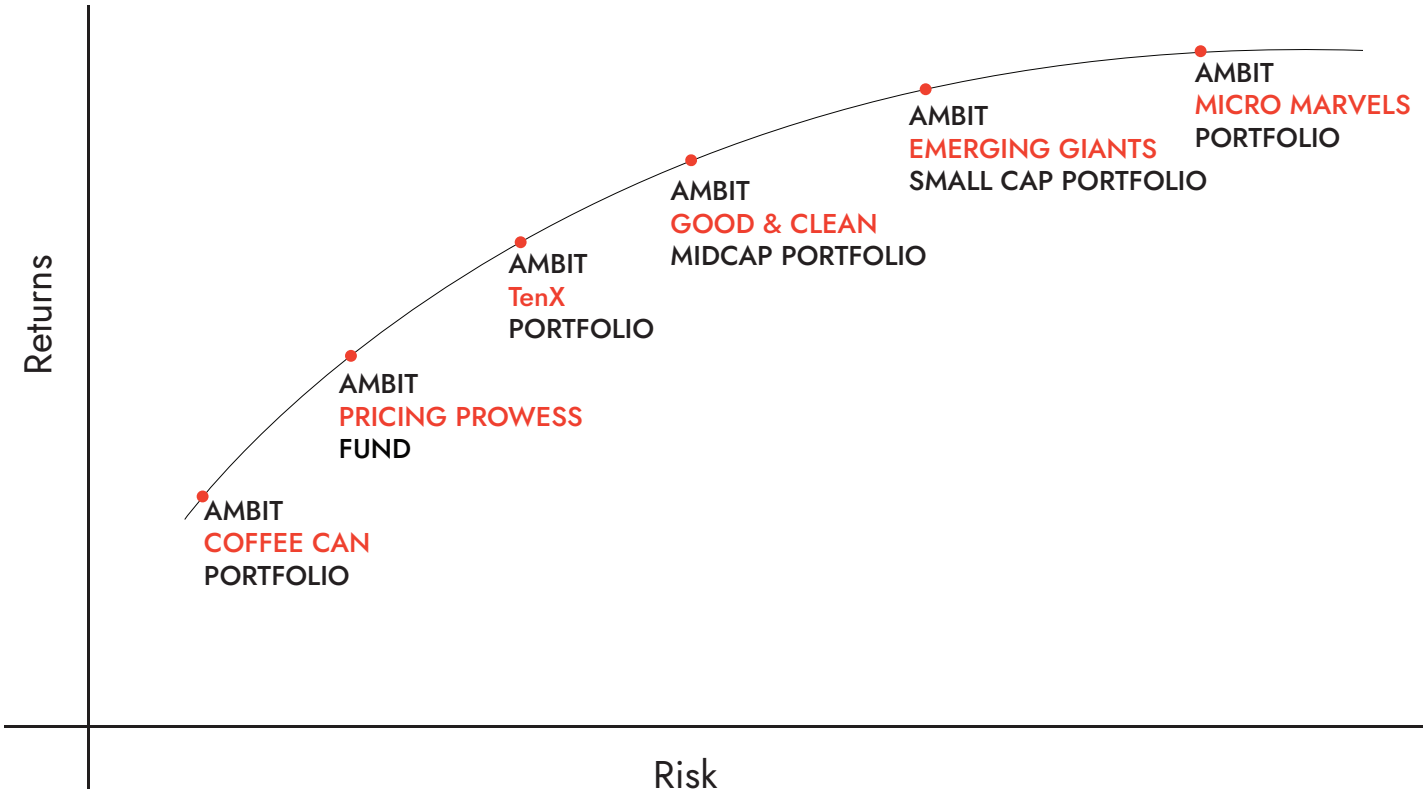


- Successful investing takes acumen
- The acumen to have a solution for every need
- The acumen to navigate volatile conditions
- The acumen to always stay true to character
- At Ambit Asset Management, it is this acumen that helps you invest successfully, with products that stay true to character across market cycles

To know more visit : https://www.ambit.co/asset-management

AMBIT
Acumen at work
Asset Management

4300 Cr+ Aum. 'True To Character' Products



Our Presence


MUMBAI


NEW DELHI


BENGALURU


HYDERABAD


CHANDIGARH


JAIPUR


BHOPAL


GIFT CITY


CHENNAI


KOLKATA


KOLHAPUR

Our Team

SUSHANT BHANSALI
CEO

Sushant has over 24 years of experience. Before Asset Management, he led Ambit's Principal Investment business, where he cut his teeth investing in listed equities from Ambit's Balance Sheet. Sushant is a Chartered Accountant, holds a Post-Graduate Diploma in Business Management from Indian School of Business (ISB), and has also completed the Advanced Management Program (AMP) at Harvard Business School (HBS).

DHIRAJ AGARWAL
MANAGING DIRECTOR - AMBIT INVESTMENT MANAGERS

Dhiraj Agarwal, Managing Director of Ambit Investment Managers, has 30+ years of financial market experience. He co-headed Institutional Equities at Ambit Capital, led sales at Standard Chartered India, worked with Boyer Allan Investment Management (a UK based Hedge Fund), and co-founded Sharekhan. He holds an MBA from IIM Bangalore and is an SRCC graduate.

SIDDHARTHA RASTOGI
COO & HEAD OF SALES

Siddhartha Rastogi is the Chief Operating Officer and Head of Sales at Ambit Asset Management, with over 23 years of experience in financial markets. A key pillar of the Ambit Group for more than 15 years, he was also a co-founder of IIFL Wealth. Previously, he led HSBC's Peddar Road branch — the largest and most profitable wealth branch in the country — as its youngest Branch Head. He is a Commerce Honours graduate from the University of Delhi, a Company Secretary (Intermediate), and holds a PGDBA from NMIMS, Mumbai.

SHALINI GUPTA
DIRECTOR - FAMILY OFFICES & INSTITUTIONS

Shalini Gupta brings over two and a half decades of distinguished expertise in asset management, capital markets, and investment strategy. As Director, Family Office , she spearheads institutional investors and family offices engagements focusing on scalable bespoke investment solutions. Her career spans key roles majorly at Alchemy Capital and Principal PNB Asset Management, where she spearheaded Markets as well as established and built institutional partnerships. Shalini holds an MBA & Bcom from University of Pune , enabling her to blend financial expertise with strategic vision.

DIPTI MEHTA
DIRECTOR - OFFSHORE SALES

Dipti has 19+ years of experience, transitioning from a successful sell-side career in institutional equity sales, covering FII clients across the Western Hemisphere. She has worked with firms like Ambit Capital, B&K Securities, and Haitong Securities. Dipti holds a Post-Graduate degree in Finance from NLDSMR.

TRILOK AGARWAL
FUND MANAGER - EQUITY

Trilok has over 18 years of experience in equities and asset management. Prior to Ambit, he worked with Dymon Asia Capital and Aditya Birla Sun Life Limited, where he was managing funds over INR 40 billion. Due to his superlative performance, he won several accolades and nominated as a Young Leader. Trilok has completed his post graduation in Finance from MET and BMS – Dual specialization from University of Mumbai.

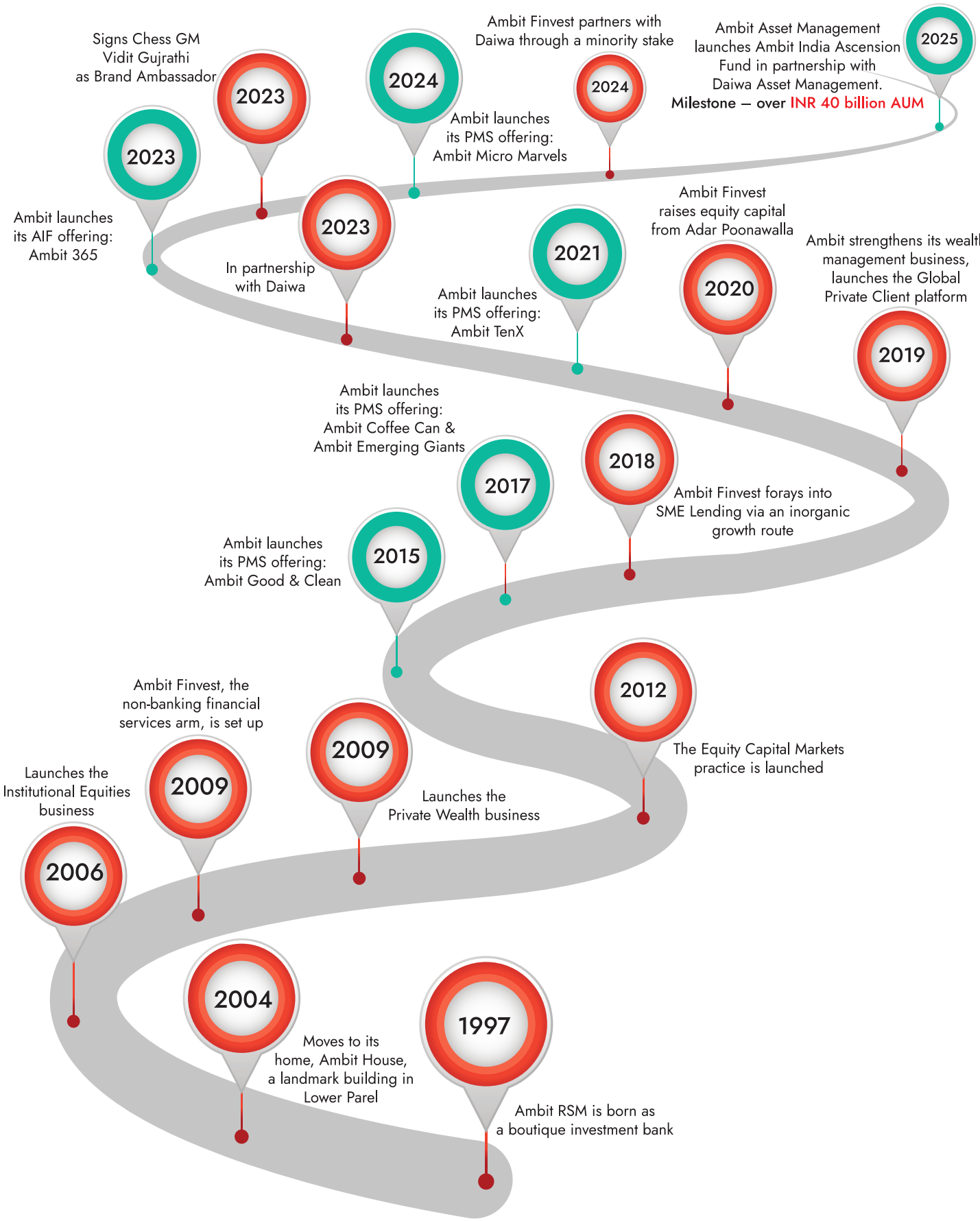
BHARGAV BUDDHADEV
FUND MANAGER - EQUITY

Bhargav, with 20+ years of experience in equities and asset management, has worked at Kotak Mutual Fund and Ambit Institutional Equities. He pioneered the Beachcombing Series at Ambit Institutional Equities, a small-cap product that earned his team a top-three ranking in Asia Money polls. Bhargav is a Chartered Accountant and holds an MBA in Finance.

SIDDHARTH BOTHRA
FUND MANAGER - EQUITY

Siddharth, an investment professional with 25+ years of experience, has managed prominent funds like MOFSL Focused Large Cap 25 and Aggressive Hybrid, overseeing INR 150 billion in assets at its peak. Known for his expertise across large-cap, mid-cap, flexi-cap, and hybrid funds, he consistently ranked Focused 25 among the top 10 in its category for 9 of 11 years. Siddharth holds an MBA from ISB, Hyderabad, with an International MBA Exchange at NYU Stern School of Business, New York.

Our Journey


1997
Ambit RSM is born as a boutique investment bank
2004
Moves to its home, Ambit House, a landmark building in Lower Parel
2006
Launches the Institutional Equities business
2009
Ambit Finvest, the non-banking financial services arm, is set up
2009
Launches the Private Wealth business
2012
The Equity Capital Markets practice is launched
2015
Ambit launches its PMS offering: Ambit Good & Clean
2017
Ambit launches its PMS offering: Ambit Coffee Can & Ambit Emerging Giants
2018
Ambit Finvest forays into SME Lending via an inorganic growth route
2019
Ambit strengthens its wealth management business, launches the Global Private Client platform
2020
Ambit Finvest raises equity capital from Adar Poonawalla
2021
Ambit launches its PMS offering: Ambit TenX
2023
In partnership with Daiwa
2023
Ambit launches its AIF offering: Ambit 365
2023
Signs Chess GM Vidit Gujrathi as Brand Ambassador
2024
Ambit launches its PMS offering: Ambit Micro Marvels
2024
Ambit Finvest partners with Daiwa through a minority stake
2025
Ambit Asset Management launches Ambit India Ascension Fund in partnership with Daiwa Asset Management.
Milestone – over INR 40 billion AUM

Ambit Coffee Can Portfolio

At Coffee Can Portfolio, we do not attempt to time commodity/investment cycles or political outcomes and prefer resilient franchises in the retail and consumption-oriented sectors. The Coffee Can philosophy has an unwavering commitment to companies that have consistently sustained their competitive advantages in core businesses despite being faced with disruptions at regular intervals. As the industry evolves or is faced with disruptions, these competitive advantages enable such companies to grow their market shares and deliver long-term earnings growth.

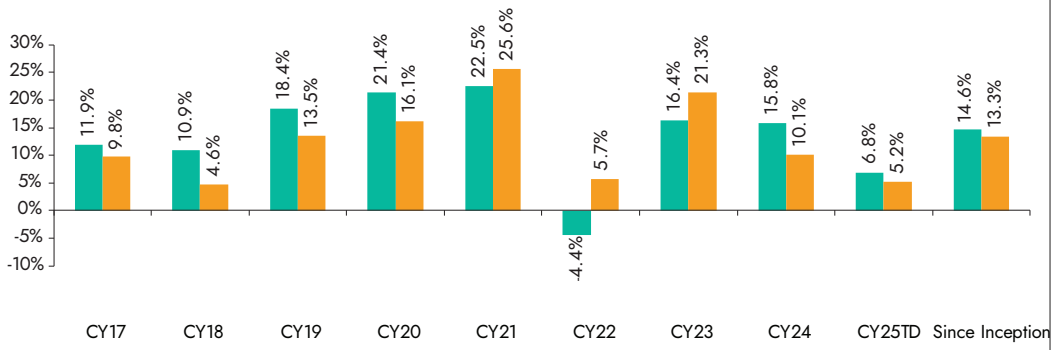
Exhibit 5:

Ambit Coffee Can Portfolio point-to-point performance

Source: Ambit Coffee Can Portfolio inception date is Jun 20, 2017;
**1M Return: 1st - 30th Sept'25; 3M Return: 1st Jul'25 – 30th Sept'25; 6M Return: 1st Apr'25 – 30th Sept'25; 1Y Return: 1st Oct'24 – 30th Sept'25
*Nifty 50 TRI is the selected benchmark for the Ambit Coffee Can Portfolio. The performance related information provided herein is not verified by SEBI.

Exhibit 6:

Ambit Coffee Can Portfolio calendar year performance



Source: Ambit Coffee Can Portfolio inception date is June 20, 2017;
*Nifty 50 TRI is the selected benchmark for the Ambit Coffee Can Portfolio. The performance related information provided herein is not verified by SEBI.

Ambit Good & Clean Midcap Portfolio

Ambit's Good & Clean strategy provides long-only equity exposure to Indian businesses that have an impeccable track record of clean accounting, good governance, and efficient capital allocation. Ambit's proprietary 'forensic accounting' framework helps weed out firms with poor quality accounts, while our proprietary 'greatness' framework helps identify efficient capital allocators with a holistic approach for consistent growth. Our focus has been to deliver risk-adjusted returns with as much focus on lower portfolio drawdown as on return generation. Some salient features of the Good & Clean strategy are as follows:

1. Process-oriented approach to investing: Typically starting at the largest 500 Indian companies, Ambit's proprietary frameworks for assessing accounting quality and efficacy of capital allocation help narrow down the investible universe to a much smaller subset. This shorter universe is then evaluated on bottom-up fundamentals to create a concentrated portfolio of no more than 20 companies at any time.
2. Long-term horizon and low churn: Our holding horizons for investee companies are 3-5 years and even longer with annual churn not exceeding 20-25% in a year. The long-term orientation essentially means investing in companies that have the potential to sustainably compound earnings, with these compounding earnings acting as the primary driver of investment returns over long periods.
3. Low drawdowns: The focus on clean accounting and governance, prudent capital allocation, and structural earnings compounding allow participation in long-term return generation while also ensuring low drawdowns in periods of equity market declines.

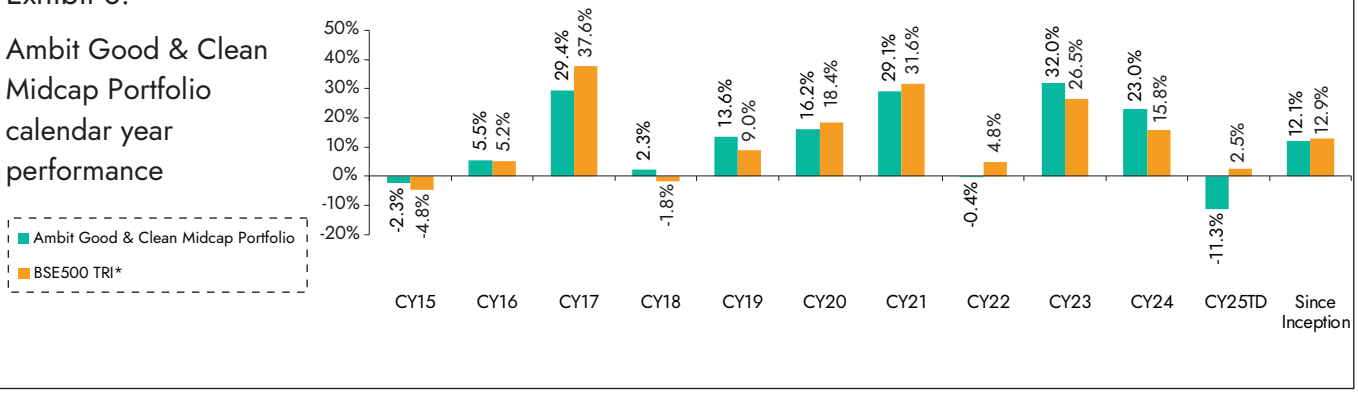
Exhibit 7:

Ambit Good & Clean Midcap Portfolio point-to-point performance

Source: Ambit Good & Clean Mid cap Portfolio inception date is Mar 12, 2015;
**1M Return: 1st - 30th Sept'25; 3M Return: 1st Jul'25 – 30th Sept'25; 6M Return: 1st Apr'25 – 30th Sept'25; 1Y Return: 1st Oct'24 – 30th Sept'25
*BSE 500 TRI is the selected benchmark for the Ambit Good & Clean Mid cap. The performance related information provided herein is not verified by SEBI.

Exhibit 8:

Ambit Good & Clean Midcap Portfolio calendar year performance



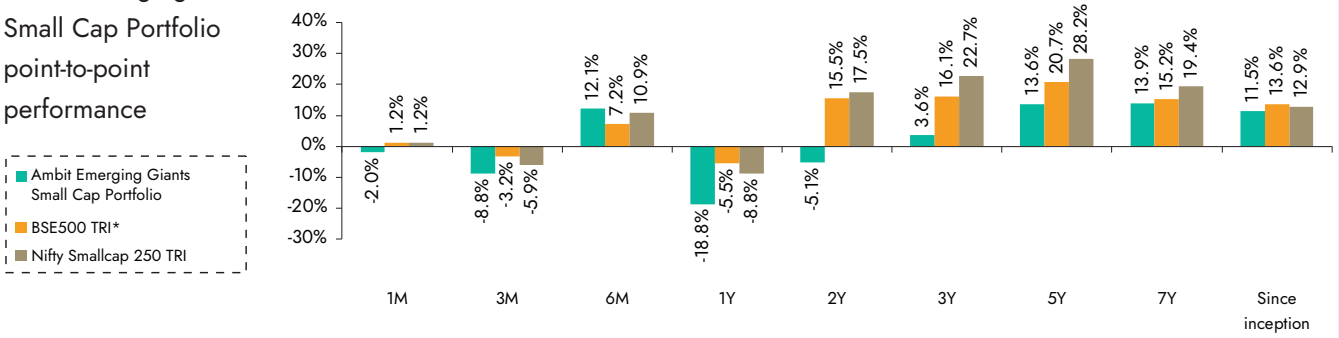
Source:Ambit Good & Clean Mid cap Portfolio inception date is Mar 12, 2015;
*BSE 500 TRI is the selected benchmark for the Ambit Good & Clean Mid cap. The performance related information provided herein is not verified by SEBI.

Ambit Emerging Giants Small Cap Portfolio

Small caps with secular growth, superior return ratios and no leverage – Ambit's Emerging Giants Small Cap portfolio aims to invest in small-cap companies with market-dominating franchises and a track record of clean accounting, governance and capital allocation. The fund typically invests in companies with market caps less than INR 10,000cr. These companies have excellent financial track records, superior underlying fundamentals (high RoCE, low debt), and the ability to deliver healthy earnings growth over long periods of time. However, given their smaller sizes, these companies are not well discovered, owing to lower institutional holdings and lower analyst coverage. Rigorous framework-based screening coupled with extensive bottom-up due diligence led us to a concentrated portfolio of 18-20 emerging giants.

Exhibit 9:

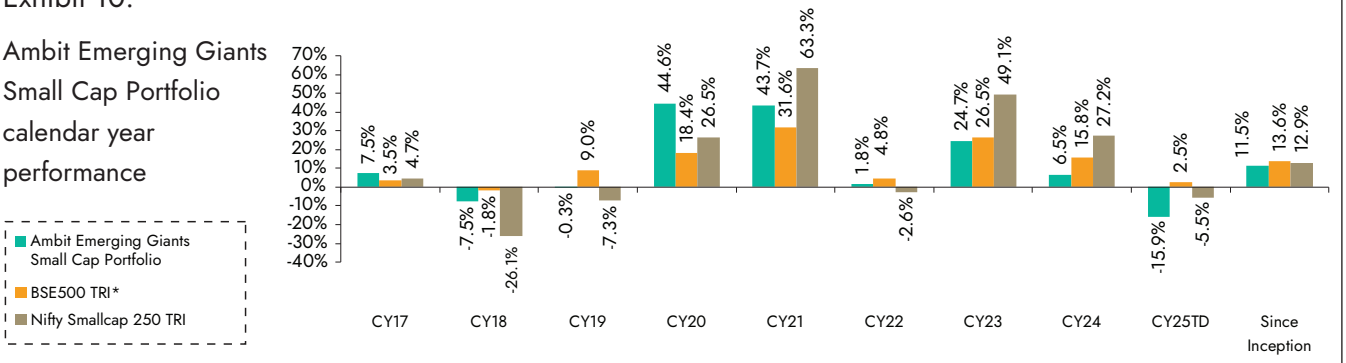
Ambit Emerging Giants Small Cap Portfolio point-to-point performance



Source: Ambit Emerging Giants Small cap Portfolio inception date is Dec 1, 2017;
**1M Return: 1st - 30th Sept'25; 3M Return: 1st Jul'25 – 30th Sept'25; 6M Return: 1st Apr'25 – 30th Sept'25; 1Y Return: 1st Oct'24 – 30th Sept'25
**BSE 500 TRI is the selected benchmark for the Ambit Emerging Giants Small cap. The performance related information provided herein is not verified by SEBI.
*Nifty Smallcap 250 TRI is the secondary benchmark, being provided solely for additional reference and comparison. For details refer disclaimer clause.

Exhibit 10:

Ambit Emerging Giants Small Cap Portfolio calendar year performance



Source: Ambit Emerging Giants Small cap Portfolio inception date is Dec 1, 2017;
*BSE 500 TRI is the selected benchmark for the Ambit Emerging Giants Small cap. The performance related information provided herein is not verified by SEBI.
**Nifty Smallcap 250 TRI is the secondary benchmark, being provided solely for additional reference and comparison. For details refer disclaimer clause.

Ambit Micro Marvels Portfolio

We aim to create a portfolio that invests predominantly in micro-cap companies with the potential of delivering superior earnings growth and generating relatively better risk-adjusted performance over a long period of time.

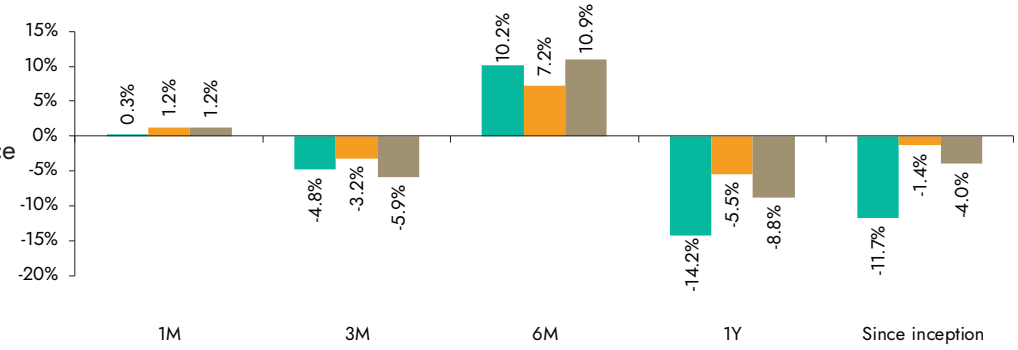
Ambit's proprietary 'forensic accounting' framework helps weed out firms with poor quality accounts while our proprietary 'greatness' framework helps identify efficient capital allocators. The result is a concentrated portfolio of 20-25 stocks that draws down less than the market in corrections and has low churn.

Key Features of Portfolio Companies:

1. High earnings growth companies with low leverage,
2. Market leaders or challengers with strong moat around brand, distribution, technology, and innovation,
3. Strong corporate governance coupled with apt capital allocation.

Exhibit 11:

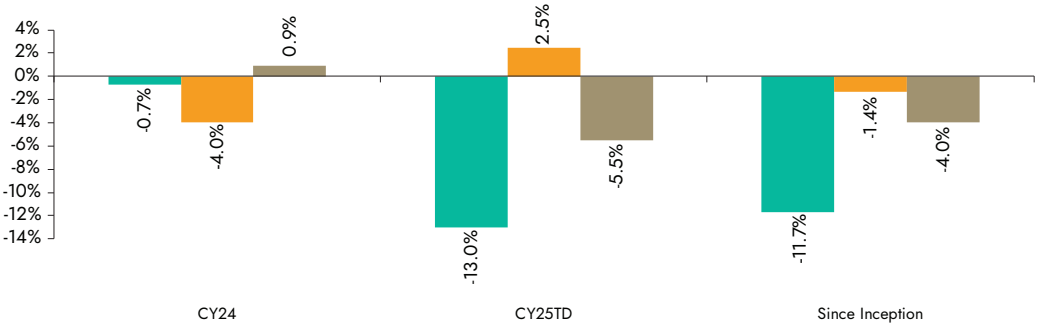
Ambit Micro Marvels Portfolio point-to-point performance



Source: Ambit Micro Marvels Portfolio inception date is Jul 29, 2024;
**1M Return: 1st - 30th Sept'25; 3M Return: 1st Jul'25 – 30th Sept'25; 6M Return: 1st Apr'25 – 30th Sept'25; 1Y Return: 1st Oct'24 – 30th Sept'25
**BSE 500 TRI is the selected benchmark for the Ambit Micro Marvels Portfolio. The performance related information provided herein is not verified by SEBI.
*Nifty Smallcap 250 TRI is the secondary benchmark, being provided solely for additional reference and comparison. For details refer disclaimer clause.

Exhibit 12:

Ambit Micro Marvels Portfolio calendar year performance



Source: Ambit Micro Marvels Portfolio inception date is Jul 29, 2024;
**BSE 500 TRI is the selected benchmark for the Ambit Micro Marvels Portfolio. The performance related information provided herein is not verified by SEBI.
*Nifty Smallcap 250 TRI is the secondary benchmark, being provided solely for additional reference and comparison. For details refer disclaimer clause.

AMBIT
Acumen at work
Asset Management

Ambit Pricing Prowess Fund

Ambit Pricing Prowess Fund is an All-weather, Open-ended, Long-only, Category III, Flexi-cap AIF – a meticulously crafted opportunity for long-term investors seeking:

1. **Accelerated Portfolio Returns**: The ability to raise selling prices faster than input costs (inflation) directly increases profit margins and accelerates Free Cash Flow (FCF) growth.
2. **Unrivaled Portfolio Resilience:** Pricing Power acts as a structural defense mechanism, stabilizing margins even during periods of macro pressure, supply shocks, or weaker demand.
3. **Maximum Long-Term Value Creation:** Pricing Power is a proxy for an irrefutable competitive advantage (deep moat).

In a market of highly varied valuations, Ambit Pricing Prowess Fund is not constrained by a single market segment. We are designed to seek the most attractive combination of Quality and Price across the entire investment universe.

We can shift capital fluidly between Large, Mid, Small, and even a select number of carefully vetted unlisted businesses. This broad mandate allows us to find and capitalize on unique opportunities that align with our core framework.

Our focus is more on business fundamentals, rather than stock price movements. We do not seek comfort of the crowd and seek exposure to companies that are "unrecognized" because the market either misprices the longevity of their growth or fails to fully appreciate the structural defense their pricing power provides.

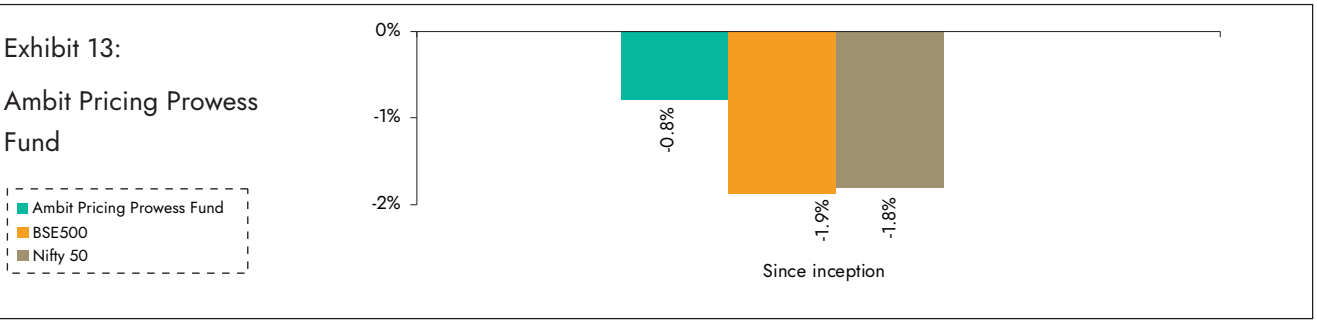
The framework's final structure—blending Established (proven track record, mature moats) and Emerging (new, rapidly widening moats, higher growth potential) Pricing Power plays—provides a balanced approach to capture both resilience and accelerated return potential within the portfolio.

Investing in businesses with Pricing Prowess offers compelling advantages, as below:

- Proven Inflation Hedge
- Maximized Profit Margins
- Stable, Quality Compounding (non-Glamorous)
- Formidable Entry Barriers
- Long-term Value Creation

Exhibit 13:

Ambit Pricing Prowess Fund



Note: Data as on 30th Sept 2025; First close for Ambit Pricing Prowess Fund was done on 24th Sept 2025; Returns are computed at Fund level and are post fees and on pre-tax basis. Returns of BSE 500 and Nifty 50 is being provided solely for additional reference and comparison. The performance related information provided herein is not verified by SEBI.

AMBIT
Acumen at work

Asset Management

For any queries, please contact:
Phone: +91 22 6623 3281 / +91 22 6623 3187 | Email - amsales@ambit.co
Registered office: Ambit Investment Advisors Private Limited - Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

Corporate office: Ambit Investment Advisors Private Limited - 2103/2104, 21st Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

Statutory details:
Ambit Investment Advisors Private Limited ("Ambit"), is a registered Portfolio Manager with Securities and Exchange Board of India vide registration number INP000005059. Ambit is also an Investment Manager to Ambit Investment Advisors Trust – Category III which is registered with SEBI as Alternate Investment Fund under SEBI (Alternative Investment Funds) Regulations, 2012 vide registration no. IN/AIF3/25-26/1833.

Disclaimer & disclosures:
This document is confidential and is intended only for the personal use of the prospective investors / contributors (hereinafter referred as the Clients or you) to whom it is addressed or delivered and must not be reproduced or redistributed in any form to any other person without the prior consent of Ambit.

Returns of individual client may differ depending on the timing of entry and exit, timing of additional flows and redemptions, individual client mandates, specific portfolio construction characteristics or structural parameters which have a bearing on individual portfolio performance. This document is neither approved, certified nor are its contents verified by SEBI. The performance related information provided herein is not verified by SEBI.

The secondary benchmark is being provided solely for additional reference and comparison. It is not intended to serve as the principal measure of performance and may differ significantly in terms of asset composition, volatility, and investment strategy. Performance comparison with the secondary benchmark does not imply any assurance or guarantee of future returns. Investors are advised to consider this in conjunction with the primary benchmark and relevant portfolio disclosures.

Returns are calculated using TWRR method as prescribed under revised SEBI (Portfolio Managers) Regulations, 2020. Performance is net of all fees and expenses. Past performance is not a reliable indicator of future results. Please note that performance of your portfolio may vary from that of other investors and that generated by the Investment Approach across all investors because of 1) the timing of inflows and outflows of funds; and 2) differences in the portfolio composition because of restrictions and other constraints. For comparative Performance relative to other Portfolio Managers within the selected Strategy, please visit: bit.ly/APMI_PMS. Clients are not being offered any guaranteed / assured returns.

This presentation / newsletter / report is strictly for information and illustrative purposes only and should not be considered to be an offer, or solicitation of an offer, to buy or sell any securities or to enter into any Portfolio Management agreements. This presentation / newsletter / report may contain confidential or proprietary information and no part of this presentation / newsletter / report may be reproduced in any form without its prior written consent to Ambit. All opinions, figures, charts/ graphs, estimates and data included in this presentation / newsletter / report is subject to change without notice. Any dissemination, copying or circulation of this communication in any form is strictly prohibited. This material should not be circulated in countries where restrictions exist on soliciting business from potential clients residing in such countries. Recipients of this material should inform themselves about and observe any such restrictions. Recipients shall be solely liable for any liability incurred by them in this regard and will indemnify Ambit for any liability it may incur in this respect.

This presentation / newsletter / report is prepared by Ambit strictly for the specified audience and is not intended for distribution to public and is not to be disseminated or circulated to any other party outside of the intended purpose. If you receive a copy of this presentation / newsletter / report and you are not the intended recipient, you should destroy this immediately.

Neither Ambit nor any of their respective affiliates or representatives make any express or implied representation or warranty as to the adequacy or accuracy of the statistical data or factual statement concerning India or its economy or make any representation as to the accuracy, completeness, reasonableness or sufficiency of any of the information contained in the presentation / newsletter / report herein, or in the case of projections, as to their attainability or the accuracy or completeness of the assumptions from which they are derived, and it is expected each prospective investor will pursue its own independent due diligence. In preparing this presentation / newsletter / report, Ambit has relied upon and assumed, without independent verification, the accuracy and completeness of information available from public sources. Accordingly, neither Ambit nor any of its affiliates, shareholders, directors, employees, agents or advisors shall be liable for any loss or damage (direct or indirect) suffered as a result of reliance upon any statements contained in, or any omission from this presentation / newsletter / report and any such liability is expressly disclaimed.

Ambit does not guarantee the future performance or any level of performance relating to any products of Ambit or any other third-party service provider. Investment in any product including mutual fund or in the product of third-party service provider does not provide any assurance or guarantee that the objectives of the product are specifically achieved. Ambit shall not be liable for any losses that you may suffer on account of any investment or disinvestment decision based on the communication or information or recommendation received from Ambit on any product. Further Ambit shall not be liable for any loss which may have arisen by wrong or misleading instructions given by you whether orally or in writing. The name of the product does not in any manner indicate their prospects or return.

The Investment Approach 'Ambit Coffee Can Portfolio' has been migrated from Ambit Capital Private Limited to Ambit Investments Advisors Private Limited. Hence some of the information in this presentation may belong to the period when this product was managed by Ambit Capital Private Limited.

This document may include certain forward looking words, statements and scenario which contain words or phrases such as "believe", "expect", "anticipate", "estimate", "intend", "plan", "objective", "goal", "project", "endeavor" and similar expressions or variations of such expressions that are forward looking statements, words and scenario. Actual outcomes may differ materially from those suggested by the forward –looking statements due to risks, uncertainties or assumptions.

Risk factors:
You are expected to take into consideration all the risk factors including financial conditions, risk-return profile, tax consequences, etc. You understand that the past performance or name of the portfolio or any similar product do not in any manner indicate surety of performance of such product or portfolio in future. You further understand that all such products are subject to various market risks, settlement risks, economical risks, political risks, business risks, and financial risks etc. and there is no assurance or guarantee that the objectives of any of the strategies of such product or portfolio will be achieved. You are expected to thoroughly go through the terms of the arrangements / agreements and understand in detail the risk-return profile of any security or product of Ambit or any other service provider before making any investment. You should also take professional / legal /tax advice before making any decision of investing or disinvesting. The investment relating to any products of Ambit may not be suited to all categories of investors. Ambit or Ambit associates may have financial or other business interests that may adversely affect the objectivity of the views contained in this presentation / newsletter / report. Prospective investors are advised to review the Disclosure document, client agreement and other related documents carefully in its entirety and consult their legal, tax and financial advisors to determine possible legal, tax and financial or any other consequences of investing under this Portfolio, before making an investment decision.

Asset Management

Ambit Investment Advisors Private Limited - 2103/2104, 21st Floor,
One Lodha Place, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
Phone: +91 22 6623 3281 / 91 22 6623 3187 | Email - amsales@ambit.co | www.ambit.co/asset-management