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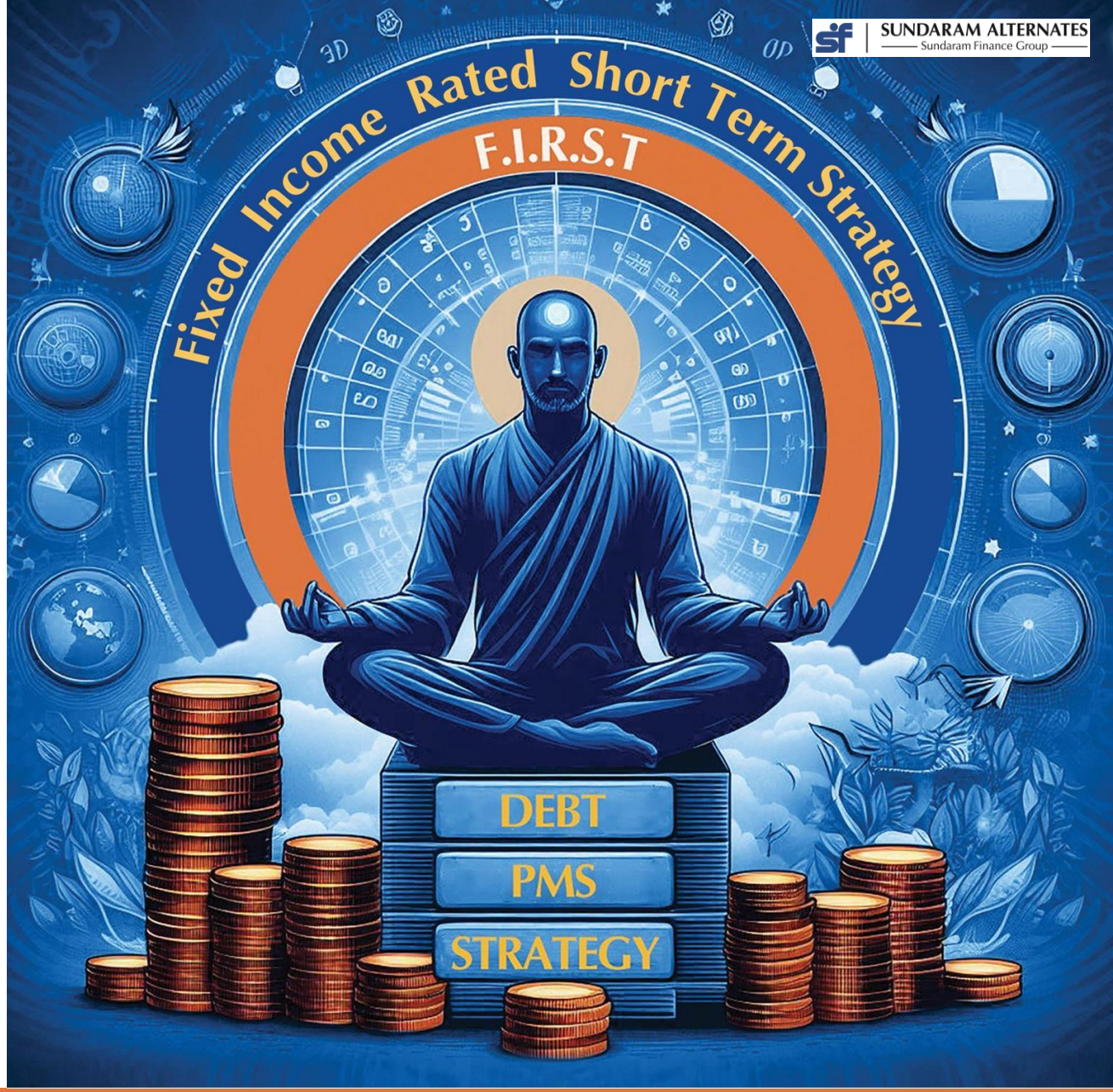
SUNDARAM ALTERNATES
Sundaram Finance Group

Fixed Income Rated Short Term Strategy

"F.I.R.S.T"

May 2026

https://www.sundaramalternates.com



The Experience You Want. The Expertise You Need.

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Significance of a Yield Enhancement Strategy

Enhanced Yield Potential

Invest in fixed-income securities with lower credit ratings, typically issued by corporations.

Increased risk is compensated by higher interest rates.

Offering enhanced yields compared to traditional fixed-income investments.



Income Generation

Yield Enhancement are known for their income-generating potential.

Contribute to a steady stream of income for investors.



Opportunity for Capital Appreciation

Yield Enhancement also present the opportunity for capital appreciation.

As economic conditions and credit profiles of issuers improve, the value of the underlying bonds may increase, providing capital gains for investors.



Attractive Risk-Return Profile

Skilled fund management, thorough credit analysis, and risk mitigation strategies aim to balance the potential for higher returns with prudent risk management.



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Advantages of a PMS Platform

01
Blend of yield enhancement & secured portfolio

02
Allows customization to suit investors need

03
Flexible investment approach

04
Risk adjusted returns better vis-a-vis conventional products

05
Buy expertly managed curated portfolio of high yield instruments

06
Team of professionals to oversee portfolio rather than individual security selection

07
Tax efficiency



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Positioning: For Whom?

What is the Target Segment we are addressing?

An uniquely designed product for affluent investors who are seeking high yields over a long term by taking calculated risk

For whom ?

UHNI/HNI/Family Offices

Corporate Treasuries

Pension & Insurance Cos

For what ?

Higher yields from short duration fixed income product.

Yield kicker in short-term

To generate Risk Adjusted Returns

Ideal for savvy investors who understand the risk - return paradigm of the strategy

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02

Debt PMS Strategy An Overview



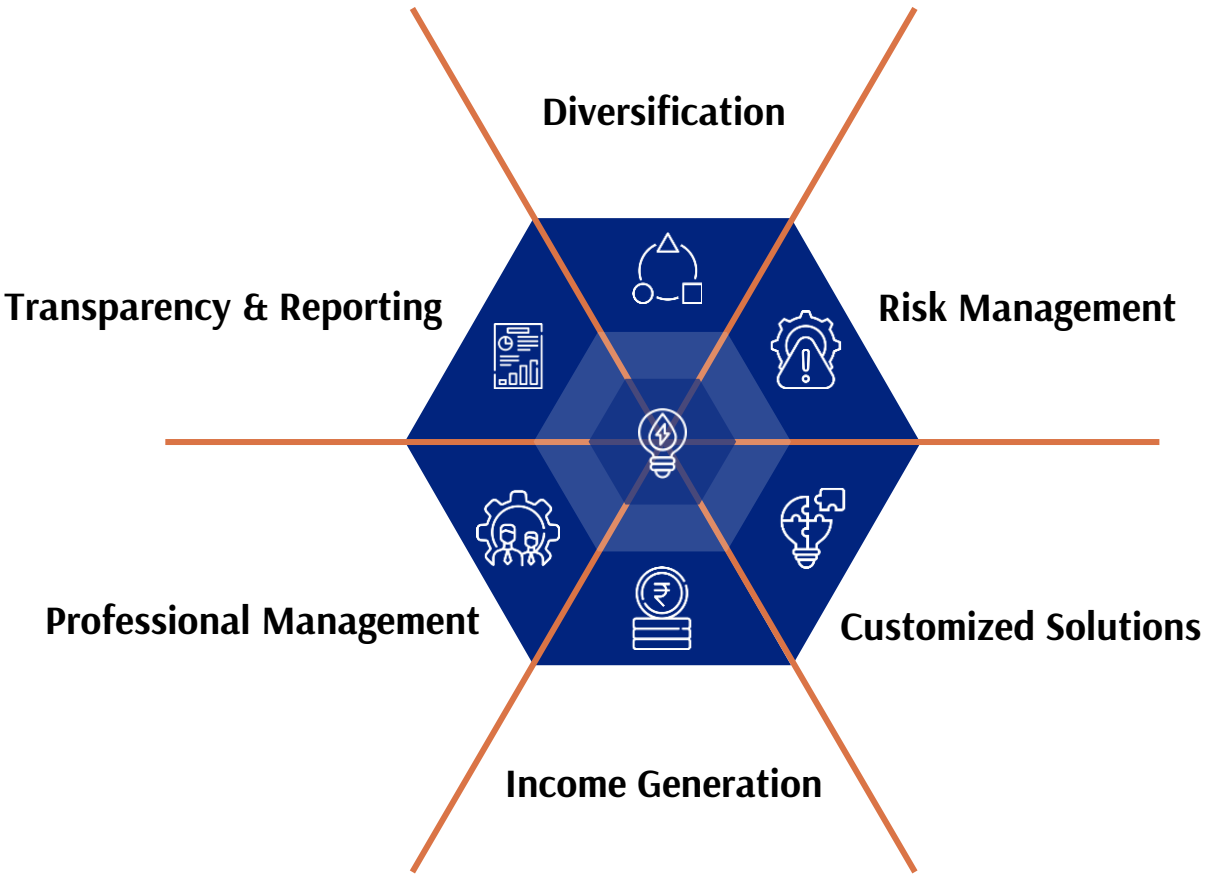
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Debt PMS - An Overview

The Objective

- Invest in Debt instruments
- Maximize returns
- Optimize risk
- Aim for stability and regular returns



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Debt PMS - An Overview



Diversification

Spreading investments across various debt securities such as corporate bonds, and other fixed-income instruments
Mitigate risks associated with individual securities or sectors

Risk Management

Robust risk management
Assessing credit risk, interest rate risk, and market volatility

Customized Solutions

Offer customized solutions to meet the unique financial objectives and risk tolerance of individual investors or institutional clients
Tailored investment strategies aim to align with specific goals and preferences

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Debt PMS - An Overview



Income Generation

Generating a steady stream of income for investors through interest payments and coupon yields
Appealing for investors seeking stable returns

Professional Management

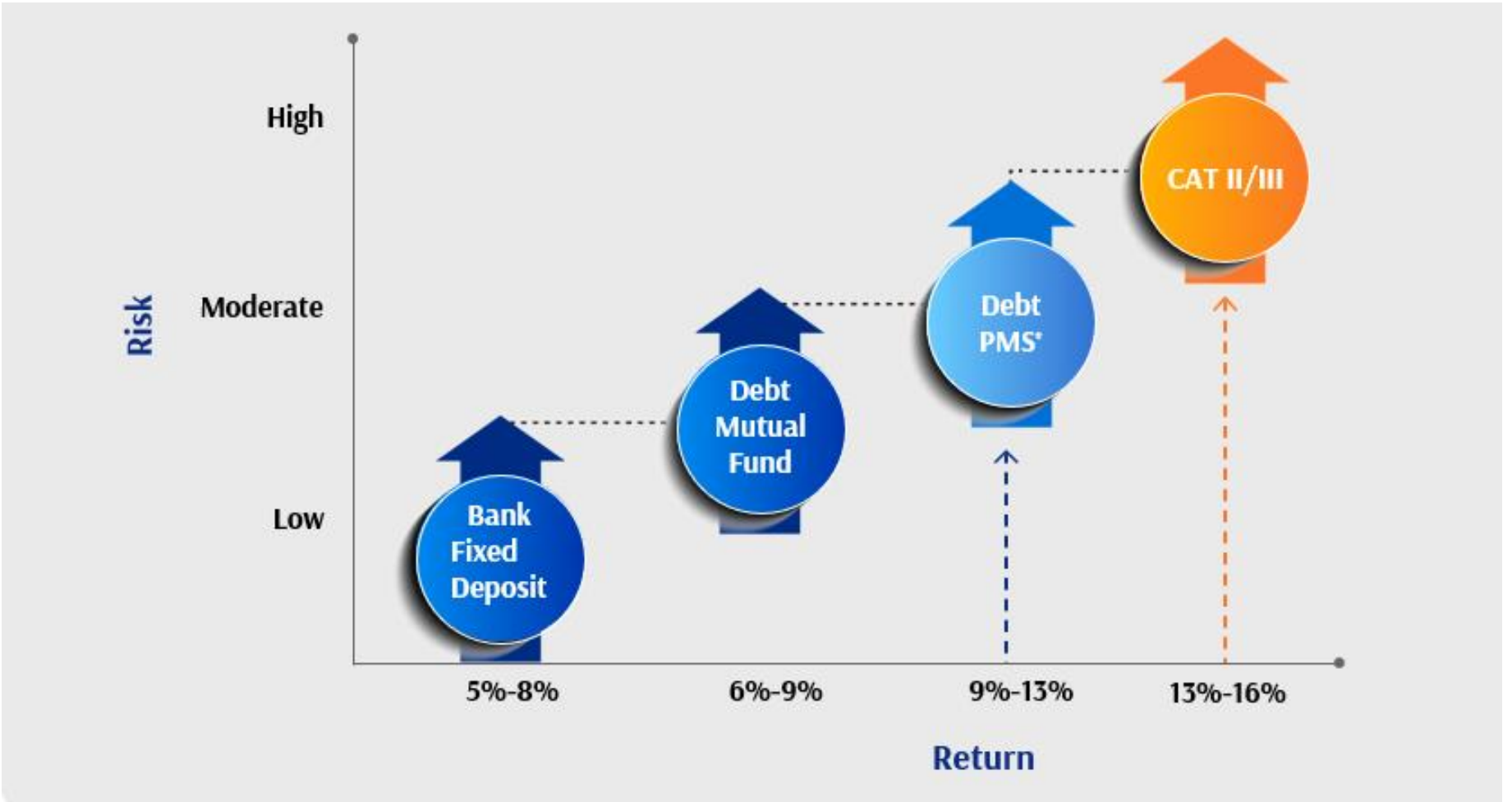
Professional fund managers who analyze market trends, interest rate movements, credit risks, and economic indicators
Regular Monitoring and Adjustments

Transparency & Reporting

Investors typically receive comprehensive reports detailing the portfolio's performance, asset allocation, and any changes made to the investment strategy

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Positioning: Debt PMS v/s Other products



*Targeted Gross Yield: SBI 3 years FD Return + ~ 300-400 bps | This is a targeted yield which may or may not be achieved

Note: (1) This is the XIRR.To view weighted average returns, please refer to the Model portfolio. Performance is net of transaction costs and before management fees. Past Performance may or may not be sustained in future. Returns of individual clients may vary depending on time of entry. (2) Debt PMS is a moderate risk instrument as compared to Bank/FD and thus returns compared to the same may be higher.

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Benefits of Debt PMS

Particulars	Debt PMS	AIF CAT II	AIF CAT III	Debt MF	Single Issuance Securities
100% listed securities	✓	✗	✗	✓	✓
Lower Tenure Flexibility	✓	✗	✓	✓	✓
Tax Pass Through	✓	✓	✗	✓	✓
Diversification	✓	✓	✓	✓	✗
Transparency	✓	✓	✓	✓	✓
Customized Portfolio	✓	✗	✗	✗	✗

*CAT III AIF can invest up to 51% in listed securities.

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Benefits of Debt PMS

Features	FDs	Direct Debt	Debt MF*	Debt PMS
Return predictability	Fixed	Fixed	Variable	Fixed
Return profile	Moderate	Moderate	Low to moderate	Mod-high*
Holding type	Hold To Maturity	Hold To Maturity	Variable	Hold To Maturity
Risk	Low-mod	Low-mod	Low	Mod-high
Liquidity	Moderate	Moderate	High	Moderate
Holding period (yrs)	0-5	3-10	0-3	3-5
Diversification	No	No	Yes	Yes
Returns %*	5-8%	7.5-8.25%	5-7%	9-13%
Taxation	Marginal Rate	Marginal Rate / Capital Gains	Marginal Rate / Capital Gains	Marginal Rate + Capital Gains

Disclaimer: This is just for information. SAA does not take any responsibility for the accuracy of this information. Please consult your tax advisor.
**Indicative Returns based on prevailing market conditions. Actual returns may differ in future. Returns are not assured / guaranteed.ions.*

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Benefits of Debt PMS - Taxation



Listed debt security: 12.5% without indexation

Long-Term Capital Gains('LTCG')



Taxed at applicable tax rates i.e. in case of Individuals, HUF, APO/ BOI at slab rates and in case of company, partnership firm and LLP at corporate tax rates specified for respective type of entity.

Short Term Capital Gain ('STCG')



Interest income would be subject to tax at the applicable rates

Tax on Interest Income or any other income

The only exception to above would be the **Market linked debentures (MLD's)** and units of **specified debt oriented mutual fund**, wherein as per Section 50AA of the Act, the gains arrived on transferred of the said instrument **shall always be considered as Short-Term Capital Gain (irrespective of the period of holding of the said instruments).**

Disclaimer: This is just for information. SAA does not take any responsibility for the accuracy of this information. Please consult your tax consultant for your tax implications.

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Benefits of Debt PMS

	FD^	Debt MF*	Debt PMS**
Gross Yield	6.30%	6.55%	10.81%
Fixed Fee	-	-	1.50%
Net of expenses	6.30%	6.55%	9.31%
Marginal tax rate @ 37%	2.33%	2.42%	3.99%
Net of Tax	3.97%	4.13%	5.32%
In comparison with FD			1.35%
In comparison with Debt MF			1.19%

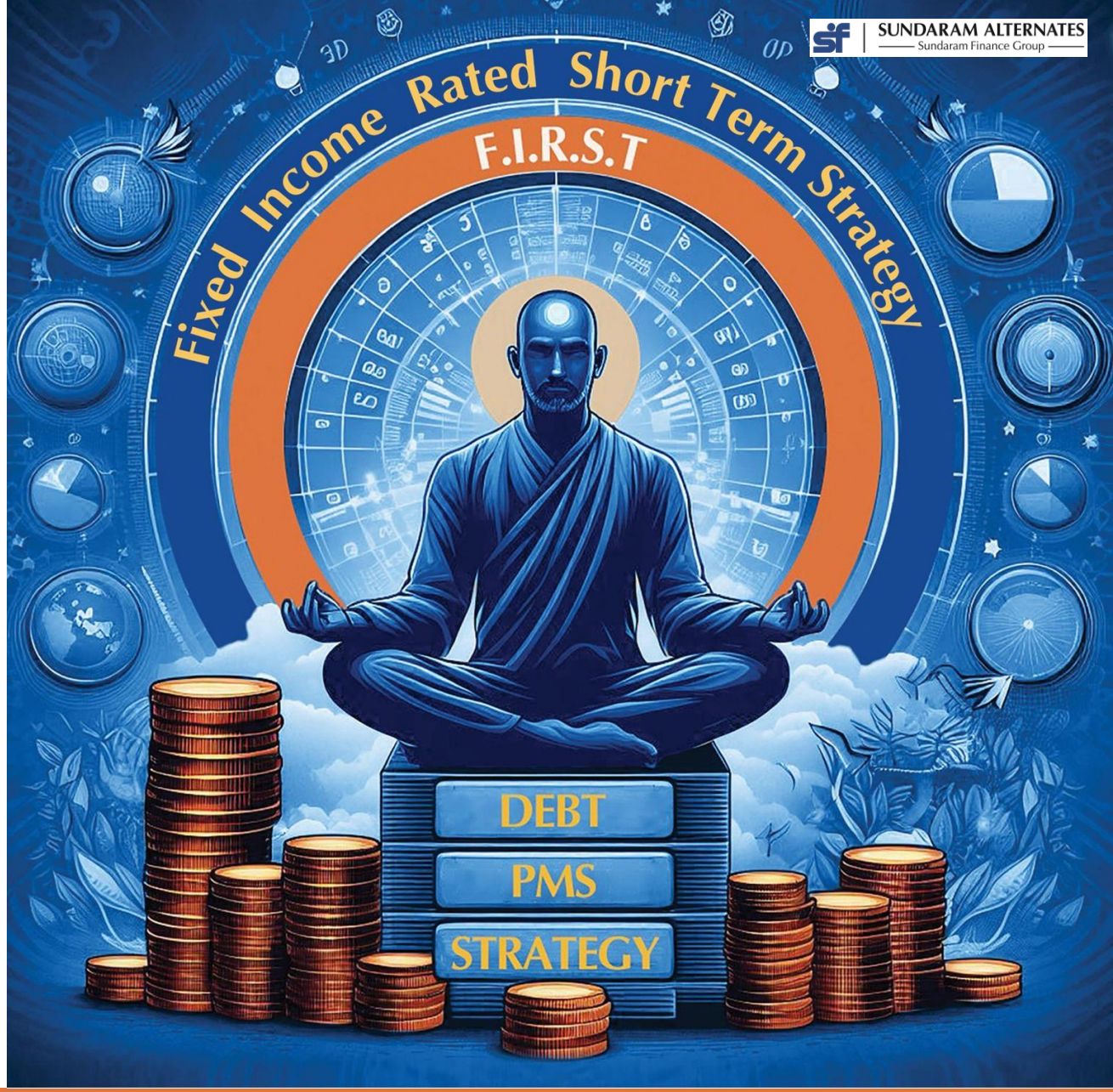
^SBI 3 to 5 years FD rates as of 1st May 26
**3 Year Industry Average of corporate bond funds as of 31stMay 26*
***Debt PMS – Past 1Yr returns for aggressive strategy; Past performance may or may not be sustained in the future*

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03

Introducing Sundaram Fixed Income Rated Short Term Strategy "F.I.R.S.T"



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Sundaram Fixed Income Rated Short Term Strategy "F.I.R.S.T"

'Sundaram F.I.R.S.T' Portfolio is a strategy focused on investing only in **RATED & LISTED.**

'Sundaram F.I.R.S.T' is a Debt portfolio and may combine the following instruments in any combination:



The strategy would strive to prioritize income over capital appreciation in its portfolio.

- Non-Convertible Debentures
- Preference Capital
- Listed Corporate Bonds
- Commercial Paper (CP)

'Sundaram F.I.R.S.T' Portfolio is recommended for investors seeking to hold a **debt portfolio with low to moderate risk appetite** expecting a moderate return over a long-term horizon.

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Sundaram Fixed Income Rated Short Term Strategy "F.I.R.S.T"

The investment objective of the F.I.R.S.T Strategy is to create a stable, income-generating portfolio of fixed income bonds rated between AAA to BBB with reasonable liquidity features. FIRST aims to provide investors with an opportunity to participate in a risk-adjusted returns ('RAR') portfolio that is well diversified with periodic income distributions, while maintaining a focus on capital preservation.

The PMS will be a combination of

1. Hold-to-Maturity (HTM) strategy
2. An opportunistically managed trading strategy depending on market conditions.

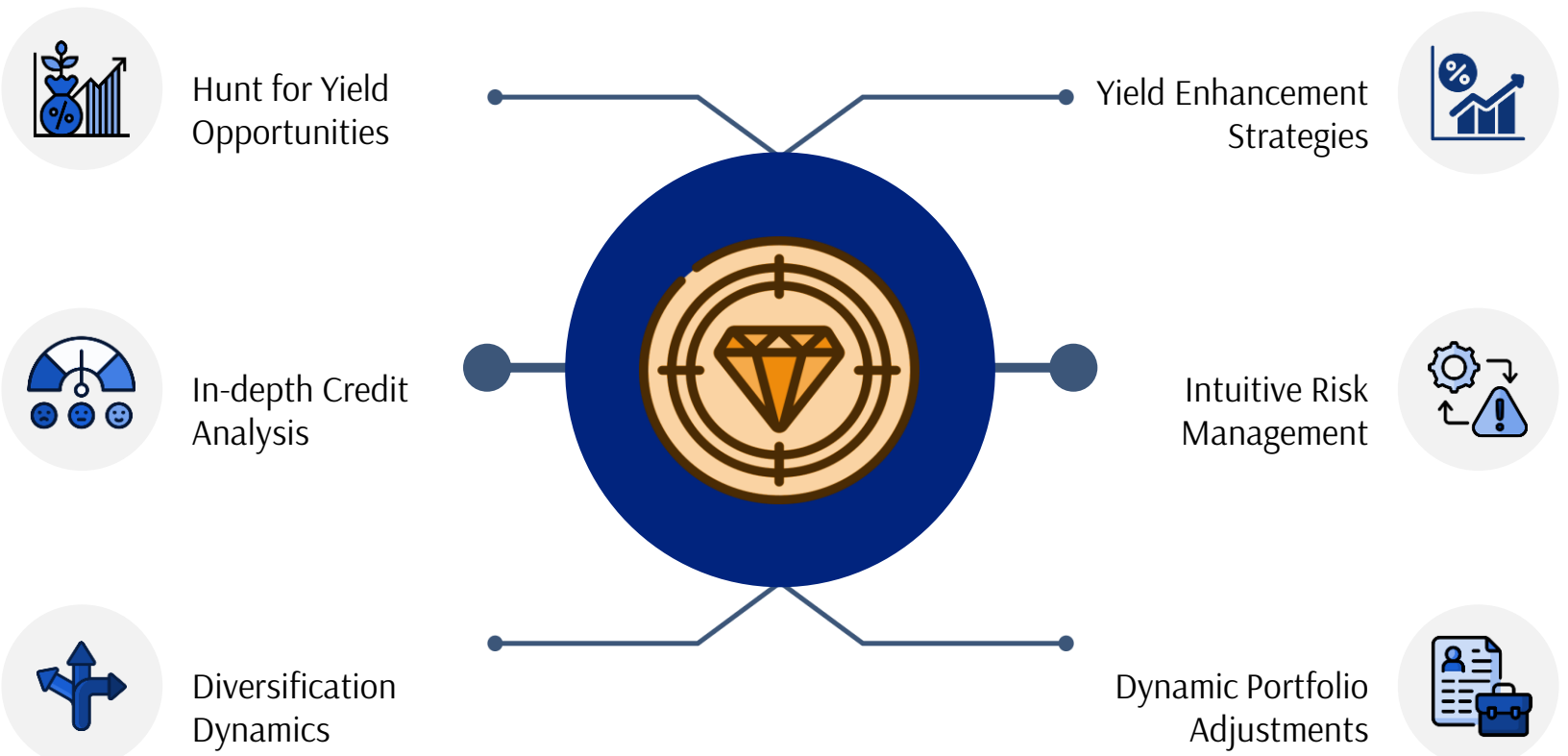
The investment objective of the strategy is to prioritize **income over long term capital appreciation** through :

- **Interest**
- **Preference dividend**
- **Trading of securities**

In secondary market both in the short term and over the long term.

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Sundaram Fixed Income Rated Short Term Strategy "F.I.R.S.T"



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04

Strategy Specifics



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Sundaram F.I.R.S.T - Strategies

Particulars	Conservative	Moderate	Aggressive
AAA	12-14%	-	-
AA+	31- 33%	33-35%	-
AA-	31-33%	33-35%	-
A+	19-20%	-	15-20%
A-	-	33-35%	38-40%
BBB+	-	-	15-20%
BBB	-	-	15-20%
Targeted Yields	**9.10%**	**10.10%**	**11.40%**

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Sector wise companies

Vehicle Financing

Hinduja Leyland Finance

INDOSTAR CAPITAL FINANCE

MAHAVEER FINANCE INDIA LTD

SHRIRAM Finance

Gold Loan NBFC

Keertana Finserv Pvt Ltd

Muthoottu Mini Financiers

Muthoot Finance

MFI

BELSTAR MICROFINANCE LIMITED

SPANDANA

CreditAccess Grameen

MSME Lending

AYE आय

MAS FINANCIAL SERVICES LTD. — The Power of Distribution

Namdev Finvest Private Limited

Diversified NBFC

ADITYA BIRLA CAPITAL FINANCE

BAJAJ FINSERV

Chola — Enter a better life

HDB FINANCIAL SERVICES

Mahindra FINANCE

Others

efl — Electronica Finance Limited

KB NBFC

AUXILO — The next level beckons

ARKA

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Offering details

Investment Objective

The objective of 'F.I.R.S.T' is to invest in a diversified basket of debt instruments to generate risk adjusted returns with specific focus on regular and stable income.



Investment Strategy Hold to Maturity & Capital Gains	**Targeted Yield** 9-13%ˆ	**Average Duration** 2.5 – 3 Yearsˆ
Instruments Listed/Rated Debt Securities	**Ratings** AAA to BBB	**Coupon Pay out** Periodicˆ
Management Fees** Conservative- 0.75% p.a. Moderate- 1.00% p.a. Aggressive- 1.50%	**Operating Expenses** On actuals	**Minimum Investment Amount** Rs. 50 lakh
Exit Loads **Aggressive**: 3% within 1 year | 2% within 2 years | 1% within 3 Years **Moderate** : 2% within 1 Year & 1% within 2 Years **Conservative** : 1% within 1 Year	**Tenure** Min 3 years	**Liquidity** Available (Subject to exit load applicability)*

ˆ Based on prevailing market conditions. Actual returns may differ in future. Returns are not assured / guaranteed
** Liquidity- Payout using securities – Within 15 days, Payout using funds – Within 45 days*
*** excluding GST*

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Sundaram F.I.R.S.T – robust execution platform

Yield Enhancement



Risk / Reward



Product / Sourcing



Platform Scalability



Sponsor Strengths



Experienced & dedicated team



Focused market presence (brokers, law firms, valuers & asset monitors)



Conservative credit policy; hands on IC



Intensive monitoring / credit culture



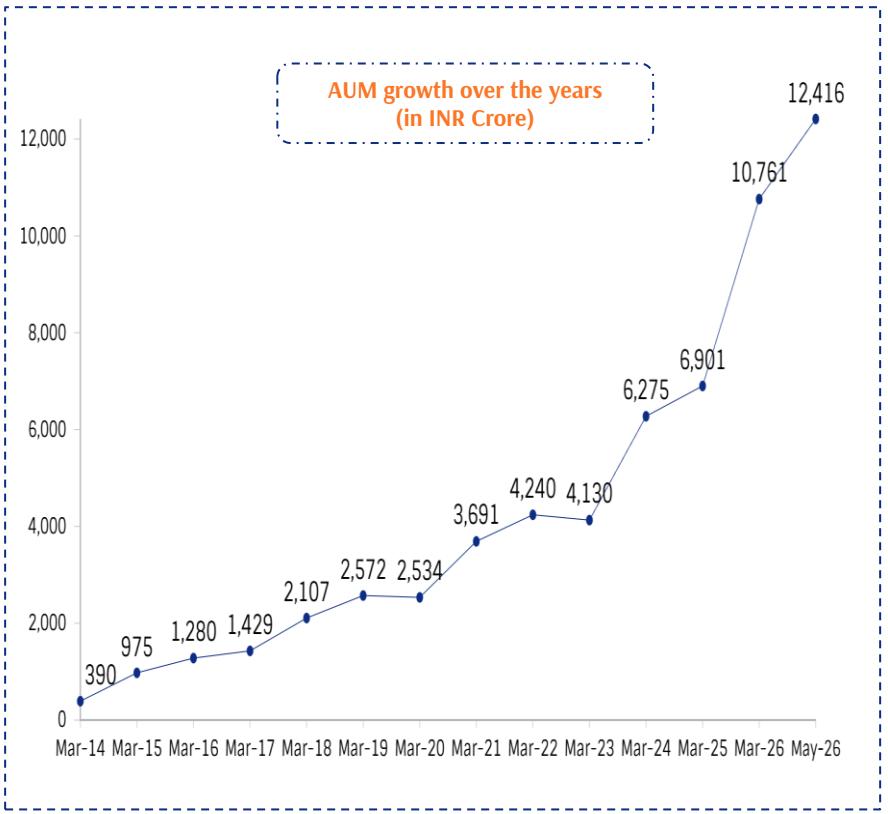
Set up fund structures catering to onshore & offshore capital



Strong / resourceful sponsor group

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Sundaram Alternates - a rapidly growing alternates investing platform



~INR 12,416 cr. of AUM as of 31st May 2026

PORTFOLIO MANAGEMENT SERVICES (PMS)

Dedicated manager with focused strategies to generate higher alpha

ALTERNATIVE INVESTMENT FUNDS (AIF)

Category II

- RE Credit Fund – I: Launched on Oct 18, matured in Oct 22
- RE Credit Fund – II: Launched on Feb 21, matured in Sept 25
- RE Credit Fund - III: raised in Oct 22
- Emerging Corporate Credit Opportunities I (ECCO-I) – raised in Nov 23
- RE Credit Fund - IV: Launched June 23
- PCOF 1 : Launched October 24
- RE Credit Fund - V: Launched September 25

Category III

- Sundaram India Premier Fund: Matured in June 2025
- ACORN mid & small cap fund, launched in Feb 20
- ATLAS I, an open-ended multi-cap AIF; launched in Jan 22
- ATLAS II, a close ended multi-cap AIF; launched in Dec 22
- Alphabet Fund -1, Hybrid Fund; launched in Mar 26

ADVISORY SERVICES

- SMA pools across RE of ~INR 100 cr. and growing
- Foreign & domestic advisory mandates

Incorporated as a wholly owned subsidiary of Sundaram Asset Management Company; commenced operations in January 2019

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Investment Management Team



Mr. Karthik Athreya is the Managing Director of Sundaram Alternates and a member of the firm's Private Credit Investment Committees. He is a financial services professional with over 26 years of experience across principal investing, funds management, investment banking, corporate finance, assurance, and transaction diligence services. Under his guidance, Sundaram Alternates' private credit franchise has grown to over $450 million of AUM since its inception ~7 years ago..

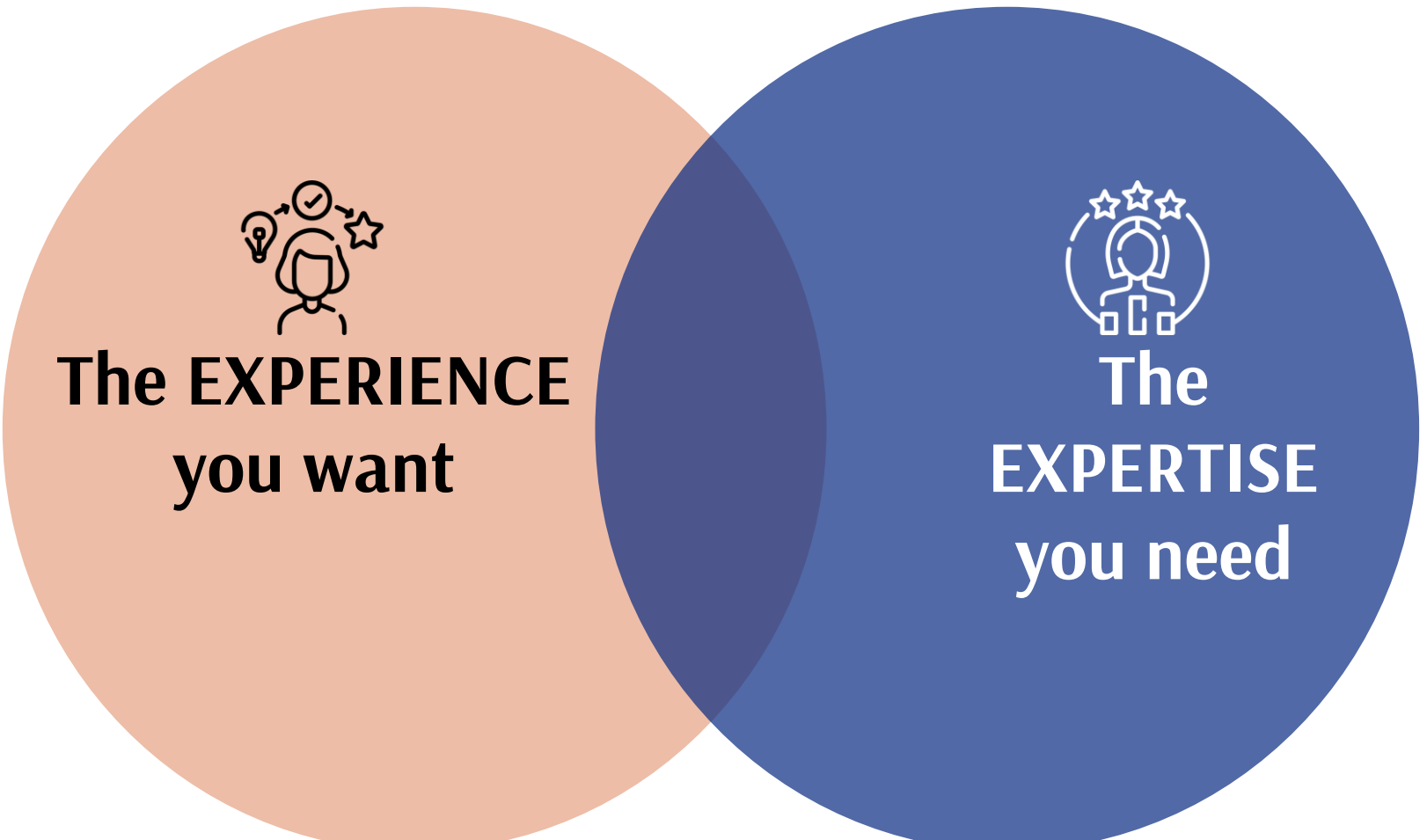


Mr. P. Sudhakar is a seasoned credit analyst with experience of more than 19 years in credit underwriting and credit rating. He has specialised knowledge in financial services sector rating with track record of more than 12 years in handling credit rating of Banks and NBFCs. In his earlier organisation he was heading BFSI Rating analytics team for Southern and Western Region. He also has experience in credit risk assessment of mid and large corporate companies across industries including manufacturing, infrastructure, services and BFSI.



Mr. Sandeep Nevetia is a qualified chartered accountant with over 5 years of experience as Research Analyst - Credit. His areas of expertise include investment risk management, credit analysis, cash flow projections, client relationship and service delivery. Previously, he was associated as an analyst for Large Corporates segment at Yes Bank where he managed a portfolio of Funded exposure of ~$ 50 Mn and Non-funded exposure of ~$150 Mn.

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Disclaimer

General Disclaimer:

Securities investments are subject to market risks and there is no assurance or guarantee that the objective of the investments will be achieved.

Returns are on time weighted rate of return basis. All returns are in percentage. Performance disclosure is at aggregate portfolio level and the portfolio information (i.e. market cap, sector allocations, etc.) is at model client's level. Past performance of the portfolio manager does not indicate its future performance. Performance related information provided herein is not verified by SEBI.

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Direct On-boarding Of Clients:

Client has an option for direct on-boarding without intermediation of persons engaged in distribution services. In this mode, client will be charged management fees and portfolio operating expenses. No other charges will be levied.