

NFO PERIOD
1ST - 15TH OCT, 2025

altiva SIF
— By Edelweiss Mutual Fund —

MARKETS RISE. FALL. STALL.

This fund aims to deliver.

Altiva Hybrid Long-Short Fund

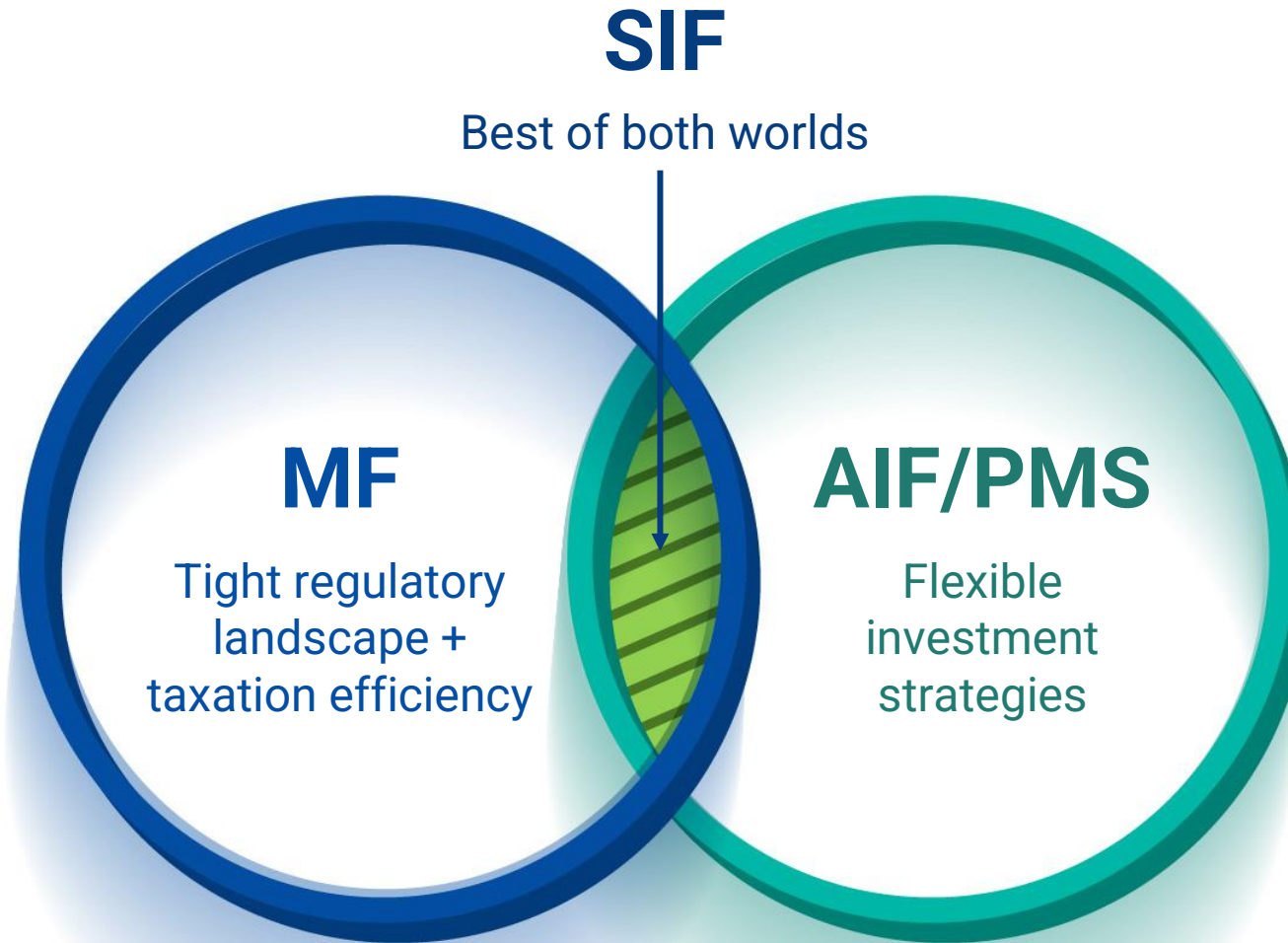
Blending equities, fixed income, and derivatives which may help you achieve consistent, low-volatile returns in most of the market conditions.

(An interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives.)

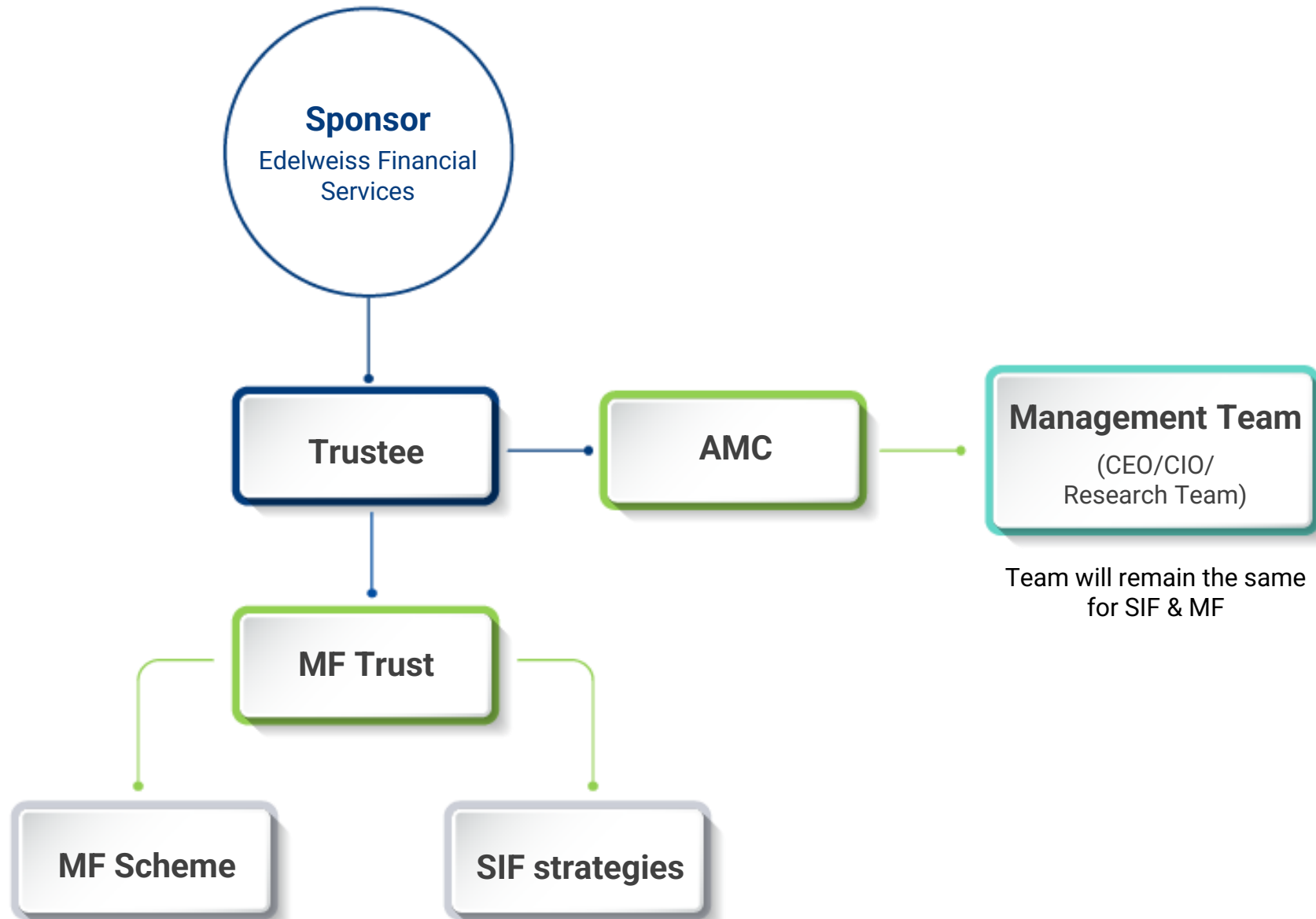
All about SIFs



Well-positioned to serve targeted investment needs



SIFs: A platform within the Mutual Fund structure



Carving a distinct position in the investment landscape

Key points of differentiation

	SIF	MF	PMS	AIF*
Minimum Investment	Rs. 10 Lakh (Across Altiva SIF strategies)	Rs. 100	Rs.50 Lakh	Rs. 1 Crore
Taxation at Investor level	Equity - LTCG at 12.5% (after 12m) Debt – Slab rate Other – LTCG @ 12.5% (after 24 m)		Taxed in the hands of investor at each transaction level.	NIL
Taxation at Fund Level	Nil as per Section 10 (23D)		Nil	@ MMR of 42.7%^
Leverage & Derivatives	No leverage permitted. Short exposure through unhedged derivative up to 25% + Derivatives for hedging & rebalancing	No leverage permitted. Derivatives only for Hedging & rebalancing	No leverage permitted. Derivatives only for Hedging & rebalancing	Leverage permitted with gross exposure upto 200%

Note: STCG for SIF and Mutual fund: Equity (upto 12 months) – 20%; Debt – slab rate; Others (upto 24 months) – slab rate. Please consult tax advisor for better understanding and taxation applicable to specific investments.* CAT III AIF assuming that it will be a business income product. ^ Incl applicable cess & surcharge

SIF offers 7 differentiated scheme categories

Equity Oriented Investment Strategies

- Equity Long-Short Fund
- Equity Ex-Top 100 Long-Short Fund
- Sector Rotation Long-Short Fund

Debt Oriented Investment Strategies

- Debt Long-Short Fund
- Sectoral Long-Short Fund

Hybrid Investment Strategies

- Active Asset Allocator Long-Short Fund
- Hybrid Long-Short Fund

Only one investment strategy under each sub-category shall be permitted to be launched.

Presenting **Altiva Hybrid Long-Short Fund**

An interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives.

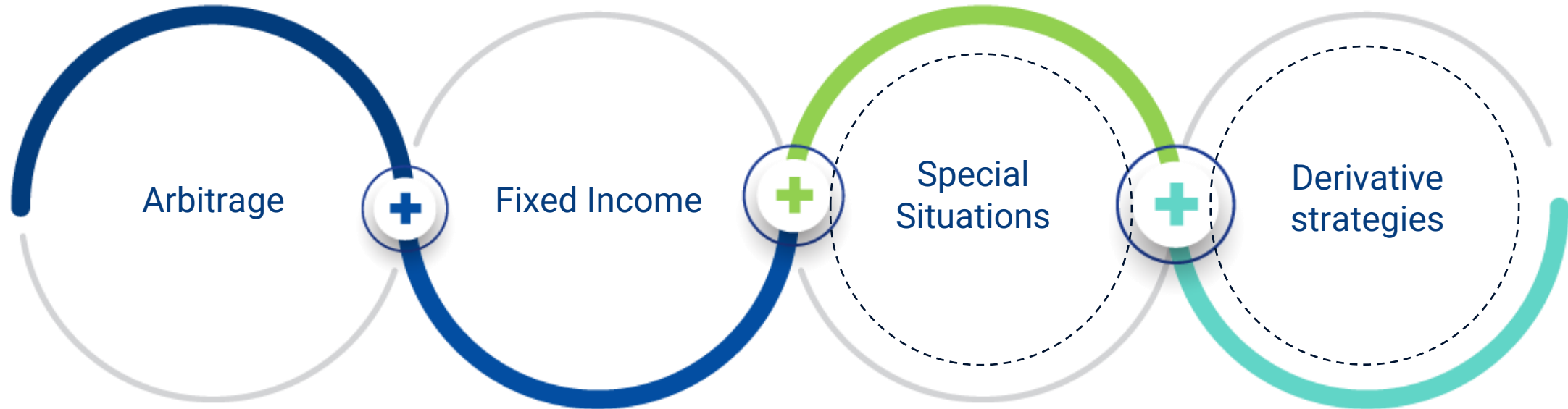


An income-oriented solution

	Debt Funds Category*	Arbitrage Category	Altiva Hybrid Long Short Strategy	Equity Savings Fund Category
Return Profile	Fixed returns guided by YTM & duration	Returns close to Repo/ short-term rates	Arbitrage Plus	Debt like returns with potential for limited to moderate equity upside
Taxation	Slab Rate	LTCG: 12.5% STCG: 20% Holding Period: 12M	LTCG: 12.5% STCG: Slab Rate Holding Period: 24M	LTCG: 12.5% STCG: 20% Holding Period: 12M

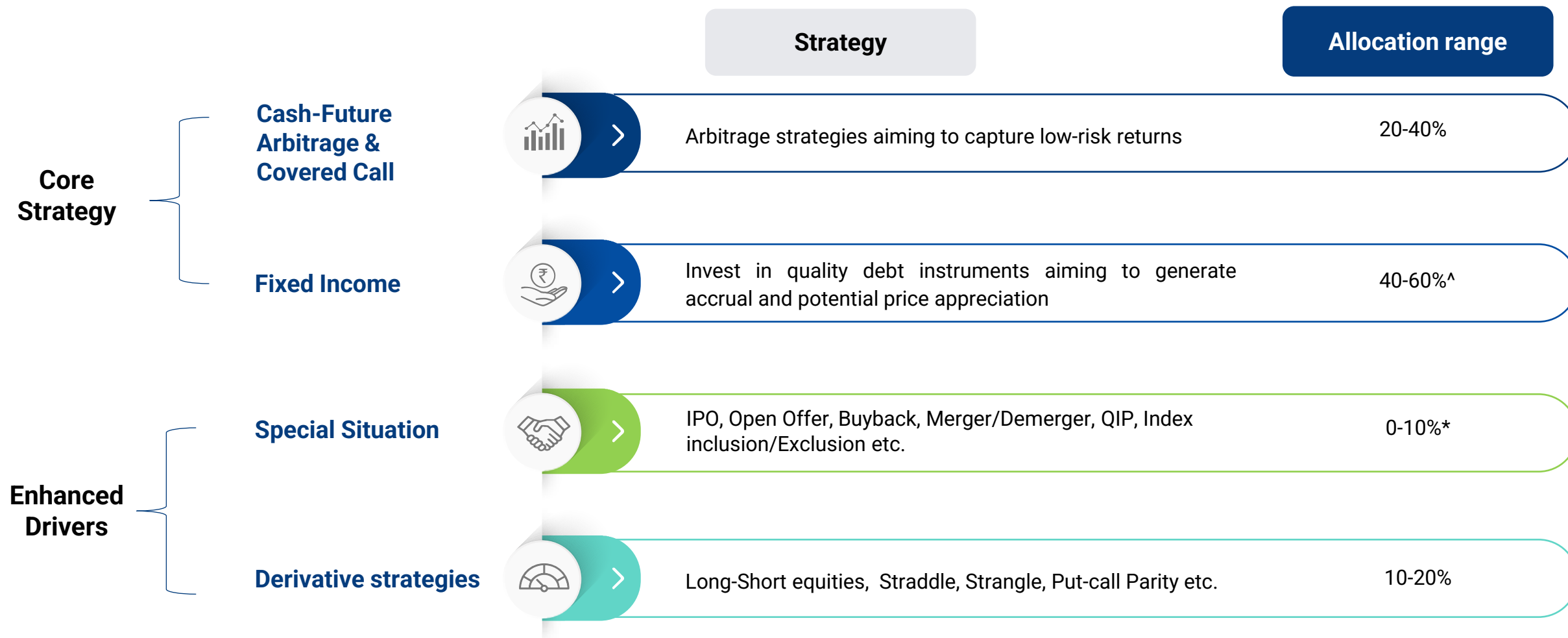
*Short Duration Funds. Please consult your tax advisor for clarity on the applicable taxation for specific investments. The above tax doesn't incl cess & surcharge

Building on core income with enhanced drivers



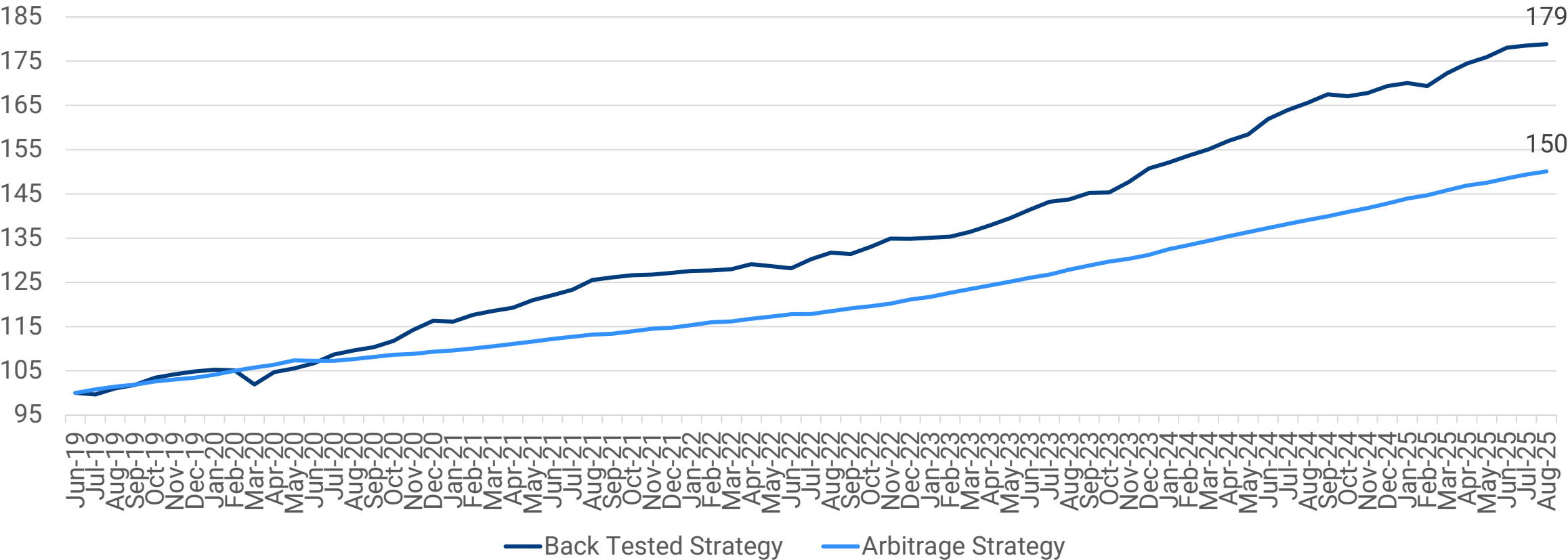
An income oriented strategy with arbitrage and fixed income as core strategies, enhanced by selective opportunities in special situations and derivatives

Portfolio construction



Back tested strategy performance vs Arbitrage strategy

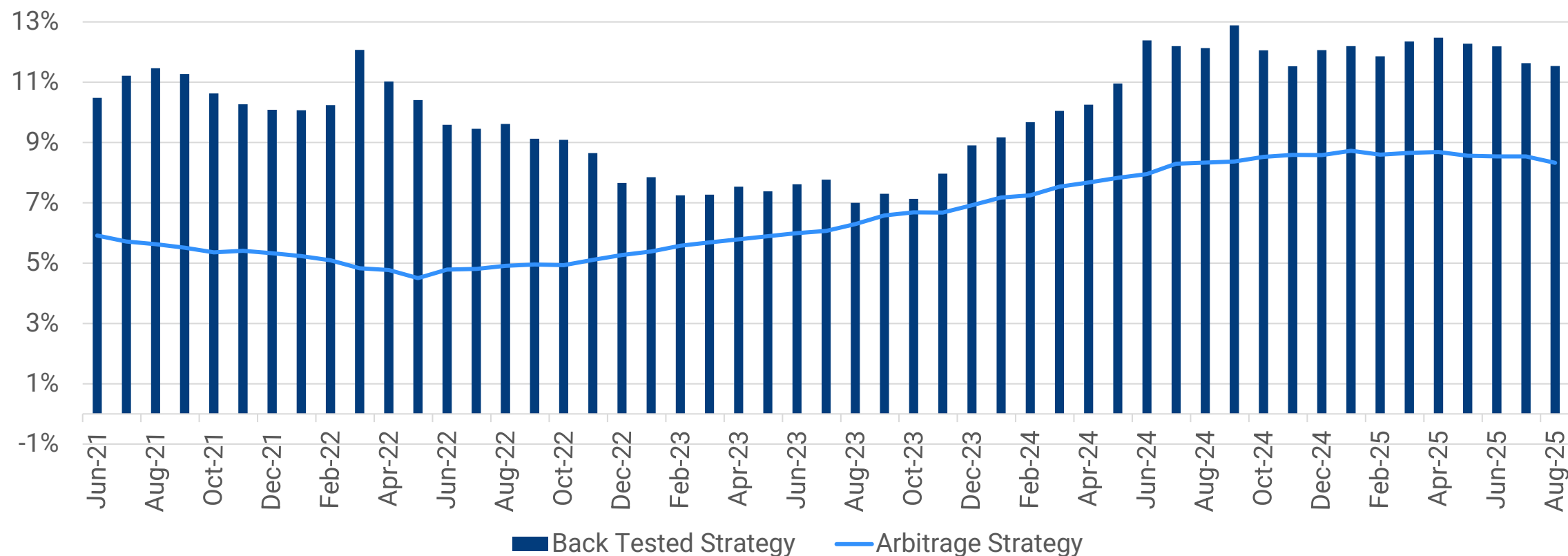
The strategy has outperformed the arbitrage strategy since the inception



Back Tested Strategy - Rolling Returns

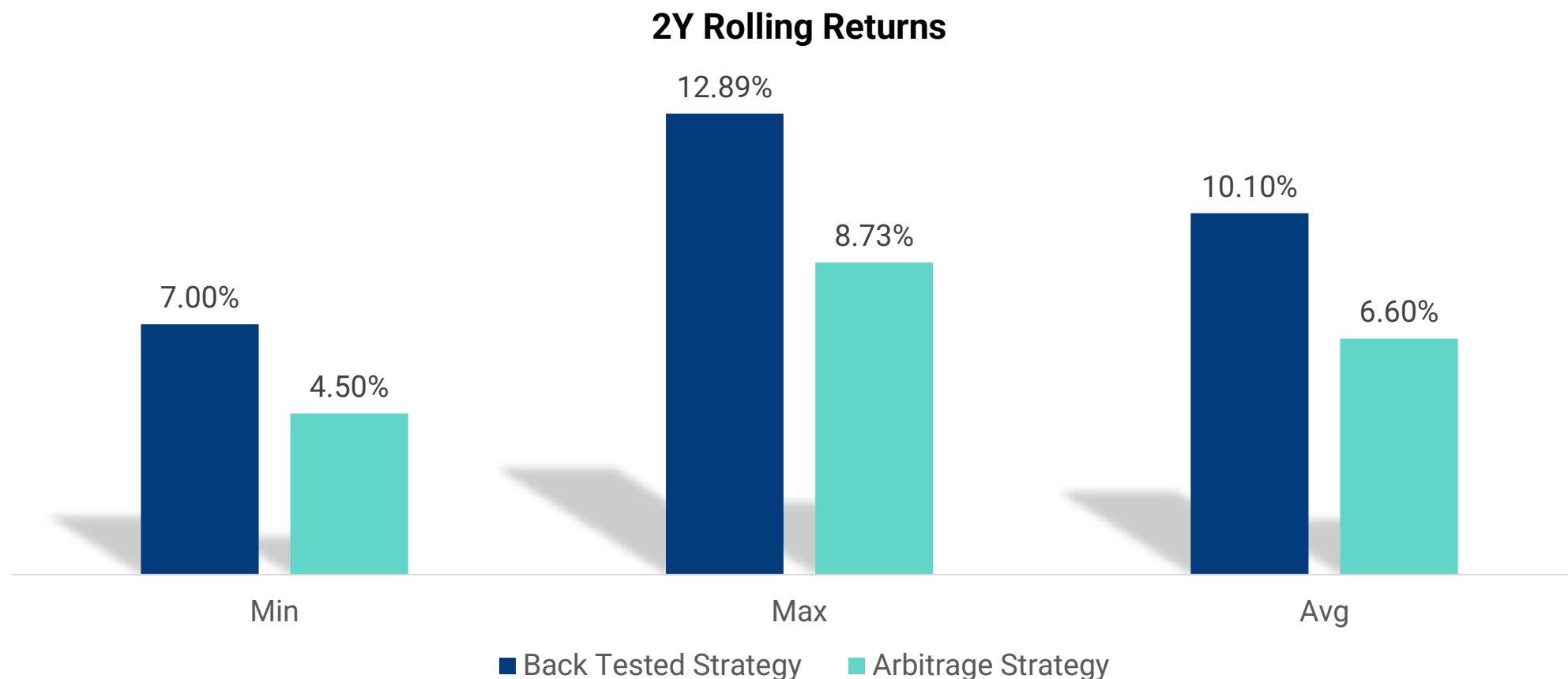
The back tested strategy has outperformed the arbitrage strategy on a 2Y Rolling Return basis since the inception

2 Year Rolling Returns



Back Tested Strategy - Rolling Returns

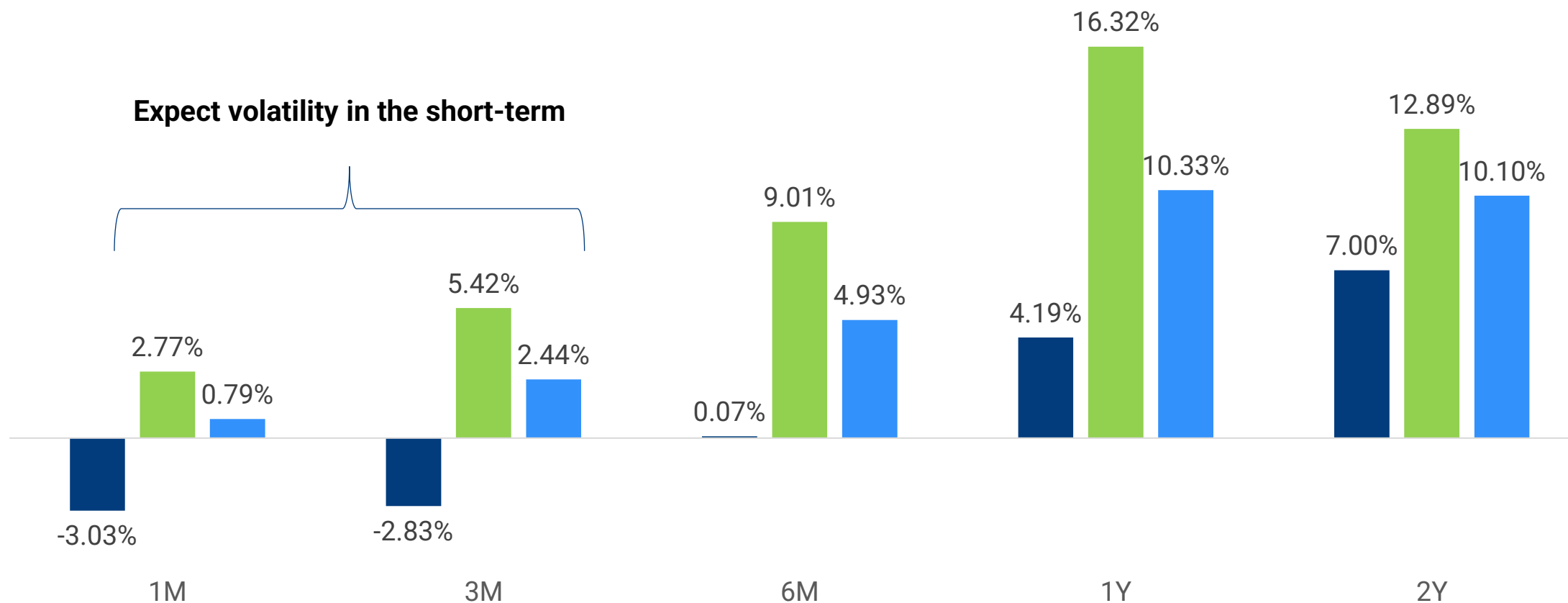
The back tested strategy has outperformed the arbitrage strategy on a 2Y Rolling Return basis since the inception



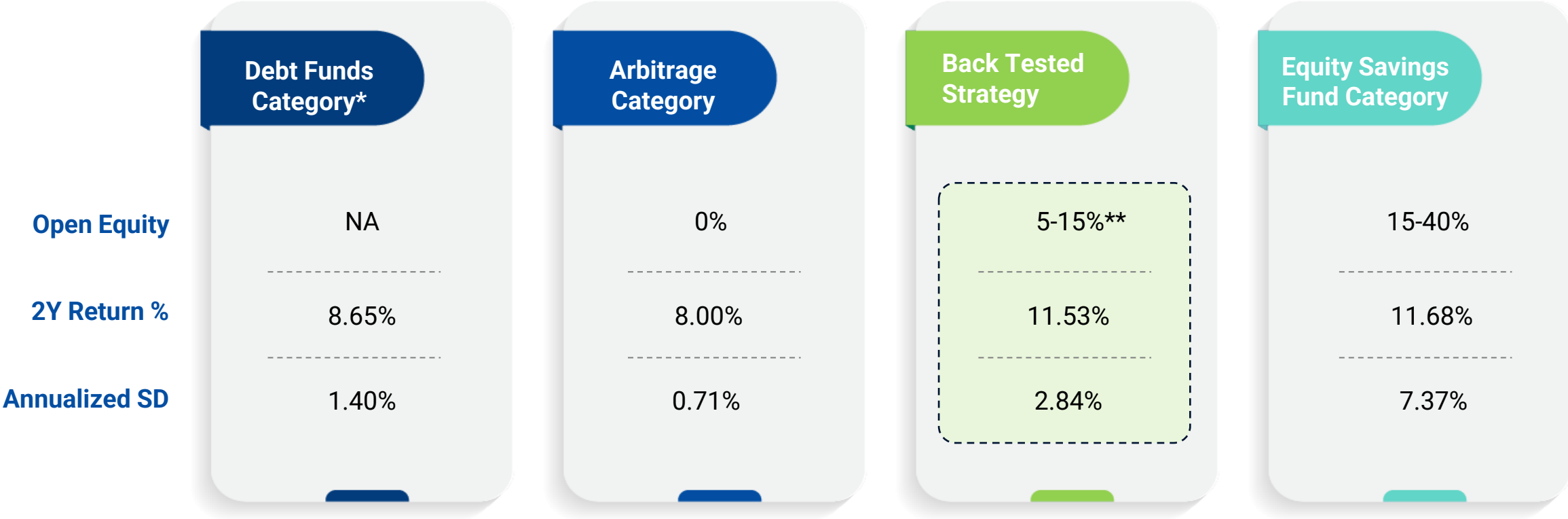
Back Tested Strategy - Rolling Returns

■ Min ■ Max ■ Avg

Expect volatility in the short-term



Risk-reward positioning



2Y Trailing returns considered.*Short Duration Funds. Data as on 31st August,2025 ** Nifty50 considered. SD is annualized on monthly returns. Past performance may or may not be sustained in the future. Returns are considered gross of exp. Returns are CAGR

What to expect in different market conditions?

Strategies of the fund that will work in different market scenarios

Flat Market	Bull Market	Bear Market	When will the strategy underperform	When will the strategy outperform
Covered Call + Arb	Long Equity^	Short Equity		
Debt	Spl Sits (IPOs , Open Offer)	Debt	Sharp Bear Markets	Bull Market
Derivative (Straddle , Strangle)	Derivative (Straddle , Strangle)	Arb	Extremely high Volatile Markets	Flat Market
Spl Sits (Merger spreads)	Covered Call	Buybacks, Open Offer	Very Low interest rate / Sharp rise in interest rate	

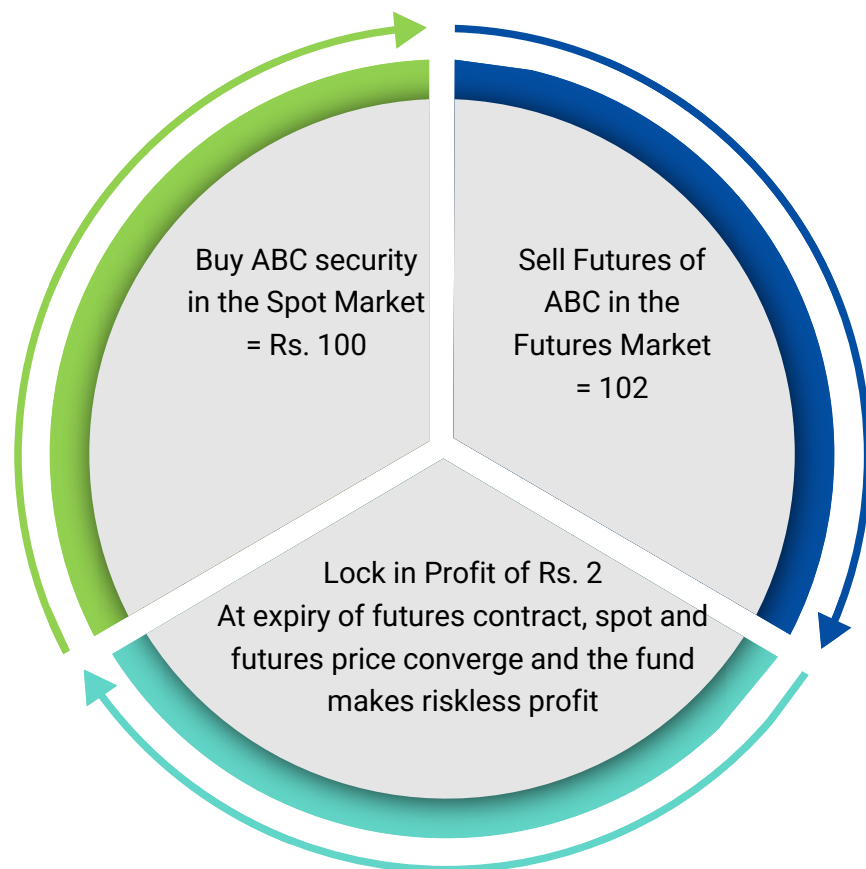
[^]incidental long equity exposure from OTM covered calls, pair trades, or event-driven trades (e.g., IPO/open-offer participation); no directional long exposure

Strategy playbook



Equity Arbitrage

What is Arbitrage?



Edelweiss Arbitrage Fund

Inception Date: 27th June 2014

AUM: 13,885 Cr

1Y RR	Edelweiss Arbitrage Fund	Category Avg
Avg	6.73%	6.30%
Min	3.55%	3.45%
Max	9.76%	8.74%

3Y RR	Edelweiss Arbitrage Fund	Category Avg
Avg	6.41%	5.84%
Min	4.78%	4.25%
Max	7.85%	7.56%

5Y RR	Edelweiss Arbitrage Fund	Category Avg
Avg	6.30%	5.81%
Min	5.63%	5.26%
Max	7.47%	6.73%

Accrual + potential price appreciation from active duration management

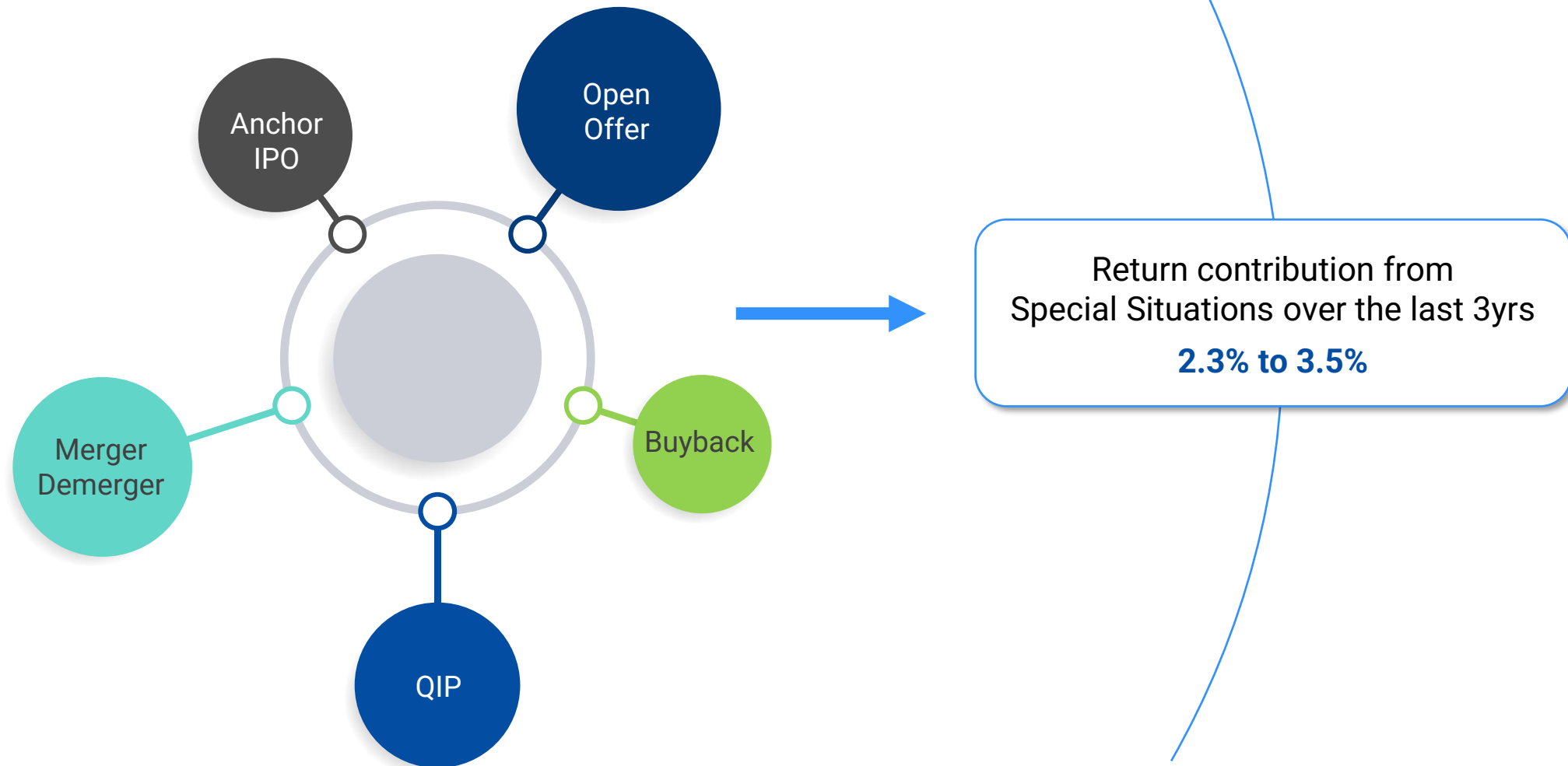


Special Situation + Derivatives



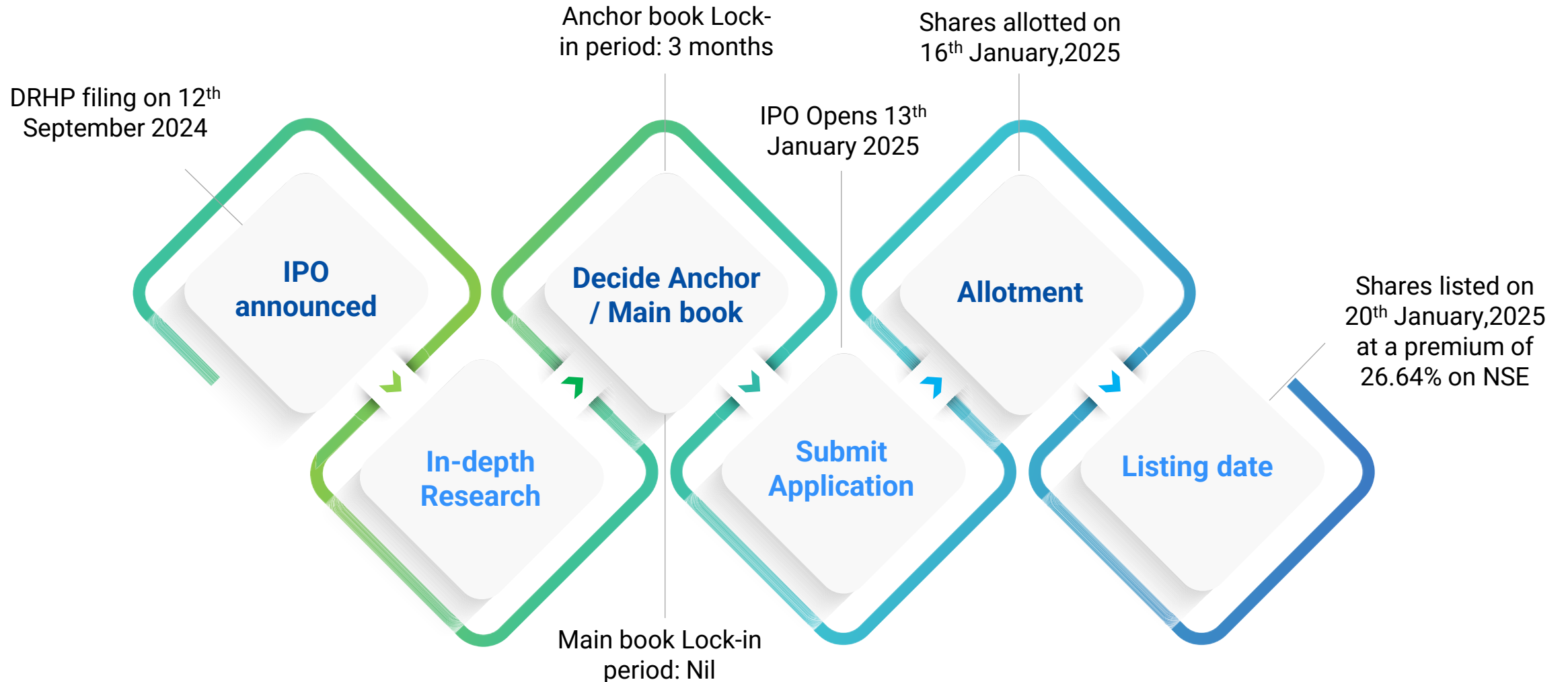
Our proven capability in special situations strategies

Our expertise in executing special situation trades in a MF set-up



IPO Trade execution

Timeline of execution of an IPO



IPO: The Opportunity & Our track record

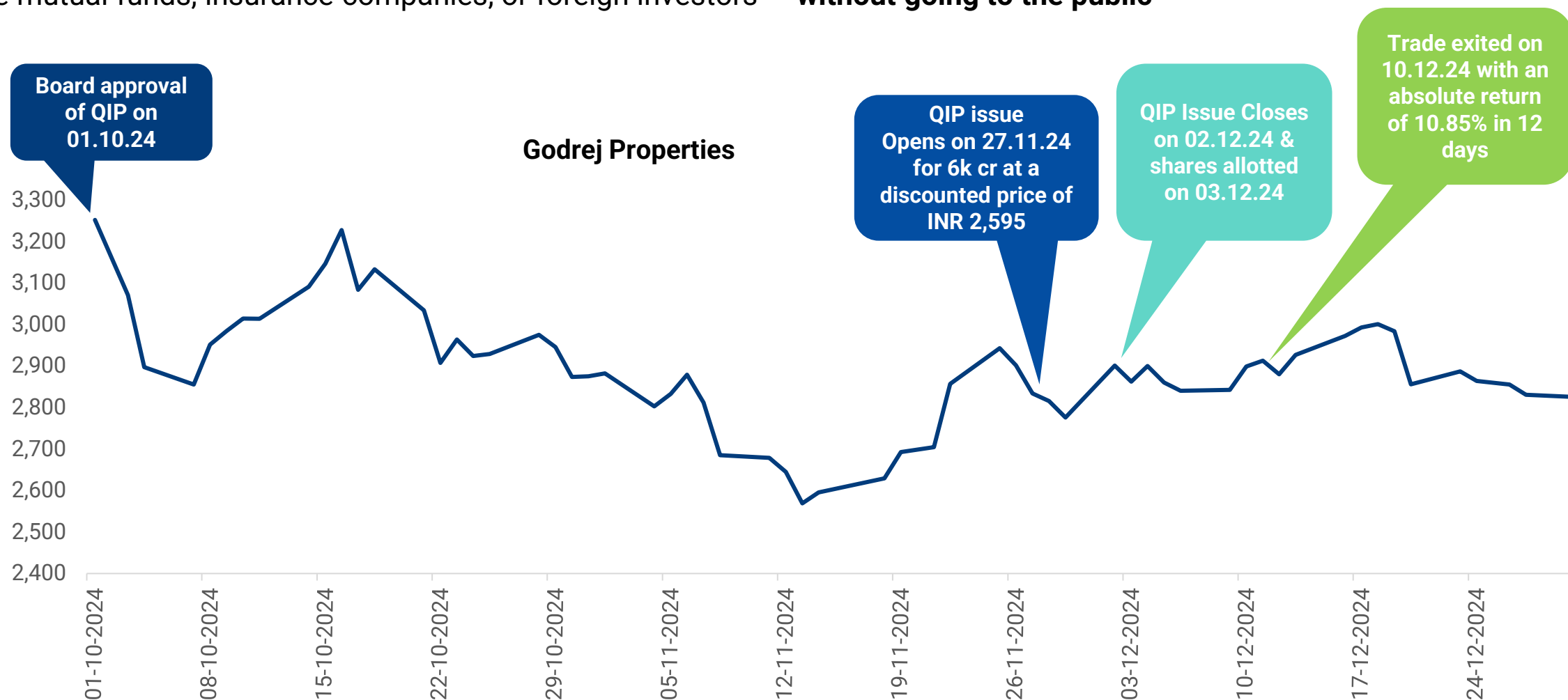
A robust IPO pipeline over the last 6 years highlights strong opportunity

Financial Year	Total IPOs	Listing - Day Median Return	No. IPOs participated	Median return of Participated IPOs
FY20	14	13%	7	17%
FY21	29	21%	12	52%
FY22	51	17%	27	29%
FY23	39	6%	17	13%
FY24	76	17%	38	28%
FY25	79	21%	38	24%
Total	288		139	

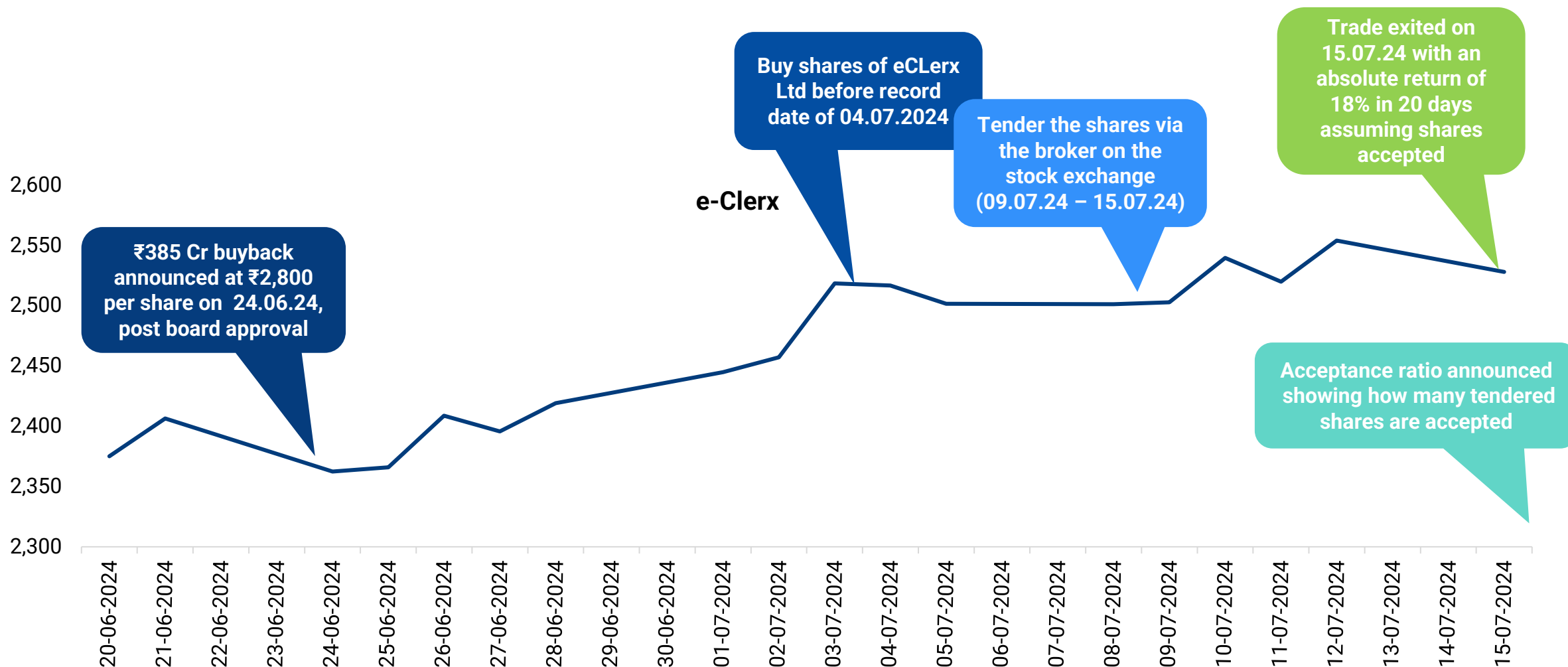
- **Effective selection** helps us **identify high-potential** IPOs and avoid weaker ones, driving alpha
- Our IPO fund's **strong track record** reflects this, backed by a focused research team

QIP – Qualified Institutional Placement

A **QIP** is when a **listed company** raises money by selling its shares to **big institutional investors** like mutual funds, insurance companies, or foreign investors — **without going to the public**



Buy back trade execution



Derivative Strategies



Covered Call

What is a Covered Call strategy?

A Covered Call involves holding a stock and selling a call option to earn premium income, ideal in sideways to mildly bullish markets with attractive premiums.

Step 1:

BUY 300 shares of Infosys at ₹1,460



Step 2:

SELL Call Option with Strike price of ₹1,480

Call Option Premium - ₹25
Lot size – 300 shares

Outcomes at Expiry

Stock closes below strike price @ ₹1,475

- A. Premium earned: ₹ 7,500 (300*25)
- B. Loss on Call Option: 0
- C. Gain from stock: ₹ 4,500 $\{(1475-1460)*300\}$
- Total Profit: ₹ 12,000 (B+A)**

Stock closes above strike price @ ₹1,500

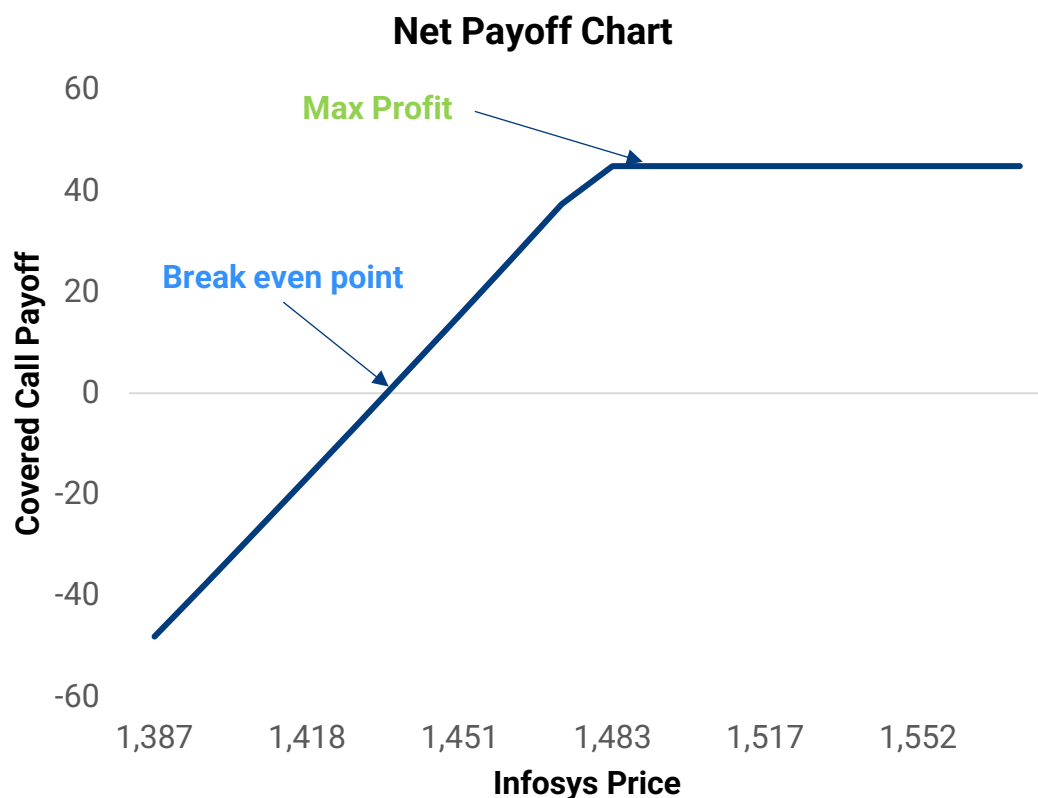
- A. Premium earned: ₹ 7,500 (300*25)
- B. Loss on Call Option: - ₹ 6,000 (300*20)
- C. Gain from stock: ₹ 12,000 $\{(1500-1460)*300\}$
- Total Profit: ₹ 13,500 (B+A)**

Stock closes below ₹1,460 @ ₹1,400

- A. Premium earned: ₹ 7,500 (300*25)
- B. Loss on Call Option: 0
- C. Loss from stock: - ₹ 18,000 $\{(1460-1400)*300\}$
- Total Loss: - ₹ 10,500 (B+A)**

Covered Call

CMP	Strike	Call Ticker	Premium
1,460	1,480	INFO IS 08/28/25 C1480 Equity	24.90



Price	% Chng in stock	Stock Payoff	Expiry Call Payoff	Net Payoff	Net Returns
1,387	-5.00%	-73	25	-48	-3.3%
1,397	-4.29%	-63	25	-38	-2.6%
1,408	-3.57%	-52	25	-27	-1.9%
1,418	-2.85%	-42	25	-17	-1.1%
1,429	-2.12%	-31	25	-6	-0.4%
1,440	-1.38%	-20	25	5	0.3%
1,451	-0.64%	-9	25	15	1.1%
1,461	0.10%	1	25	26	1.8%
1,472	0.85%	12	25	37	2.6%
1,483	1.61%	23	21	45	3.1%
1,495	2.37%	35	10	45	3.1%
1,506	3.14%	46	-1	45	3.1%
1,517	3.91%	57	-12	45	3.1%
1,528	4.69%	68	-24	45	3.1%
1,540	5.48%	80	-35	45	3.1%
1,552	6.27%	92	-47	45	3.1%
1,563	7.06%	103	-58	45	3.1%
1,575	7.87%	115	-70	45	3.1%

Short Straddle Strategy

What is a Short Straddle strategy?

A Short Straddle involves selling a call and a put at the same strike and expiry, aiming to profit from low volatility and premium decay when the asset stays near the strike price

Example:

TCS stock price ₹3,060 | Lot Size 250 | Strike Price ₹3,060

Sell 3,060 CALL option
Premium received = ₹58

Sell 3,060 PUT option
Premium received = ₹53

Total premium received = ₹111 (₹58 + ₹53)

Maximum profit of ₹111 occurs exactly at ₹3,060 where both options expire worthless

Outcomes
at Expiry
(Break even
range
₹2,948 & ₹3,172)

Stock closes at ₹3,060

Both options expire worthless
Max Profit (₹ 111/lot i.e ₹ 58+ ₹ 53 premium received)
Total Profit: ₹ 27,750

Stock closes below ₹3,060 (₹3,015)

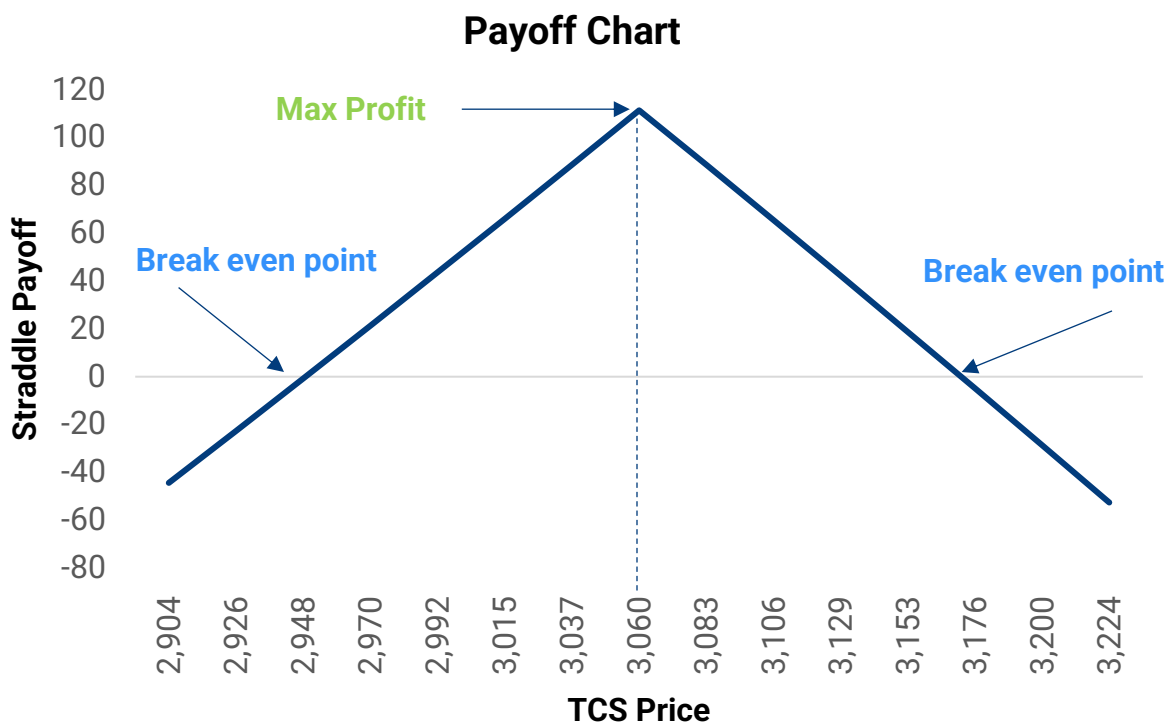
Call option expires worthless
A. Premium received ₹ 27,750 (111*250)
B. Loss from Put ITM - ₹ 11,250 (45*250)
Total Profit: 16,500 (A-B)

Stock closes above ₹3,060 (₹3,120)

Put option expires worthless
A. Premium received ₹ 27,750 (111*250)
B. Loss from Call ITM - ₹ 15,000 (60*250)
Total Profit: 12,750 (A-B)

Short Straddle Strategy

CMP	Short	Call/Put	Strike	Ticker	Premium
3,056	SELL	Call	3,060	TCS IS 08/28/25 C3060 Equity	58.4
3,056	SELL	Put	3,060	TCS IS 08/28/25 P3060 Equity	53.2



Price	Change %	Put Short Payoff	Call Short Payoff	Straddle Payoff	Return on Deployment
2,904	-5.00%	-103	58	-44	-0.73%
2,926	-4.29%	-81	58	-23	-0.37%
2,948	-3.54%	-58	58	0	0.00%
2,970	-2.85%	-37	58	21	0.35%
2,992	-2.12%	-15	58	44	0.71%
3,015	-1.38%	8	58	66	1.08%
3,037	-0.64%	30	58	89	1.45%
3,060	0.10%	53	58	112	1.82%
3,083	0.85%	53	36	89	1.45%
3,106	1.61%	53	12	66	1.07%
3,129	2.37%	53	-11	42	0.69%
3,153	3.14%	53	-34	19	0.31%
3,172	3.75%	53	-53	0	0.00%
3,200	4.69%	53	-82	-29	-0.47%
3,224	5.48%	53	-106	-53	-0.86%

Short Strangle Strategy

What is a Short Strangle strategy?

A Short Strangle involves selling OTM call and put options with the same expiry, used in range-bound markets to earn premium with a wider buffer and benefit from low volatility

Example:

TCS stock price ₹ 3,060 | Lot Size 250

Sell 3,120 CALL option
Premium received = ₹33

Sell 3,000 PUT option
Premium received = ₹30

Total premium received = ₹63 (₹33 + ₹30)

Maximum profit of ₹63 occurs between 3,000 and 3,120, where both options expire worthless

Outcomes
at Expiry
(Break even
range
₹2,937 & ₹3,183)

Stock closes at ₹3,050

Both options expire worthless

Max Profit (₹ 63/lot i.e ₹ 33+ ₹ 30 premium received)

Total Profit: ₹ 15,750

Stock closes below ₹3,000 (Say, ₹2,970)

Call option expires worthless

A. Premium received ₹ 15,750 (63*250)

B. Loss from Put ITM ₹ 7,500 (30*250)

Total Profit: 8,250 (A-B)

Stock closes above ₹3,120 (Say, ₹3,160)

Put option expires worthless

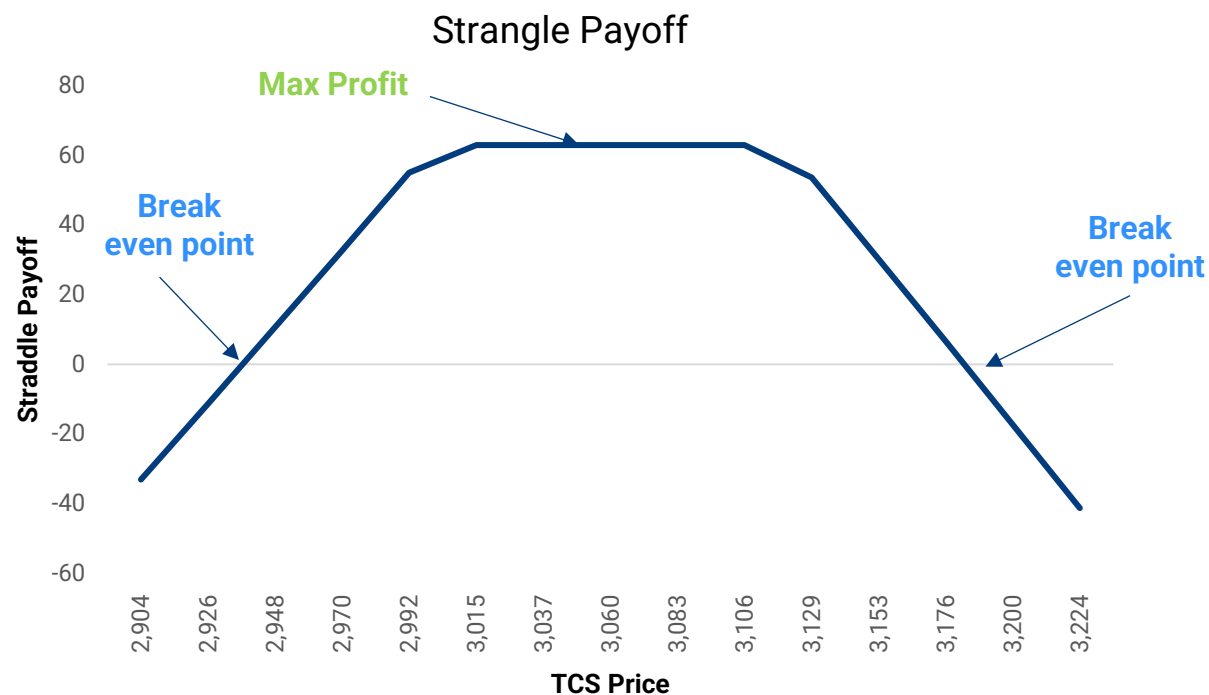
A. Premium received ₹ 15,750 (63*250)

B. Loss from Call ITM ₹ 10,000 (40*250)

Total Profit: 5,750 (A-B)

Short Strangle Strategy

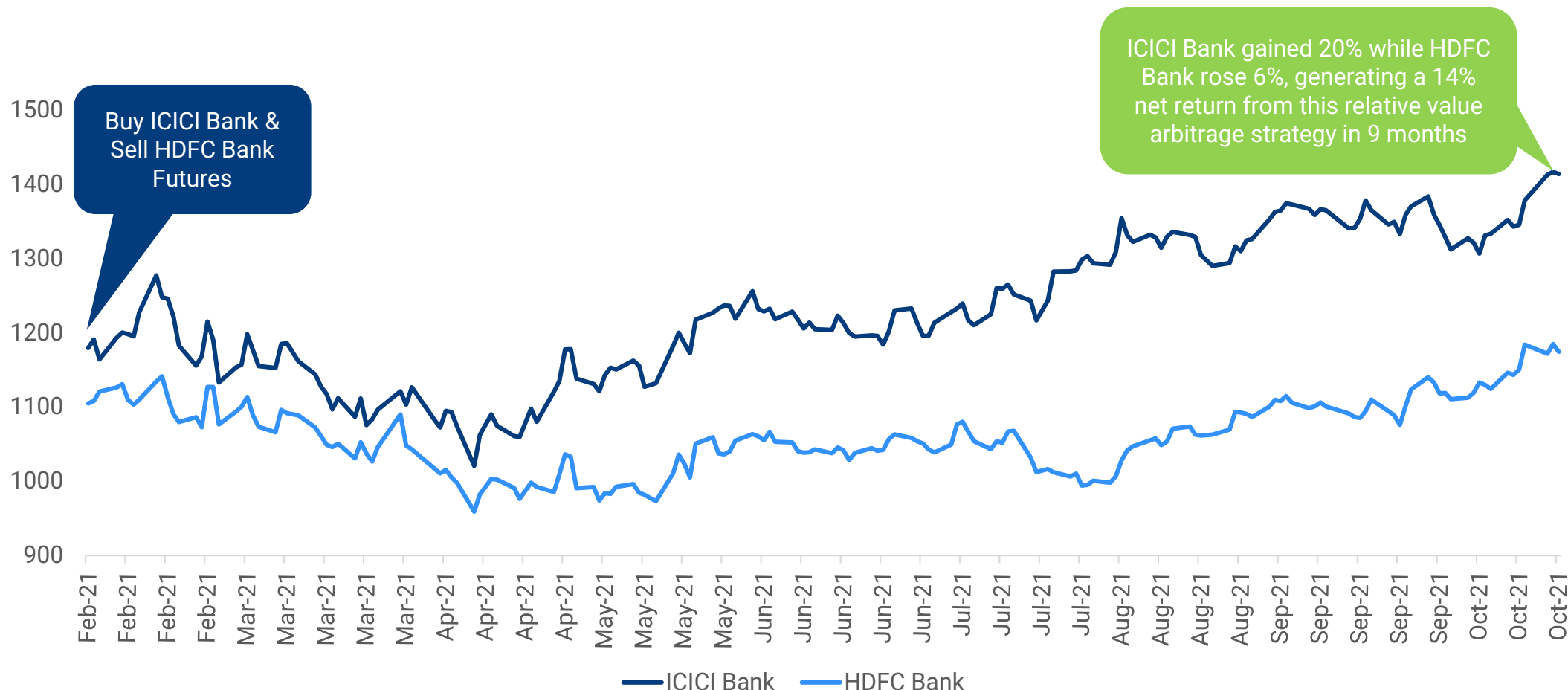
CMP	Short	Call/Put	Strike	Ticker	Premium
3,057	SELL	Call	3,120	TCS IS 08/28/25 C3120 Equity	32.90
3,057	SELL	Put	3,000	TCS IS 08/28/25 P3000 Equity	30.05



CMP	Change %	Put Short Payoff	Call Short Payoff	Straddle Payoff	Return on Deployment
2,904	-5.00%	-66	33	-33	-0.54%
2,926	-4.29%	-44	33	-11	-0.18%
2,937	-3.92%	-33	33	0	0.00%
2,970	-2.85%	0	33	33	0.53%
2,992	-2.12%	22	33	55	0.90%
3,015	-1.38%	30	33	63	1.03%
3,037	-0.64%	30	33	63	1.03%
3,060	0.10%	30	33	63	1.03%
3,083	0.85%	30	33	63	1.03%
3,106	1.61%	30	33	63	1.03%
3,129	2.37%	30	24	54	0.88%
3,153	3.14%	30	0	30	0.49%
3,183	4.13%	30	-30	0	0.00%
3,200	4.69%	30	-47	-17	-0.28%
3,224	5.48%	30	-71	-41	-0.67%

Pair Trade

Pair trading is when you **trade a pair of strongly correlated stocks of the same industry** by taking a long position in one and a short position in another **when the spread increases**



How will we manage risk?

Derivative Strategies

Single Stock Limits

Large Cap Stocks (<3%)
Mid Cap Stocks (<2%)
Total stocks: >20

Sector Limits

- <10%/ per sector for non-Nifty50 stocks
- +/-7.5% of Nifty50 exposure

Risk mitigation during market sensitive events

- Delta hedging/arbitrage used to manage exposure and mitigate drawdowns
- Stop Loss: 5% at strategy level

Special Situations

IPO

Participate only in main board IPO i.e non-SME, Min Size Rs 1,000 Cr

Open Offer/Buyback

Risk Mitigation in case of a lower expected acceptance ratio

- If F&O stock: Single stock position limit upto 10%
- Non-F&O: Single stock position limit upto 5%

Pair Trade

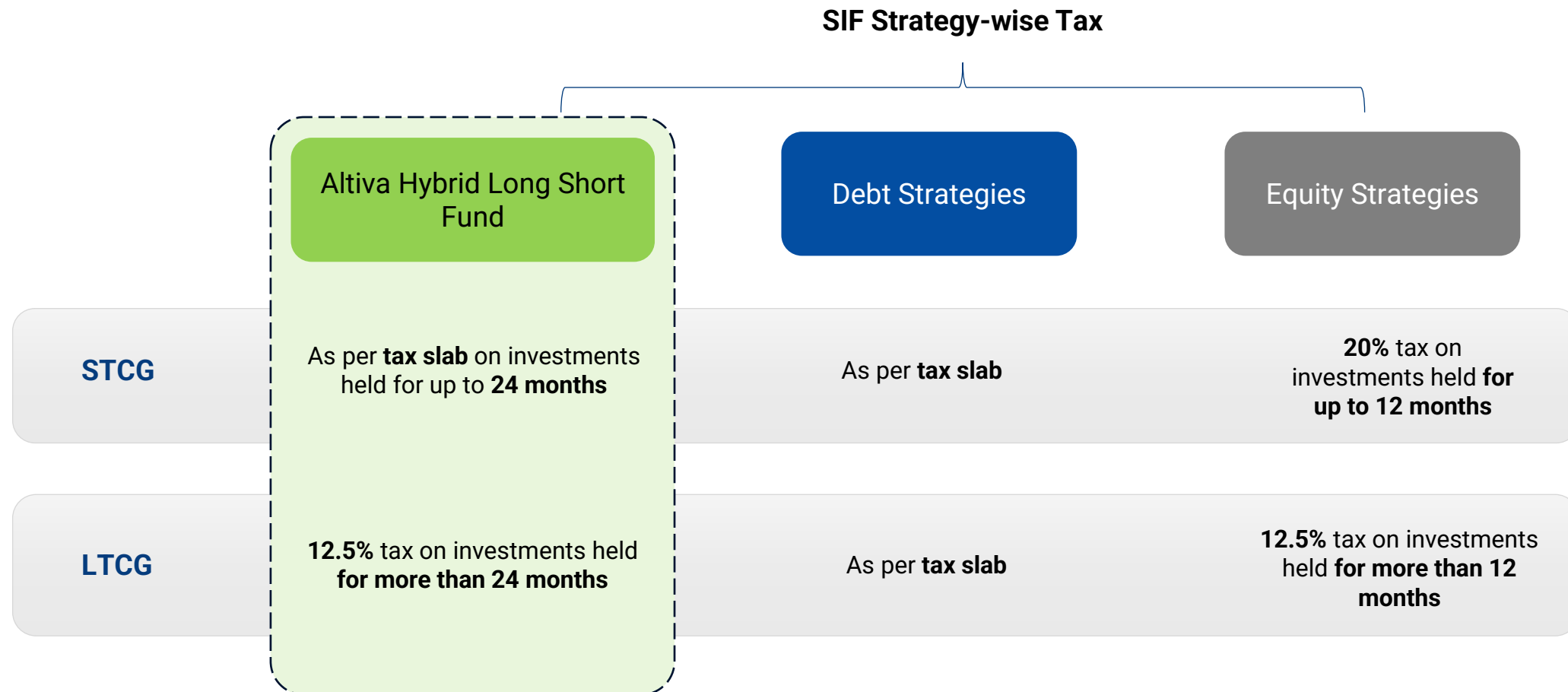
Potential divergence risk mitigation

- Sector/Theme Neutral
- Granular Portfolio
- Same exposure limits as derivatives

Taxation & Fund Details



How will the SIF be taxed?



A compelling choice versus Category III AIF

	Altiva Hybrid Long Short Fund	Cat III AIF - Long Short Fund [^]
Taxation	LTCG – 12.5% STCG – Slab Rate	@ MMR of 42.7%*
Leverage (Flexibility comes with higher risk)	NA	200%
S.D	Low	Very High
Operational Cost	Low	High
Performance Fee	No	Yes

*Includes applicable cess & surcharge. [^]assuming that it will be a business income product

What makes this fund an attractive opportunity?

Aims for Consistent income with low volatility

Core allocation to arbitrage and fixed income ensures stable, fixed income like returns, while exposure to special situations and derivatives offers moderate equity growth potential

All-weather strategy

Combination of multiple strategies aims for smoother outcomes regardless of overall market direction in the medium term

Tax efficiency

Investors benefit from long-term capital gains taxed over 2 year period at 12.5%, making post-tax returns highly competitive compared to Cat III AIFs with similar strategies

Robust risk management

Active management and strict strategy level risk controls help reduce portfolio volatility, provide downside protection, and deliver more stable outcomes

Experienced investment team

Managed by a highly specialized team with experience across strategies including derivatives and special situations

Fund Details

Name	Altiva Hybrid Long-Short Fund
Investment objective	The primary objective of the investment strategy is to generate capital appreciation through equity and equity related instruments and income through arbitrage, derivatives strategies, special situations and fixed income investments. There is no assurance that the investment objective of the Investment strategy will be achieved.
Benchmark	NIFTY 50 Hybrid Composite Debt 50:50 Index
Category of investment strategy	Hybrid Long-Short Fund
Type of investment strategy	Interval
Fund Manager	Equity: Mr. Bharat Lahoti, Mr. Bhavesh Jain Debt: Mr. Dhawal Dalal, Ms. Pranavi Kulkarni Overseas: Mr. Amit Vora
Subscription frequency	Daily
Redemption frequency	Twice in a week (Monday and Wednesday)
Plan & Options	Direct, Regular Growth, IDCW
Exit load	If the units are redeemed/ switched out on or before 90 days from the date of allotment – 0.50% of the applicable NAV. -If the units are redeemed/switched out after 90 days from the date of allotment – Nil
Min application amount	INR 10 lakh
Features	Lump sum, SIP, SWP, STP
Min investment in SIP, STP, SWP (subject to min investment of Rs 10 lakh)	Rs. 1,000 and in multiples of Re. 1/- thereafter

Our Investment Team



Mr. Bhavesh Jain
Co-Head- Factor investing

Over 16 years of rich experience in the financial markets. He joined in the Low Risk Trading team and today, he's the Fund Manager with us managing several funds which are part of Risk Adjusted Returns Strategies in addition to ETFs.



Mr. Bharat Lahoti
Co-Head- Factor investing

Bharat has 18 years of experience in areas of portfolio management, macro and sector research. He has earlier worked with marquee investment banks and asset management companies. In his last assignment, he was with a global hedge fund, as a senior manager working on fundamental and quantitative research ideas.

Dealing Team



Mr. Amit Vora
Head, Dealing
& Fund Manager



Mr. Pranav Gupta
Equity Dealer



Mr. Pratik Jaware
Equity Dealer

Research Team



Mr. Dishant Garg
Quant Analyst



Ms. Manasi Jalgaonkar
Research Analyst



Mr. Mayan Pahwa
Research Analyst

Our Investment Team



Mr. Dhawal Dalal

Chief Investment Officer (CIO),
Fixed Income

Experience of 28 years and is responsible for the overall growth of fixed income assets through a healthy mix of retail and institutional clients.

MBA from University of Dallas (USA)

Fund Management Team



Pranavi Kulkarni

Fund Manager & Credit Analyst



Rahul Dedhia

Fund Manager



Hetul Raval

Dealer & Fund Manager



Riya Shah

Assistant Manager

Risk Band & Disclaimer

This product is suitable for investors who are seeking:	Risk- Band	Benchmark Risk-band NIFTY 50 Hybrid Composite Debt 50:50 Index
To generate returns over the medium to long term through a combination of capital appreciation and income by investing in equity & equity-related and fixed income instruments	<div><p>Risk band Level 2</p><div><div>LOWER RISK</div><div>RISK BAND</div><div>HIGHER RISK</div><div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div></div><div>RISK LEVEL 2</div></div></div>	<div><p>Risk band Level 2</p><div><div>LOWER RISK</div><div>RISK BAND</div><div>HIGHER RISK</div><div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div></div><div>RISK LEVEL 2</div></div></div>

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**Investments in Specialized Investment Fund involves relatively higher risk including potential loss of capital, liquidity risk and market volatility.
Please read all investment strategy related documents carefully before making the investment decision.**

Thank you!

