



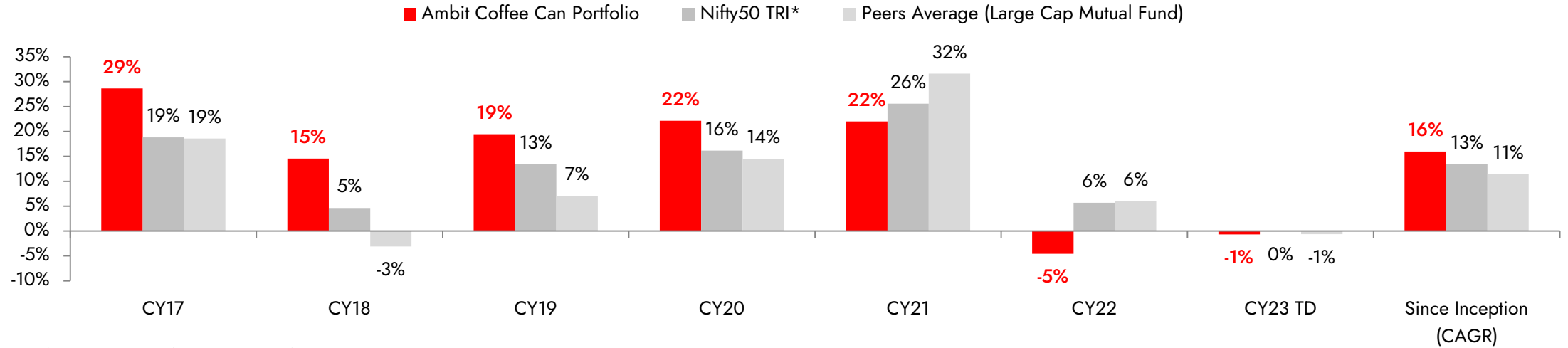
Ambit Coffee Can Portfolio

Ambit Asset Management

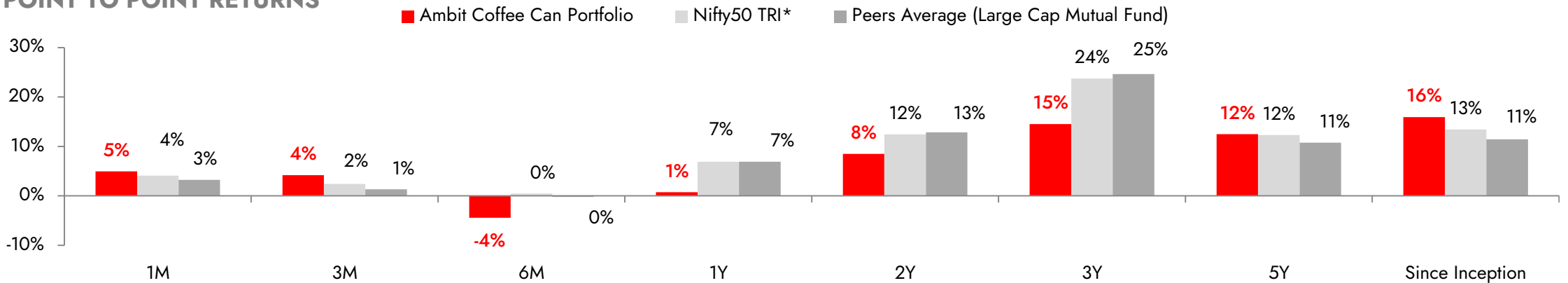
May 2023

Ambit Coffee Can Portfolio: Performance Track Record

CALENDAR YEAR RETURNS



POINT TO POINT RETURNS

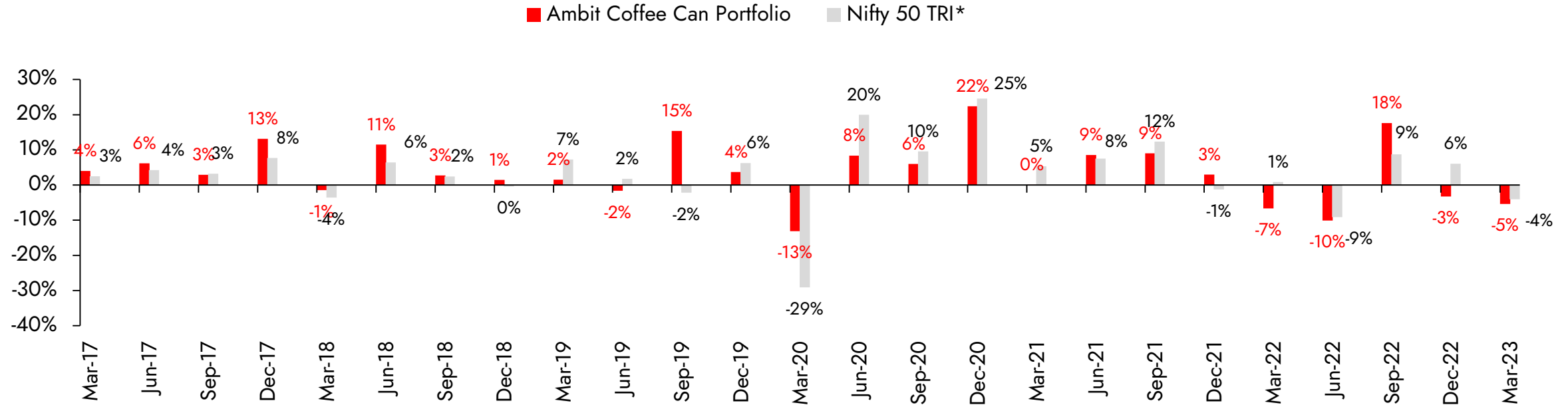


Ambit Coffee Can Portfolio inception date is Mar 06, 2017; Returns as on 30th Apr 2023; Returns are net of all fees and expenses; Returns above 1 year are annualized;

* Nifty 50 TRI is the selected benchmark for the Ambit Coffee Can Portfolio and the same is reported to SEBI. In addition to the same, we have included the MF peer average for information purpose only. The same should not be relied upon for performance benchmarking in any manner.

MF Peers include: Aditya Birla Sun Life MF, Franklin India MF, HDFC MF, ICICI Prudential MF, Nippon India MF, SBI MF. Regular growth schemes considered for MF peer group comparison

Quarterly Performance – Ambit Coffee Can Portfolio



Source: Ambit

Note: Performance is post all fees and charges; Date of inception of the Coffee Can Portfolio is 06th Mar'17. Return as of 31st Mar, 2023.

* Nifty 50 TRI is the selected benchmark for the Ambit Coffee Can Portfolio and the same is reported to SEBI.



How did we deliver this?

- Good risk adjusted returns is an **outcome** of **Good Processes** characterized by:

1 Stringent quantitative filters

- Each offering is based on deeply researched and back tested framework to generate the investment universe
- High threshold for performance over long spans of time, greatly minimize chances of poor performers or poor quality companies entering into the investment universe
- High quality of accounts and corporate governance is uncompromised

3 Focus on earnings growth + earnings quality

- Lower obsession with timing when one is investing in a superior calibre of companies
- Companies with a consistent track record and leadership traits are preferred
- Past track record + Future sector potential + Current management capabilities = Comfort on delivering quality earnings

2 Experienced team & deep-dive research

- Dedicated and experienced research team
- Research processes inspired by IE Research
- Investment Committee to approve all investment decisions
- Part of larger Ambit group lends advantages
- Focus on what is knowable and what is important

4 Risk management

- Concentrated Portfolios deliver best returns as returns do not get average out
- Lower drawdowns due to consistent performers in secular sectors
- Long term orientation with low churn realize the power of compounding

Origins of Ambit's Coffee Can Portfolio

ROBERT G KIRBY'S PAPER

The Journal of Portfolio Management

1984

The Coffee Can portfolio

You can make more money being passively active than actively passive.

Robert G. Kirby

76
THE JOURNAL OF PORTFOLIO MANAGEMENT

During recent years, there has been a gradual but steady increase in the use of index funds by institutional investors. This disturbs me, because I believe that superior investment research and management can produce consistently above-average results. Even beyond that point, however, I am also bothered by the wide, unquestioning acceptance of a form of indexing that appears to be seriously flawed. Nevertheless, despite these complaints, I do not disagree out of hand with those who adopt indexed investment programs.

We all know that, in the aggregate, professional money managers do not produce a return superior to that of a broadly based, unmanaged portfolio. We ignore the data that show that a few money managers have done consistently better, and a few others have done consistently worse. This means that we should not be surprised when an investor who has been a client of a poor money manager decides that he would be better off with an index fund. To best the market is not easy. In addition to a good investment manager, the investor needs perspective, patience, and courage — qualities that do not abound in today's intensely competitive world. For many investors, institutional and individual, an index fund may well be the best kind of common stock investment program.

WHY INDEX? AND WHY NOT?

Perhaps I have a suspicious and cynical mind. Each surge in the popularity of index funds seems to follow a period during which the S&P 500 has been an excellent performer. Most index funds are not set up to avoid inferior performance; their purpose is to secure superior performance — just as when an investor

hires a new investment manager with a great recent record. These are the wrong reasons.

Other investors adopt index funds for the right reasons. They believe that (1) the market is efficient in pricing assets so that it is virtually impossible to achieve consistently superior returns, and (2) the underperformance of professional money managers is the result of futile transaction costs. I disagree with these assumptions, but they support a position that is logical and makes sense. The question that completely perplexes me is why, with this sensible and logical approach to equity investing, these people then choose to replicate the Standard & Poor's 500, which (1) is in reality actively managed, and (2) does not represent the market?

WHEN IS PASSIVE ACTIVE?

In case you're shocked, let's examine these two statements. First, on the point of active management, maybe you can accrue one of splitting hairs, because however in the S&P 500 is small in comparison to that of most "active" money managers. Even modest activity, however, if it occurs year after year, produces a substantial cumulative change in the portfolio. In the past 10 years, Standard & Poor's has made several hundred changes, both eliminations and additions, in their portfolio, and these changes have created transaction costs for holders of S&P 500 index funds. Further, the changes are not the result of a formula that produces a consistent, predictable kind of alteration. They represent individual judgments of the Standard & Poor's staff, based on a combination of research and intuition, just as old-fashioned, active portfolio managers do it. Yet many people who are

AMBIT
INSTITUTIONAL
EQUITIES

2014



AMBIT
ASSET MANAGEMENT

2017

AMBIT
COFFEE CAN
PORTFOLIO

Ambit Asset
Management launches
Coffee Can Portfolio on
PMS platform in March
2017

Stringent quantitative filters

Coverage universe = Stocks with 10+ years of historical track record of consistency
> 10% YoY Revenue growth + > 15% ROCE



Our competitive advantage = Deep understanding of organizational DNA



Will the firm sustain **CONSISTENCY** of growth in future (more than a decade)?



Marry valuations with longevity



Concentrated portfolio of 13-18 stocks



Monitor earnings potential of companies in portfolio



Churn (if required) = <1 stock per year on average

Coffee Can Portfolio Philosophy

Consistent Track Record

Companies having excellent financial track record of revenue growth and earnings for over 10-20 years with identifiable DNA



Long Term Wealth Creation

Coffee Can Portfolio intends to provide 20-25% Earnings CAGR over long term holding periods with volatility of portfolio similar to Govt. bonds (holding period > 3 years)

Low/Negligible Churn

Coffee Can Portfolio is a highly concentrated portfolio with 10-15 stocks and intended churn of less than 1 stock per year on average. This allows the portfolio to benefit from "Power of Compounding"

Do not "TIME" the market

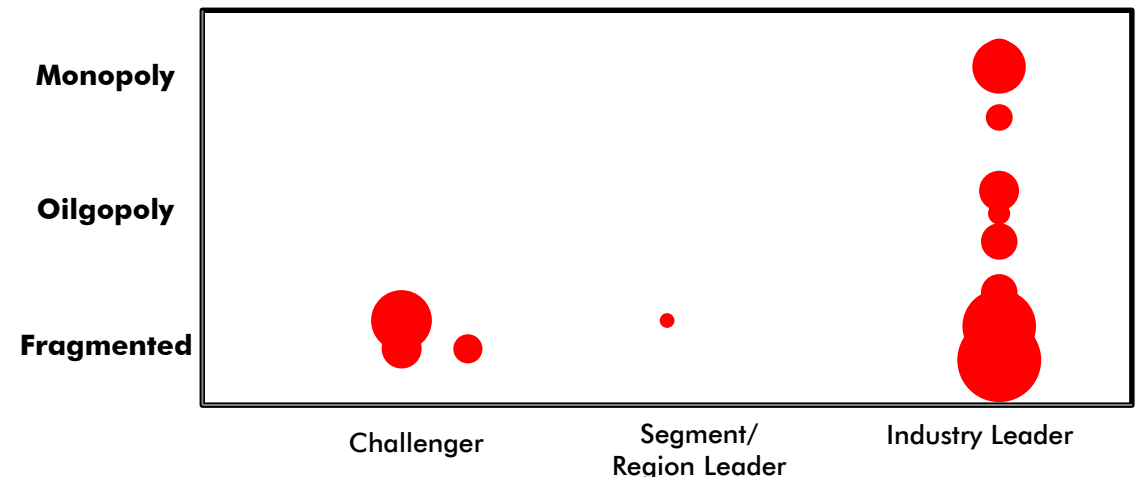
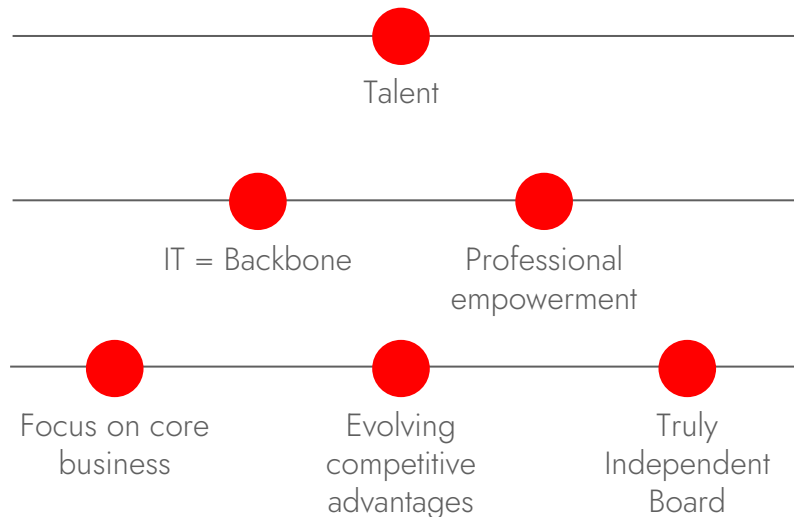
Do not attempt to time the market on the basis of speculation surrounding oil price, exchange rates, politics or other non-fundamental factors

Market Leaders in B2C Sectors

Most companies in Coffee Can Portfolio dominate their markets and possess unassailable competitive advantages in their core industries.



DNA to deliver consistent growth decade after decade



Bubbles refer to individual companies in Coffee Can Portfolio. Size of the bubble indicates Market Cap size.

Ambit Asset Management Team



SUSHANT BHANSALI
CEO

Over 20 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.



MANISH JAIN
FUND MANAGER

Manish Jain has over 18 years of experience in Investment and Equity Research.



TRILOK AGARWAL
FUND MANAGER

Trilok has over 16 years of experience in Investment Management. Prior to Ambit, he was a key Investment member at Aditya Birla Sun Life managing funds over 500mn\$, He was also associated with Dymon Asia Capital briefly.



SIDDHARTHA RASTOGI
COO & HEAD OF SALES

Siddhartha has over 20 Years of experience & is with Ambit for over 13 Years. Before joining Ambit, Siddhartha was one of the cofounded members for IIFL Private wealth and set up the mutual fund and structured product distribution business at IIFL. He has also worked with Citibank, HSBC Bank and UTI Bank where he played a key role in setting up Wealth management and merchant banking roles.

FUND MANAGEMENT

TOTAL TEAM MEMBERS
12

CUMULATIVE EXPERIENCE
72 YEARS

SALES

TOTAL TEAM MEMBERS
15

CUMULATIVE EXPERIENCE
139 YEARS

SERVICE & OPERATIONS

TOTAL TEAM MEMBERS
20

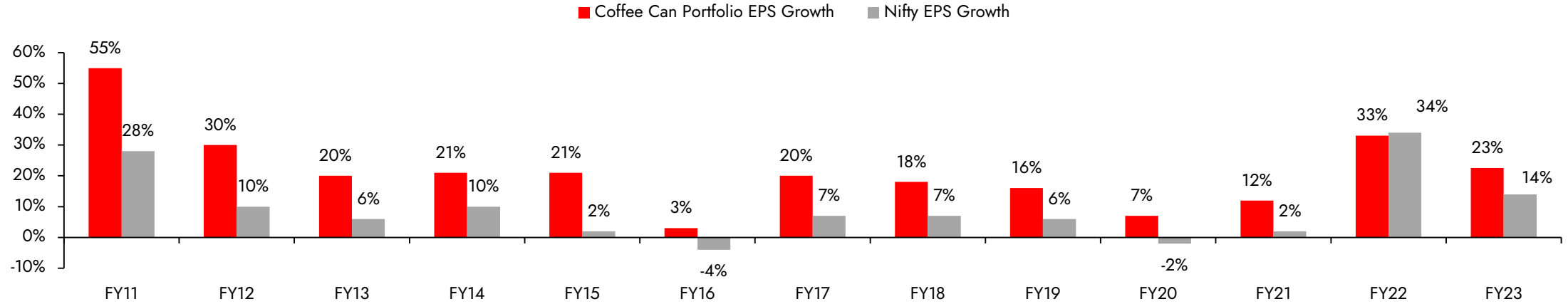
CUMULATIVE EXPERIENCE
205 YEARS

**Earnings growth is the only
driver of share prices...**

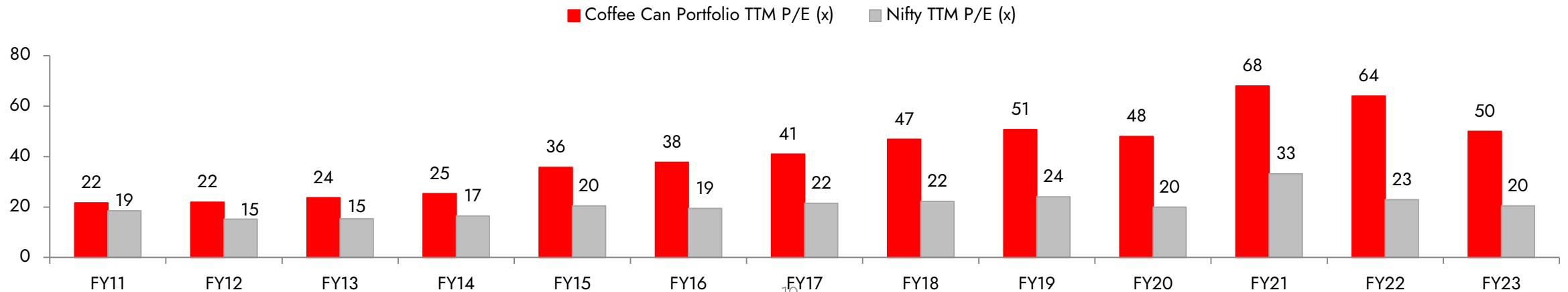


Ambit Coffee Can Portfolio Earnings vs. Nifty Earnings

Coffee Can Portfolio



Quality always comes at a price: Higher EPS growth trajectory = Multiple Expansion



Coffee Can philosophy delivers

4

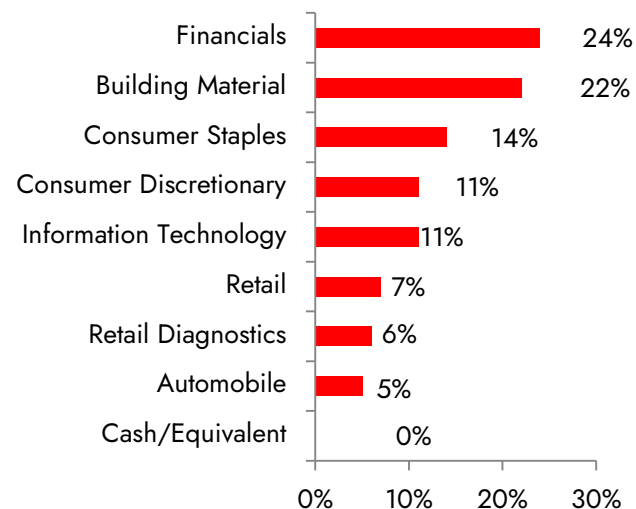
Risk Management

MODEL PORTFOLIO MARKETCAP ALLOCATION

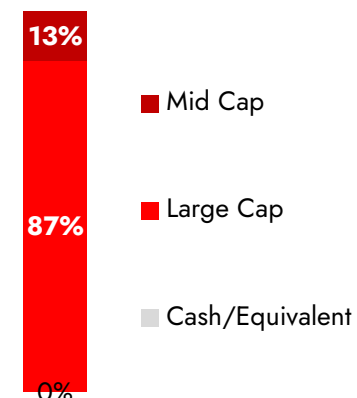
Comparison with Indices		Ambit Coffee Can	Nifty 50 TRI*
P/E (x)	FY23E	50.2	34.4
	FY24E	42.0	28.0
Past 3Y Growth (CAGR %)	PAT	23.3	NA
Net Debt / Equity	FY23E	-0.25	NA
RoE (%)	FY23E	36.8	12.7
	FY24E	40.6	15.2

All Portfolio statistics are weighted average except for Debt/equity

MODEL PORTFOLIO SECTOR ALLOCATION



MARKETCAP



SUPERIOR RISK ADJUSTED RETURNS AND DRAWDOWN TRACK RECORD

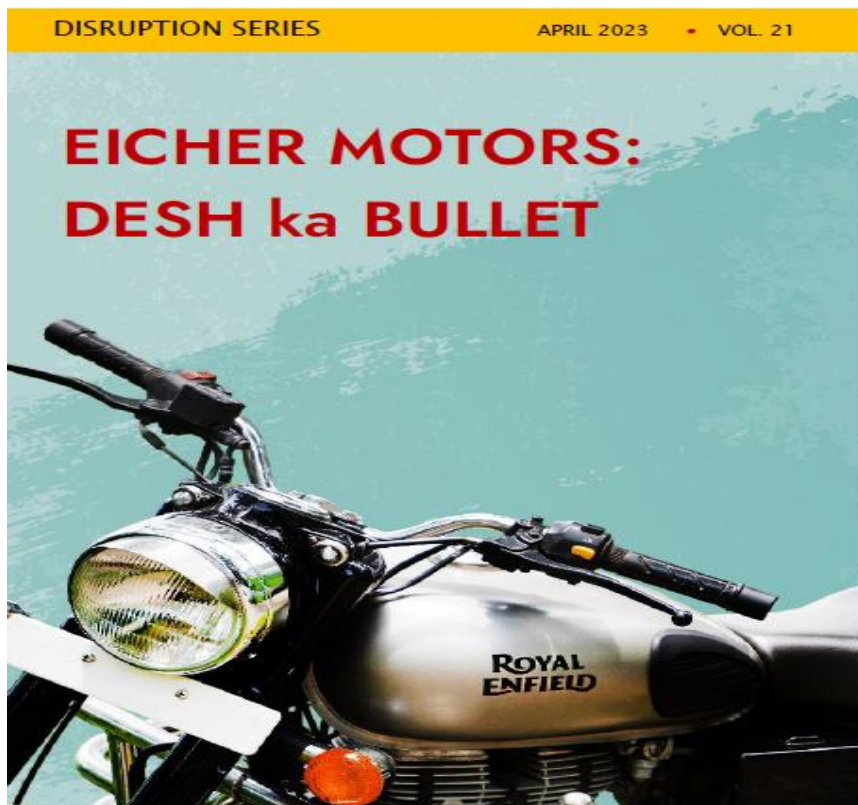
Performance (since inception)	Net Returns (CAGR)	Standard Deviation	Sharpe Ratio	Beta	Maximum Drawdown
Ambit Coffee Can Portfolio	15.9%	15.8%	0.6	0.7	-17.1%
Nifty 50 TRI*	13.4%	17.9%	0.4	1	-29.1%

Source: Ambit

Note: Performance is post all fees and charges; Date of inception of the Coffee Can Portfolio is 06th Mar'17. Return as of 30th Apr, 2023.

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Deep dive research presented through our Disruption series...



- Besides thinking about the immediate next steps for your portfolio and **in keeping with our long term investment thesis** we like to stay adept with long term disruptions your companies can face in the future.
- We **regularly come out with our thoughts on disruptions** in our portfolio companies/ sectors.



Key terms

Fund Type	SEBI Registered PMS
Fund Tenure	Open Ended
Structure	Discretionary PMS
Minimum investment	INR 50 lacs
Stock selection	Investible universe is stocks that perform well on the framework noted earlier. A further subjective assessment then leads to a more concentrated stock portfolio
Number of stocks	13 – 18
	33% per sector, 15% per stock
	Large cap biased with Nifty 50 TRI* as the benchmark
Time horizon and turnover	The investment horizon is 3-5 years and longer; turnover therefore low
Cash calls	Not to take aggressive cash calls; this is keeping in mind the longer term investment horizon of the fund and is suitable from a taxation standpoint
Custodian & Fund Accountant	ICICI Bank Limited.
Brokers	Ambit Capital, Motilal Oswal, Kotak Securities, HDFC Securities, Spark Capital, Batlikala & Karani Securities Pvt Ltd
Depository Participant	Ambit Capital (Central Depository Services Limited)

Our presence



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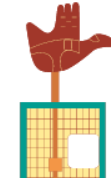
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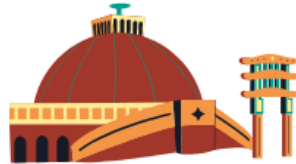
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Ambit Asset Management Overview





AMBIT COFFEE CAN PORTFOLIO

Since March 2017

Aims to deliver steady returns with minimal risk to create wealth over long term

Large-cap oriented portfolio

Great companies with a long proven track record of consistent growth and high ROE

AMBIT GOOD & CLEAN PORTFOLIO

Since March 2015

Focuses to deliver superior risk adjusted returns by identifying the large caps of tomorrow

Mid-cap oriented portfolio

Proven track record of efficient capital allocation and sustainable growth

AMBIT TenX PORTFOLIO

Since December 2021

Targets to compound wealth by investing in businesses with potential to multiply earnings by ten times

Flexi cap portfolio with mid & small cap orientation

Companies leveraging technology and innovation in under-penetrated categories

AMBIT EMERGING GIANTS PORTFOLIO

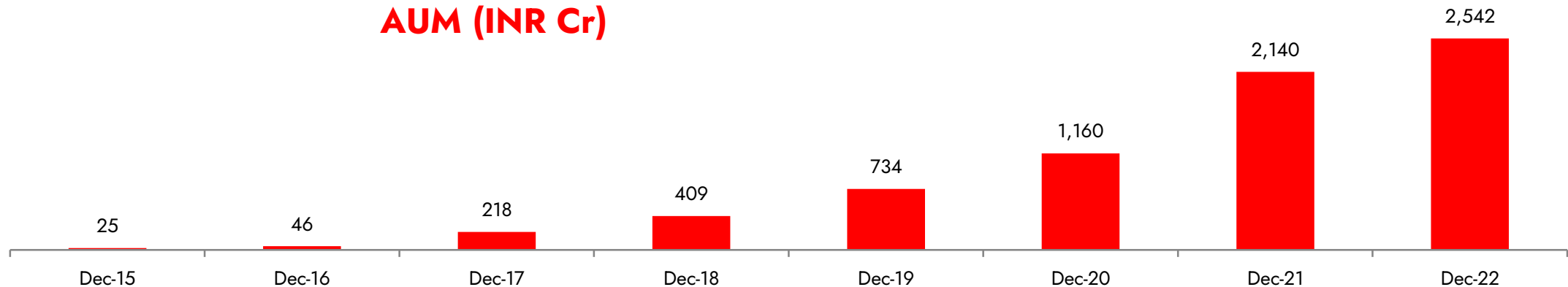
Since December 2017

Seeks to create wealth over a long period of time by investing early in undiscovered businesses

Small-cap oriented portfolio

Low leveraged, well governed, high growth niche segments

AUM (INR Cr)



Ambit Overview

The Ambit Group: key highlights



Pre-eminent full-service India focused Investment Bank

- Innovative solutions that reduce complexity
- Deep understanding of prevalent regulatory framework
- Broad range of tailor-made solutions for Business Owners, Corporates, Institutional Investors, Family Offices and High Net Worth Individuals (HNWIs)



Successful Partnerships

- Strategic partnership with QInvest, Qatar
- Strategic business alliance with Daiwa, Japan for M&A



Experienced and Professional pan-India Team

- Team of 2000+



Proven Track Record

- Closed over 100+ M&A/PE and 50+ ECM transactions in the last decade
- Consistently ranked amongst the top 10 M&A advisory firms
- Manages wealth of 2500+ HNI families



Risk Disclosure and Disclaimer

- The performance of the Portfolio Manager has not been approved or recommended by SEBI nor SEBI certifies the accuracy or adequacy of the performance related information contained therein.
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- The product '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.
- You may contact your Relationship Manager for any queries.
- The performance data for coffee can product between 6th march 2017 - 19th June 2017 represents model portfolio returns. First client was onboarded on 20th June 2017. The performance data for G&C product between 1st June 2016 to 1st April 2018 also includes returns for funds managed for an advisory offshore client. Returns are calculated using TWRR method as prescribed under revised SEBI (Portfolio Managers) Regulations, 2020



Thank you