By ICICI PRUDENTIAL MUTUAL FUND

Balancing convictions in unbalanced markets.

iSIF Hybrid Long-Short Fund

ICICI Prudential Mutual Fund
Registration No.: MF/003/93/6

Our Outlook on Equities

Indian markets remained volatile in August 2026, given – a) sharp swings in crude oil prices b) renewed West Asia tensions c) Rupee staying at the weaker end. Performance during the month, was largely driven by rotation into India due to the Global AI de-risking phase.

On the macro front, the Rupee has depreciated ~10% in last one year, making it an undervalued currency. India's growth momentum remains strong- Q1 FY27 GDP grew 7.8% YoY, supported by higher growth in the services and manufacturing sectors. Other macro indicators too remain robust demand environment is good, in the current fiscal and Govt. capex continues to support economic activity.

These factors bode well for long term prospects of the economy and markets.

However, in the near term we believe markets will be volatile as the uncertainty around the conclusion of US-Iran war remains high. Also, other triggers which may impact markets in near term include a heavy domestic IPO market and elevated global valuations driven by AI rally. Equity valuations continue to remain in neutral zone currently. We continue recommending investing in equities in a staggered manner in investment strategies that have the flexibility to maneuver across sectors / market cap.

Since market volatility may persist, we continue to recommend investing in Hybrid / Asset Allocation investment strategies.

GDP: Gross Domestic Product, IPO: Initial Public Offering

Source: CRISIL Reserach

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Our Outlook on Debt

Markets are pricing in higher yields in anticipation of rate hikes by the RBI. We expect the RBI to hike 75 to 100 basis points, based on market pricing. However, we believe the RBI will hold on till the end of the fiscal year to start its policy normalization.

Positives such as the FCNR (b) deposit boom have led to a boom in liquidity conditions. We might see the positive impact of liquidity on credit risk premiums. Credit growth and lending book quality becomes a focus.

Long-dated bond yields in G-sec and SDLs are looking attractive. We suggest investors to add some duration to the portfolios to capture the high yields.

We continue to remain positive on accruals in 1 to 3 year corporate bond space.

We recommend products in the floating interest, short term, corporate bond and banking & PSU debt category in the current scenario.

FCNR: Foreign Currency Non-Resident

Why Invest in Specialized Investment Fund's (SIF)?

Long-Short Positions

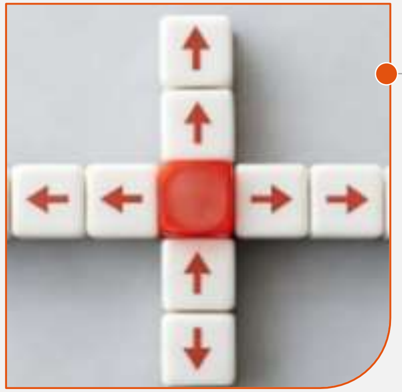
Long-short strategies aims to reduce market sensitivity and capture potential alpha

Multiple Asset Class Exposure

Equities, Debt and InVITs exposure could be used depending on investment strategy to diversify and reduce single asset class risk

Access to Advanced Strategies

Access to advanced derivative strategies beyond traditional mutual funds, offering innovative investment avenues.



Size Advantage

Small investment strategy's fund size provides flexibility and agility to the fund managers to quickly react to market conditions and opportunities.

Better Return Potential

Potential for higher returns through actively managed, investment strategies tailored to capture market opportunities. Also, may invest in special situations as permitted by SEBI

The investments of the Investment Strategy would be as per the asset allocation and investment approach of the Investment Strategy Information Document. Past performance may or may not sustain in future.

Hybrid Long-Short Strategy & its Investing Benefits

iSIF
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Flexibility

Hybrid Long-Short strategy offer greater portfolio flexibility and the ability to employ advanced derivative strategies.

Dynamic

Aims to generate returns with lower volatility through long short strategies in equity and debt, while creating alpha through special situations and derivatives

Risk mitigation

The long-short can allow the fund manager to profit from both rising and falling stocks, potentially reducing drawdowns during market stress.

Market cycles

Aims to combine multiple strategies for smoother outcomes regardless of overall market direction

Diversification

Investing in equities, debt and InVITs may lead to more investment choices thereby leading to diversification

Hybrid Long-Short Strategy – Positioning

Conservative Hybrid Funds	Active Asset Allocator Long-Short Investment Strategies	**iSIF Hybrid Long-Short Fund**	Equity Long-Short Investment Strategies	Equity Ex-Top 100 Long-Short Investment Strategies	Sectoral Funds

Potential Risk

Low High

The above is for illustration purposes only. The investments of the Investment Strategy would be as per the asset allocation and investment approach of the Investment Strategy Information Document. The investors are advised to refer to the Investment Strategy Information Document/ Scheme Information Document of the respective investment strategy/ fund for understanding the risk.

By ICICI PRUDENTIAL MUTUAL FUND

PRESENTING

iSIF Hybrid Long-Short Fund

About iSIF Hybrid Long-Short Fund

Investment philosophy

Aims to generate risk adjusted returns with lower volatility

Investment universe

Aims to generate returns by combining long-short equity positions, derivatives and fixed income investments

Security Valuations

Allocates higher in equities when the equity market valuation is low and lower when the equity market valuation is high.

Taxation

The investment strategy enjoys LTCG rate of 12.5% with holding period of 12 months

The investments of the Investment Strategy would be as per the asset allocation and investment approach of the Investment Strategy Information Document. Please consult your tax advisor for further details on taxation.

Asset Allocation under the investment strategy

iSIF Hybrid Long-Short Fund is an interval investment strategy investing in equity, debt securities, including limited short exposure in Equity and Debt through derivatives. Under normal circumstances, the asset allocation under the investment strategy will be as follows:

Equity & Equity Related Securities (65%-75%) #25% in Unhedged short exposure through derivative instruments*

Follows a bottom up approach for stock selection

Debt (25%-35%) #25% in Unhedged short exposure through derivative instruments*

Debt & Money Market Instruments and Units of Debt Oriented Mutual Funds

Others (0-10%)

Units issued by InvITs

Please note that the investment approach will be as per ISID. #Derivatives exposure will be upto 100% & Unhedged short position will be upto 25% of net assets.

Stock Selection Criteria

Valuation Comfort
Reasonable, Relative Valuations

Strengthening Balance Sheet
Low leverage levels, Cash rich and Tangible Assets

Relative Economic Moat
Cost advantage, high entry barriers

Earnings Potential
High earnings visibility & growth in various market cycles

Market Share Gainer
Strong execution capabilities

Please note that the investment approach will be as per ISID.

Key Investment Parameters

MARKET TRIGGERS

Model Inputs

- Price to Book
- Currency/REER*
- Earnings yield vs Bond yield
- RSI

Market Positioning

- Market Trend
- FII Positioning
- Flows

MARKET DYNAMICS

Derivatives

- Hedging
- Directional

Active Calls

- Stock and Sector
- IPO/QIP/Buybacks
- Duration and Credit (Debt)

The above list is illustrative and not exhaustive. |
*The Real Effective Exchange Rate (REER) is a measure of a country's currency value relative to a basket of other major currencies, adjusted for inflation, and indicates the country's trade competitiveness.

Dedicated Investment Framework- PACE

Price	Actions	Cycles	Emotions
How much the market is paying relative to earnings, cash flows, and risk	How management allocates capital and behaves at different valuation and cycle points	Where the business and economic cycle sits and how earnings are likely to evolve	Sentiments helps in understanding investors affinity towards the markets

Equity Investment Allocations – Under different market scenario

Market Scenario	Nifty 50 Price to Book	*Net Equity Allocation	^Derivative Allocation	Other Strategies (e.g. Participation in Buybacks, Block Deals)
Undervalued	<3.0	65% to 75%	0% - 10%	
Range Bound	3.0 to 3.7	25% to 65%	0% - 40%	Yes
Overvalued	>3.7	0% to 25%	40% - 100%	

*Net Equity Allocation is arrived after netting off derivative positions. ^Derivative allocation is gross derivative position, including unhedged positions. The portfolio of the investment strategy is subject to the asset allocation and investment approach as per the Investment Strategy Information Document. The above is only for illustrative purposes, the asset classes may perform differently than shown above. Also, market scenario associated with Price to Book value level is subject to change from time to time.

Investment strategies that may be deployed in Long-Short Strategies

Equity Arbitrage
Short futures against underlying stock

Covered calls
Short calls against underlying stock

Portfolio hedging
Buying Index Put Options or Shorting Index futures to hedge the equity portfolio

Protective stock options
Buying Puts or Long calls against short stock futures

Long and Short Options
Calls taken to benefit from declining or advancing underlying asset prices

Long and Short futures
Calls taken to benefit from declining or advancing underlying asset prices

Bear Put spread
Buying and shorting put option at different strike price

Bear Call spread
Buying and shorting call option at different strike price

Shorting Straddle/Strangle
Shorting options – benefitting in range bound markets

The above list is illustrative and not exhaustive. Investment Approach will be as per ISID.

Various Alpha Generation Strategies

Stock and Sector Selection – depending on the market outlook, relative valuations, and fundamental conviction.

Investments in accrual-oriented debt instruments including corporate bonds, commercial papers (CPs), and certificates of deposit (CDs).

Various Derivative strategies such as covered calls, options and other permitted structures with a view to enhance returns and manage risk.

Participation in IPOs, QIPs, block deals, buybacks, and other instruments as permitted by SEBI regulations.

The above list is illustrative and not exhaustive. Investment Strategy will be as per ISID.

Why iSIF Hybrid Long Short Fund NOW?

‘V’aluations Re-set

Indian equities were commanding rich valuations until last year. They have moderated post recent corrections

Source: Morningstar. Data as of Aug 31, 2026. Returns are in absolute terms in USD. Past performance may or may not sustain in future. Indices considered: Kospi for Korea, Taiwan – TWSE Capitalization Weighted Index, Brazil – Ibovespa Sao Paulo Index, MSCI EM – MSCI Emerging Markets Index, Japan – Nikkei 225, South Africa – JSE Top 40 Index, China – Shanghai Composite Index, Singapore – Strait Times, UK – FTSE 100, Europe – Euro Stoxx 50, Hong Kong – Hang Seng Index, France – CAC 40, Germany – DAX, India – Nifty 50

‘V’aluations Re-set

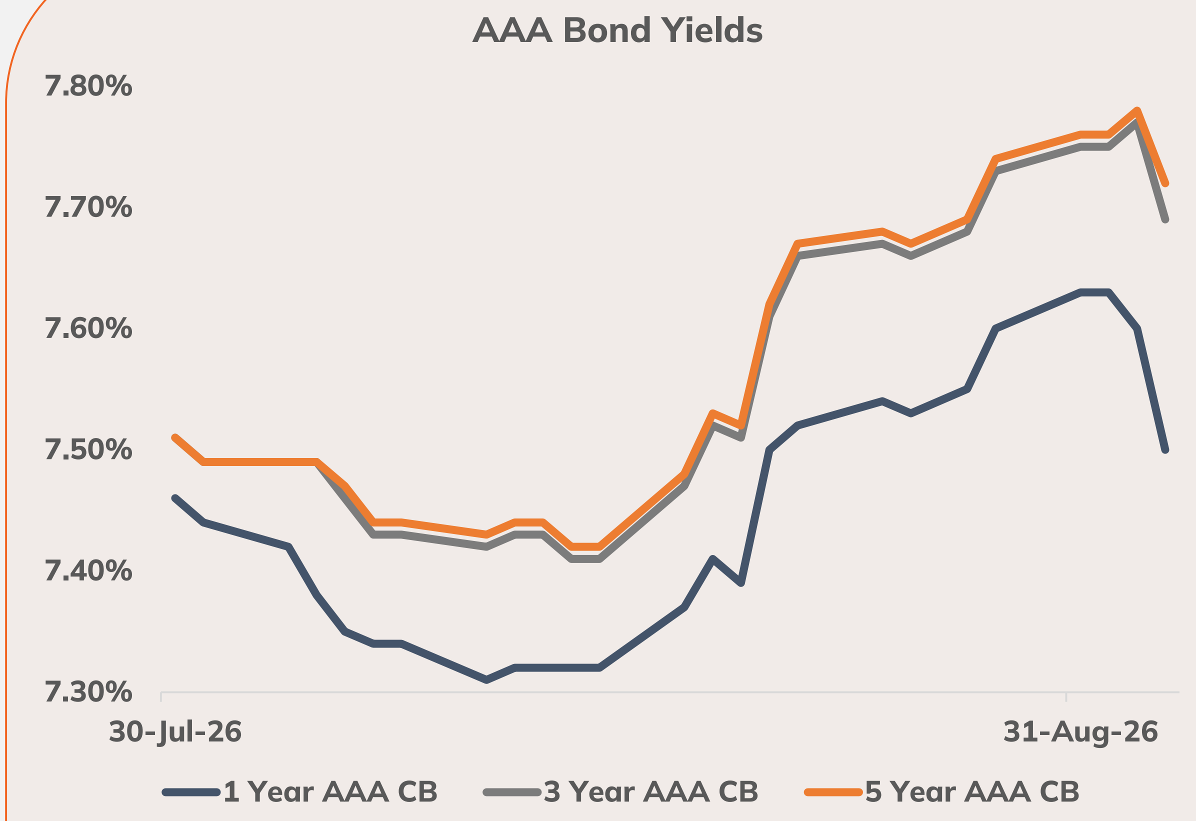
The valuations froth seen in last 2 years, has come off

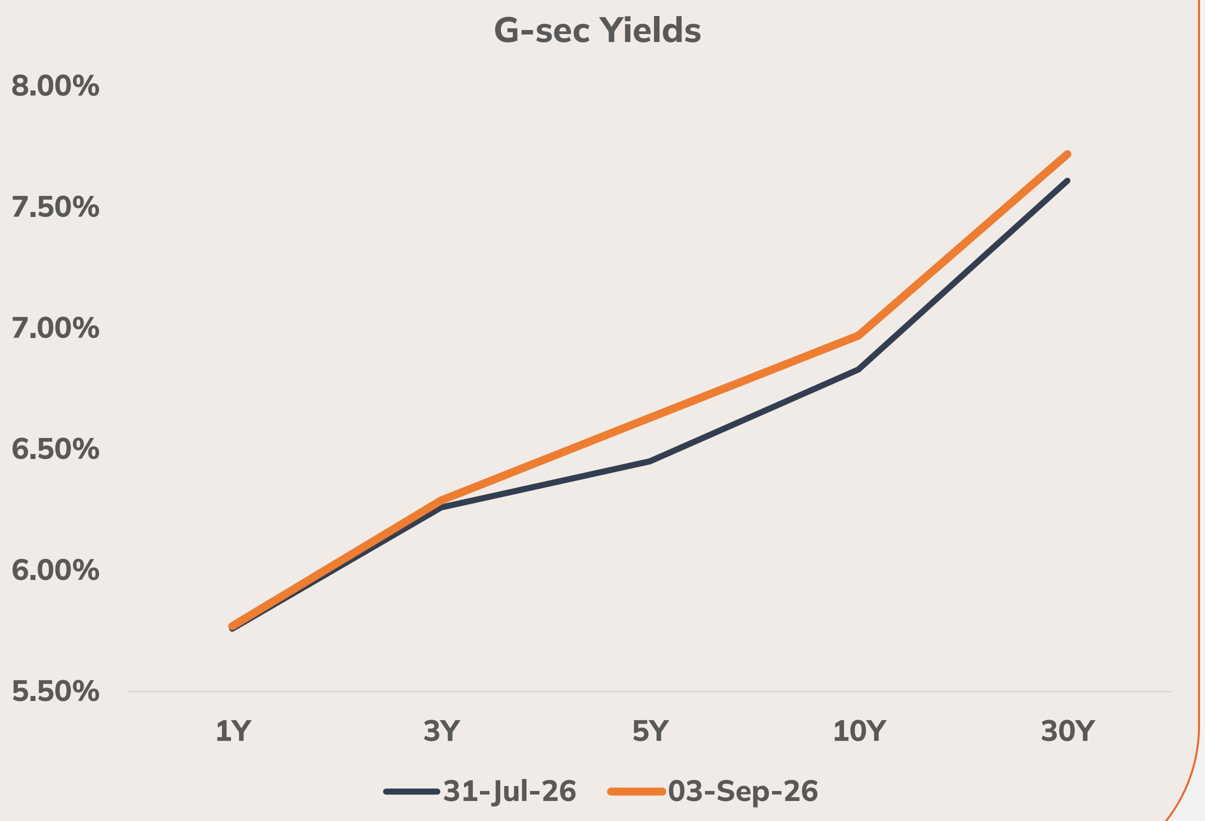
Period	As a % of Total Market Cap			
	Top 50	Next 50	Midcap 150	Smallcap 250
2015	59.8	14	15.2	11
2016	58.8	14.1	15.3	11.8
2017	53.4	14.7	17.3	14.6
2018	58.3	13.7	16.3	11.7
2019	61.8	13.1	15.6	9.5
2020	60.9	13.3	15.5	10.2
2021	55.6	13.1	16.8	14.4
2022	56.7	12.5	16.1	14.7
2023	51.4	13.1	17.6	17.8
2024	46.1	13.8	19.3	20.8
2025	46.7	13.9	20.0	19.4
Aug-26	43.0	14.2	20.9	21.9

Source: NSE. Data as on Aug 31, 2026. Data is on calendar year basis. Past performance may or may not sustain in future. Red indicates high valuations, Amber indicates neutral valuations and Green indicates attractive valuations.

Opportunities in Bond Market

On the debt side, bond markets are starting to price in rate hikes. This is observed from the rise in corporate bond yields, suggesting wider risk premiums. On the G-sec end, too, the long-bond yields have inched up higher.





Data as on Aug 31, 2026. Source: RBI; CCIL

Long-Short Strategy:
Solution to generate returns and manage volatility

All Market Conditions

Aims to generate a positive return both, when markets are rising and when they are falling

Investment Flexibility

Aims to deploy a combination of strategies that help diversify the portfolio to stay ahead of the curve

Low Volatility

Aims to generate a positive return both, when markets are rising and when they are falling

Long Short Strategies aim to generate Risk adjusted Returns with Lower Volatility.

Current Portfolio

Asset Allocation

Equity & Equity Related Holdings :

Gross: 68.10%

Net: 69.25%

Stock Futures (Short)

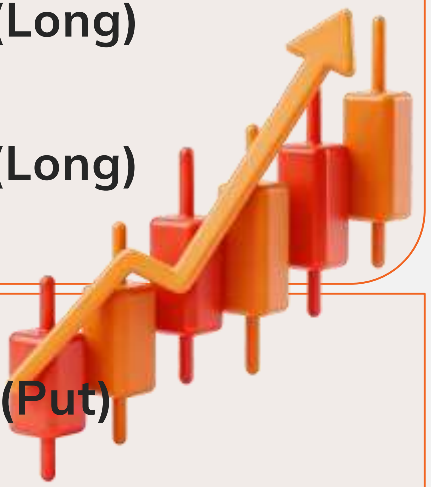
-3.34%

Stock Futures (Long)

0.95%

Index Futures (Long)

3.43%



Stock Options (Put)

2.18%

Stock Options (Call)

-2.07%

Debt Holdings

36.51%

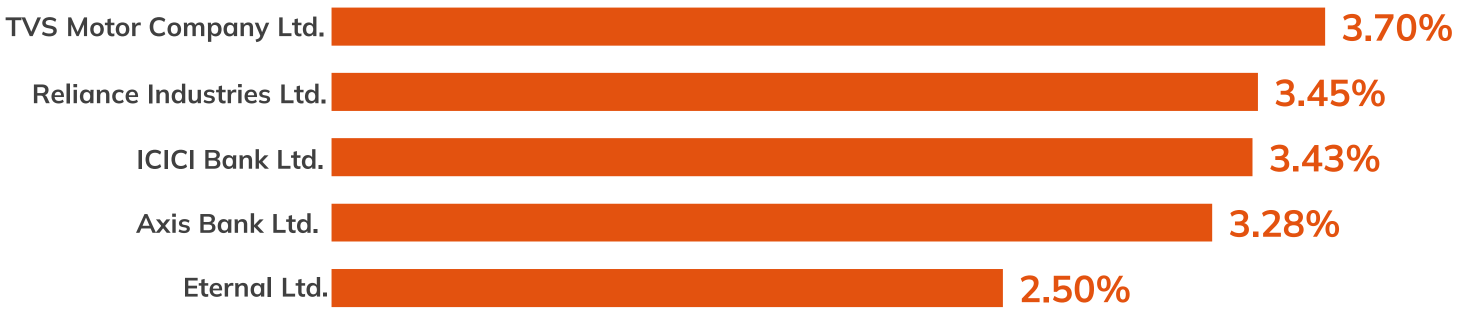
Others

-4.61%

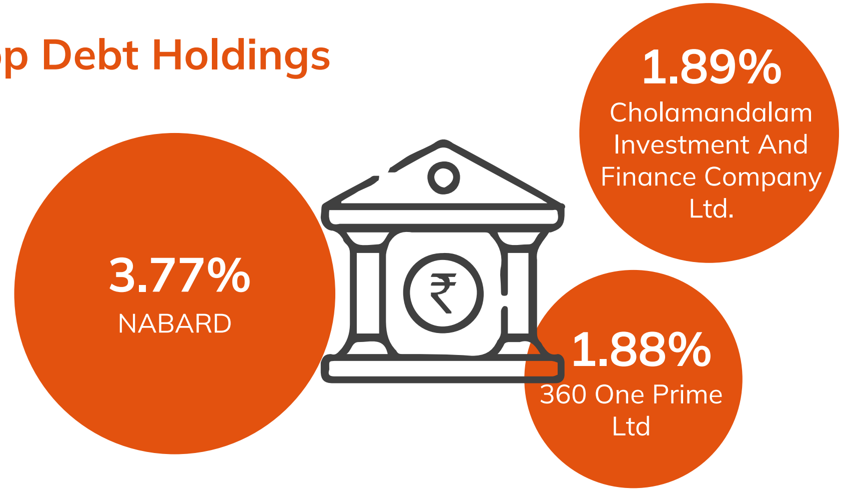
Data as on Aug 31, 2026. The gross equity level denotes holding in equity shares. The net equity level is calculated by netting/ adjusting the equity futures and options. Long options are calculated basis the premium and short options are calculated basis underlying price. The investments of the Investment Strategy would be as per the asset allocation and investment approach of the Investment Strategy Information Document. The sector(s)/stock(s) mentioned in this document do not constitute any recommendation of the same and iSIF may or may not have any future positions in the sector(s)/stock(s).

Portfolio Composition

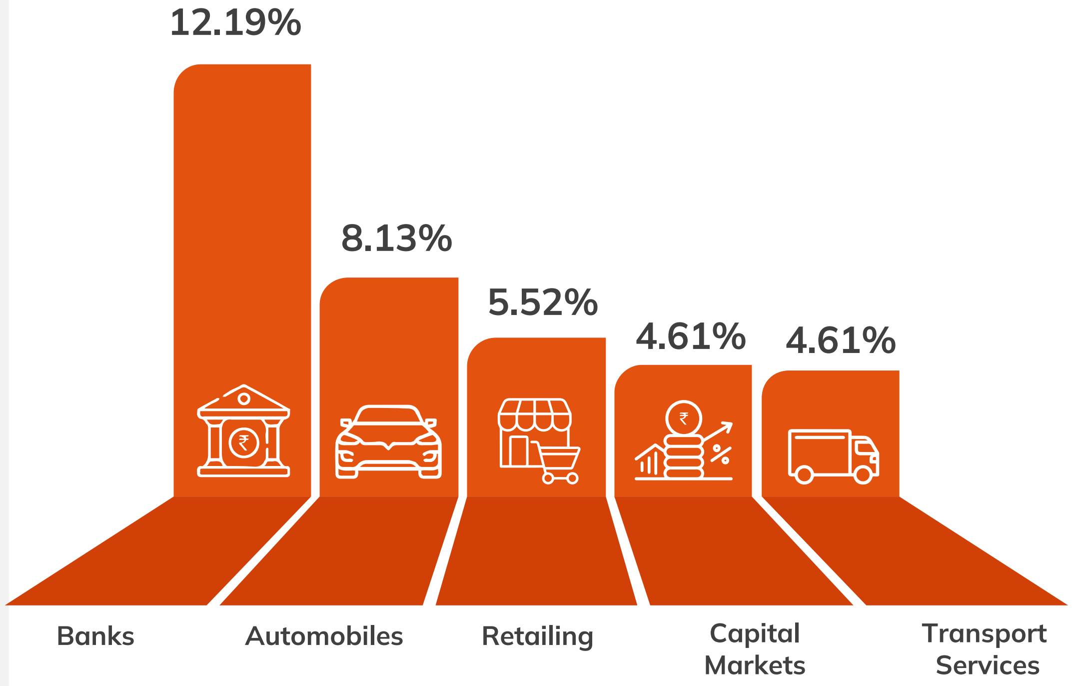
Top Equity Holdings



Top Debt Holdings



Top 5 Sectors (%)



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Key Takeaways

Key Takeaways about the Scheme

- Bottom-up approach
- Stock and Sector Selection – depending on the market outlook
- Uses various Derivative strategies such as covered calls, options etc.
- Based on In-house Model
- Model ensures flexibility albeit with control
- Investments in Special Situations or other securities as permitted by SEBI

The investments of the Investment Strategy would be as per the asset allocation and investment approach of the Investment Strategy Information Document.

Why invest in iSIF?

Our Track Record

We challenge each other to work and think differently, so that together we can create a meaningful and lasting impact.

30+ Years

Experience in Managing Investments

70

No of Fund Managers & Analysts

655+ companies
24+ sector

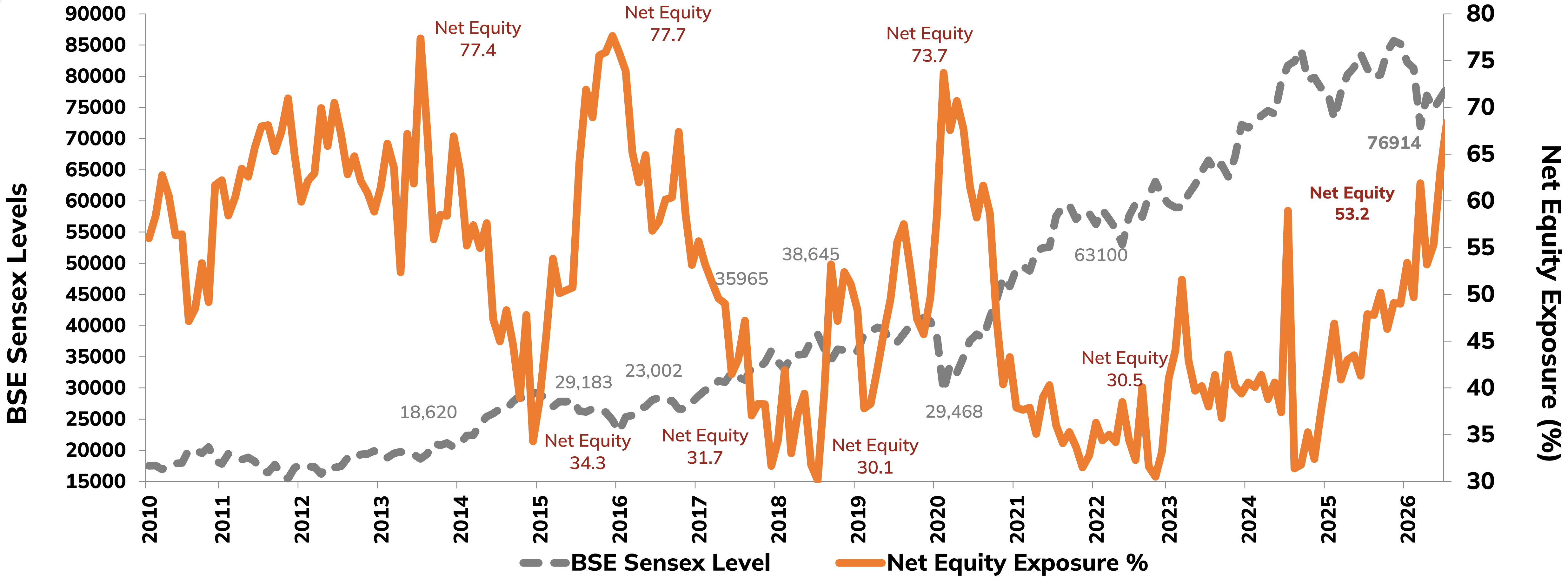
Research Team Coverage

INR 46,245 crs

Experience in managing Derivatives in our Mutual Fund Schemes

Data as on Aug 31, 2026. Please note that the equity derivatives held across IPRU equity and hybrid exposure will be at gross notional value.

Our experience in managing Equity Levels of Dynamic Asset Allocation Scheme



Source: BSE, Internal. Data as on Aug 31, 2026. The above chart is for reference purpose only and shall not be construed as actual level of Equity Allocation. Net Equity exposure is arrived after netting off derivative positions.

Wide Research Coverage

A team of over 25 analysts, with a combined experience of over 7 decades, the research team covers as many as 655+ companies across 24+ sectors

Agriculture & Agriculture Input	Auto & Auto Anc	Banks & Finance	Building Materials	Cement
Chemicals	Commercial Services	Construction	Consumer Durables	Consumer Non Durables
Education	Pharmaceuticals	Hotels & Leisure	Capital Goods	IT
Media & Entertainment	Metals & Mining	Oil & Gas	Paper	Power & Utilities
Real Estate	Retail	Telecom	Textiles	Transportation

Data as on Aug 31, 2026. Source: Internal. The stock(s)/sector(s) mentioned in this slide do not constitute any recommendation and iSIF may or may not have any future position in these stock(s)/sector(s).

Experienced Fund Managers

EQUITY

- **Rajat Chandak** (Managing this Investment Strategy since Feb, 2026 & Overall 18 years of experience)
- **Ayush Shah** (Managing this Investment Strategy since Feb, 2026 & Overall 5 years of experience)

FIXED INCOME

- **Manish Banthia** (Managing this Investment Strategy since Feb, 2026 & Overall 23 years of experience)
- **Akhil Kakkar** (Managing this Investment Strategy since Feb, 2026 & Overall 19 years of experience)

Portfolio Features

Name	iSIF Hybrid Long-Short Fund
Investment objective	The Investment Strategy intends to predominantly invest in equity and equity related securities with an aim to achieve capital appreciation over long term and also invest in Debt instruments & Units of InVITs to generate regular income. The Investment Strategy can also adopt equity and debt derivative strategies. There is no assurance that the investment objective of the Investment strategy will be achieved.
Scrip Codes	NSE / BSE iSIF Hybrid Long-Short Fund - Regular Plan: ISIFHLSG / ISIFHLSG iSIF Hybrid Long-Short Fund - Direct Plan: ISIFLSDG / ISIFLSDG
Benchmark	CRISIL Hybrid 50+50 Moderate Index
Category of investment strategy	Hybrid Long-Short Fund
Type of investment strategy	An interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives.
Fund Manager	Equity: Mr.Rajat Chandak & Mr.Ayush Shah. Debt: Mr. Manish Banthia & Mr.Akhil Kakkar
Plan & Options	Plans available under the Investment Strategy: Regular Plan, Direct Plan Options under each Plan(s): Growth
Exit load	Exit Load: • 1% of applicable Net Asset Value - If the amount sought to be redeemed or switched out within 1 month from allotment. • NIL - If the amount sought to be redeemed or switched out more than 1 month.
Minimum Application/ Switch In Amount	For first time investor in SIF: Rs. 10,00,000/- and in multiples of Re.1/- thereafter For accredited investor: Rs. 10,000/- and in multiples of Re. 1/- thereafter For existing investor who have complied with the Minimum Investment Threshold (of Rs. 10,00,000/-): Rs. 10,000 and in multiples of Re. 1/- Switches: Allowed from iSIF investment strategies.
Features	Lump sum, SIP
Min investment in SIP (subject to min investment of Rs.10 lakh)	Daily SIP: Rs.5,000 and in multiples of Re. 1 thereof; Minimum Installments - 6 Weekly, Fortnightly, Monthly SIP: Rs.10,000/- and in multiples of Re. 1 thereof; Minimum Installments - 6 Quarterly SIP: Rs.20,000/- and in multiples of Re. 1 thereof; Minimum Installments – 4
Redemption frequency	Twice a week i.e Monday and Wednesday in every week. In case Monday or Wednesday is a non- business day, the AMC shall process the redemption on the next business day. The Trustees reserves the right to change the Redemption frequency in future, subject to SEBI Regulations and any other law, as applicable.

Riskometer & Disclaimer

<table>
<tr><th>The product is suitable for investors who are seeking#</th><th>Investment Strategy Risk- band*</th><th>Benchmark Risk- band: –
CRISIL Hybrid 50+50 Moderate Index</th></tr>
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- Long term wealth creation
- An interval investment strategy investing in equity and debt securities, including limited short exposure in Equity and Debt through derivatives.

#Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

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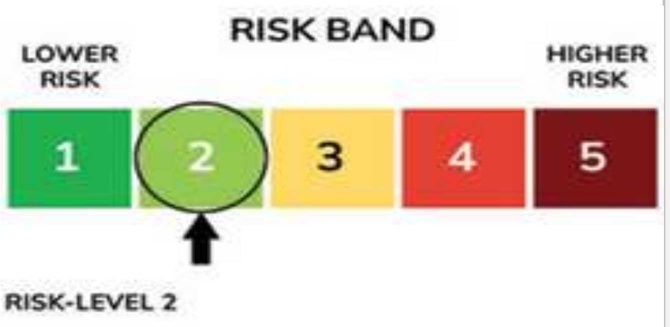

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* The Risk Bands are based on evaluation of risk level of the portfolios of the Investment Strategy of iSIF as on Aug 31, 2026.

Disclaimer

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.

All figures and other data given in this document are dated as of Aug 31, 2026 unless stated otherwise. The same may or may not be relevant at a future date. The information shall not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Prudential Asset Management Company Limited (the AMC). Prospective investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of iSIF.
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THANK YOU