



LONG STORY SHORT.

Invest in Sapphire Equity Long-Short SIF

Aims to capitalize on the opportunity to be flexible and strategic during market highs and lows.

NFO OPENS: April 10, 2026 • NFO CLOSES: April 24, 2026

AGENDA



Market Overview



Industry Trends



Change The Soch Drive



Introducing SIFs



Sapphire Equity Long-Short SIF



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Challenges For Global Growth



For illustration purposes only.

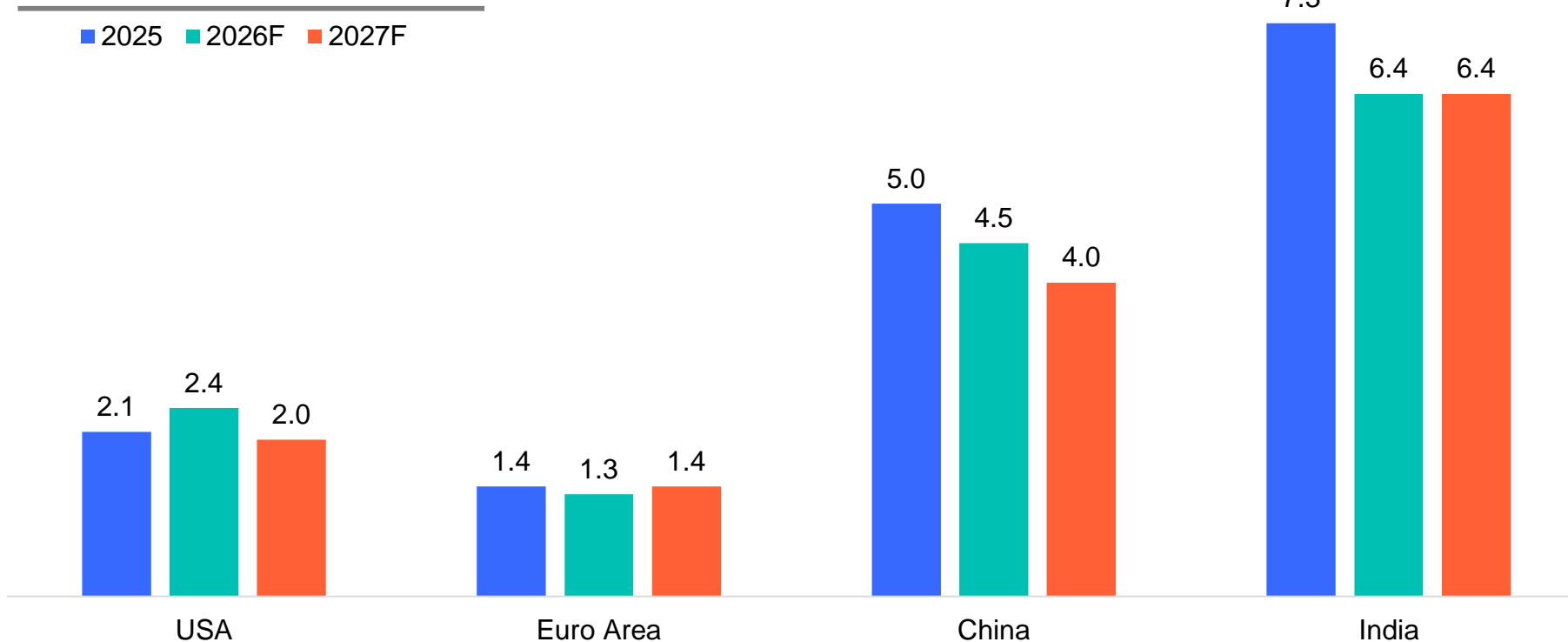
India Remains the Fastest Growing Large Economy

India's long-term growth remains resilient



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GDP Growth Projection (%)



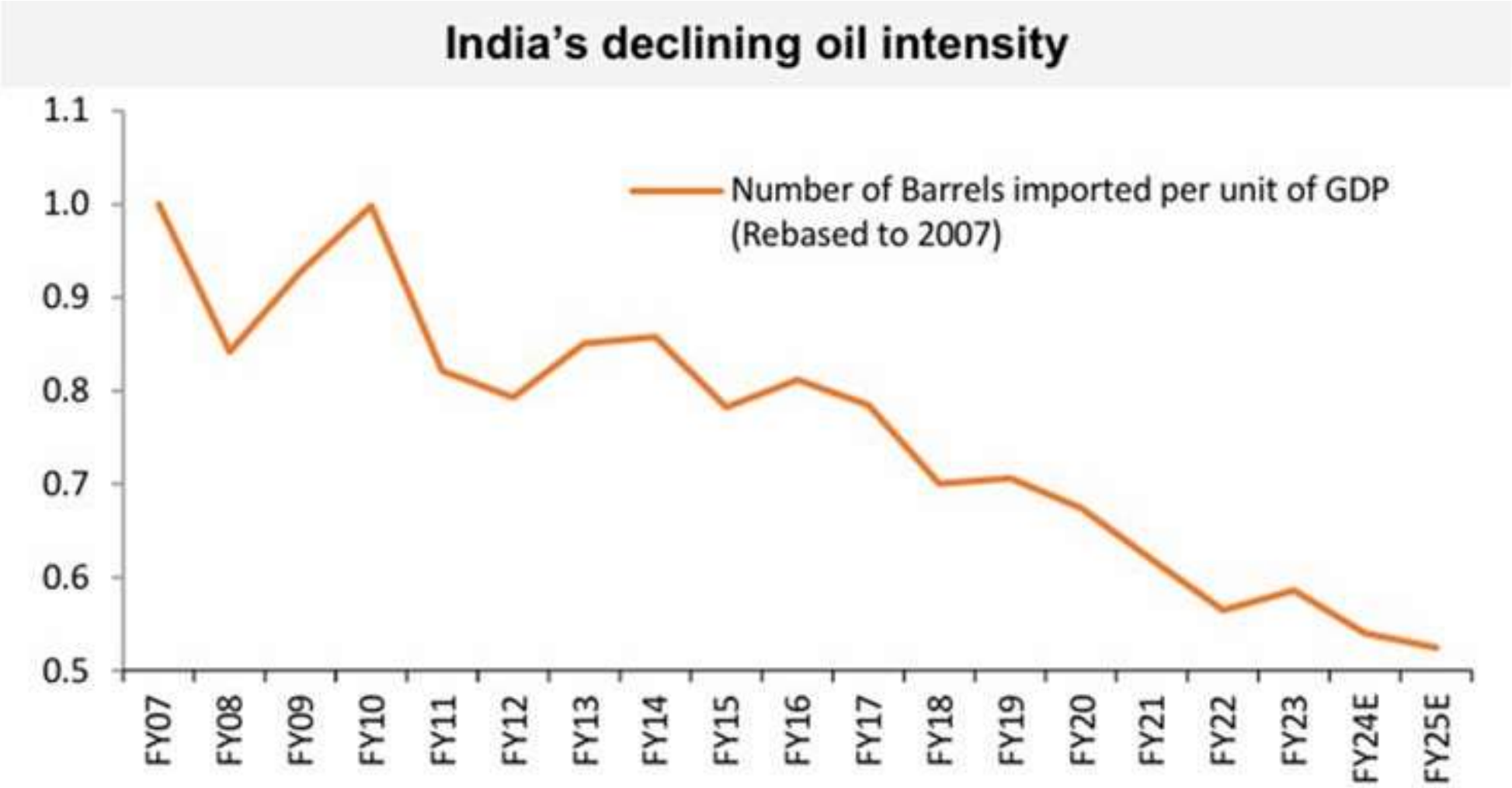
Source: IMF WEO January 2026, IMF staff estimates. F = Forecast. Latest available data.

The statements contained herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Readers shall be fully responsible/liable for any decision taken on the basis of this article. The above graph is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. Past performance may or may not be sustained in future and is not a guarantee of any future returns.

India's Declining Oil Dependence for GDP Growth



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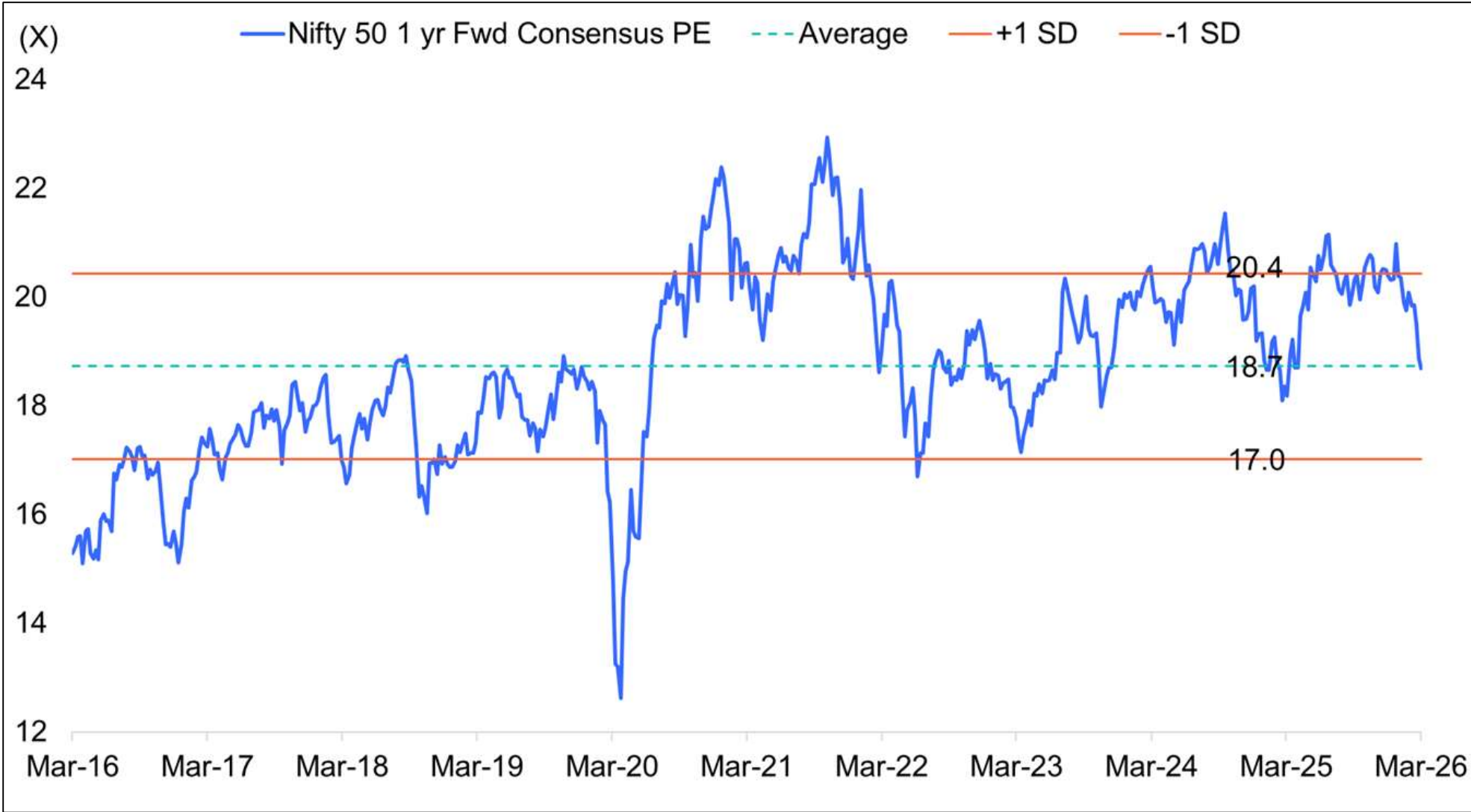


Source: Morgan Stanley

Large Cap Valuations Comfortable



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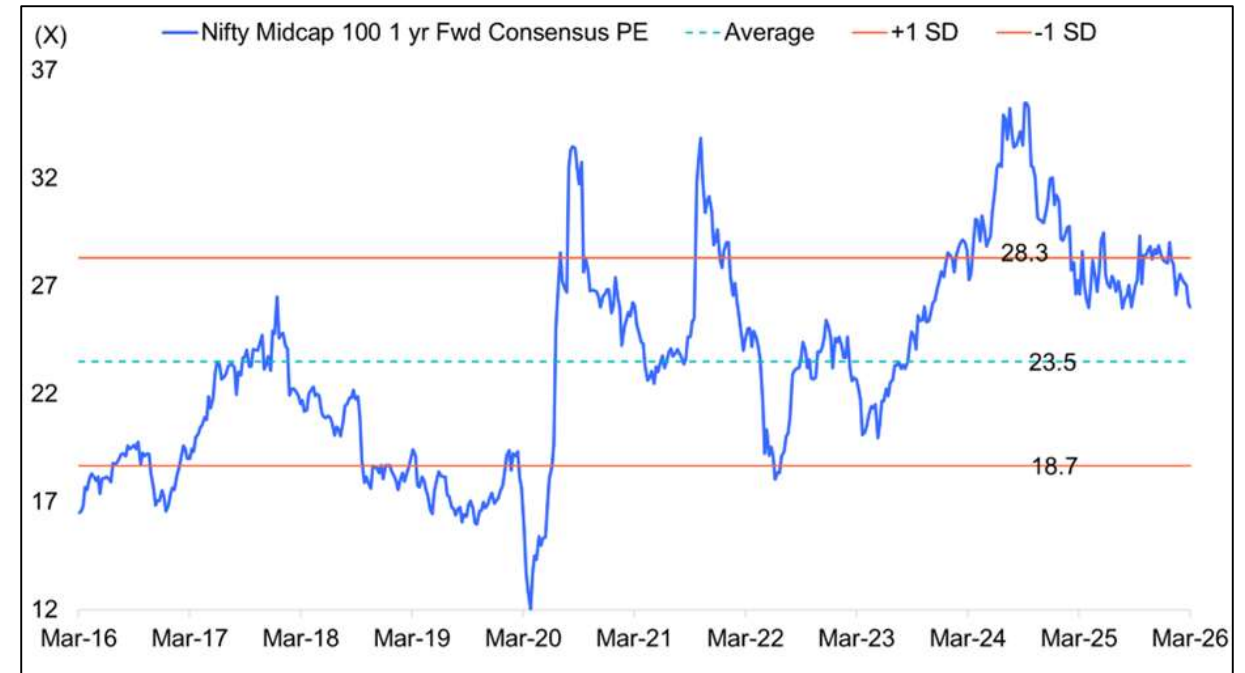
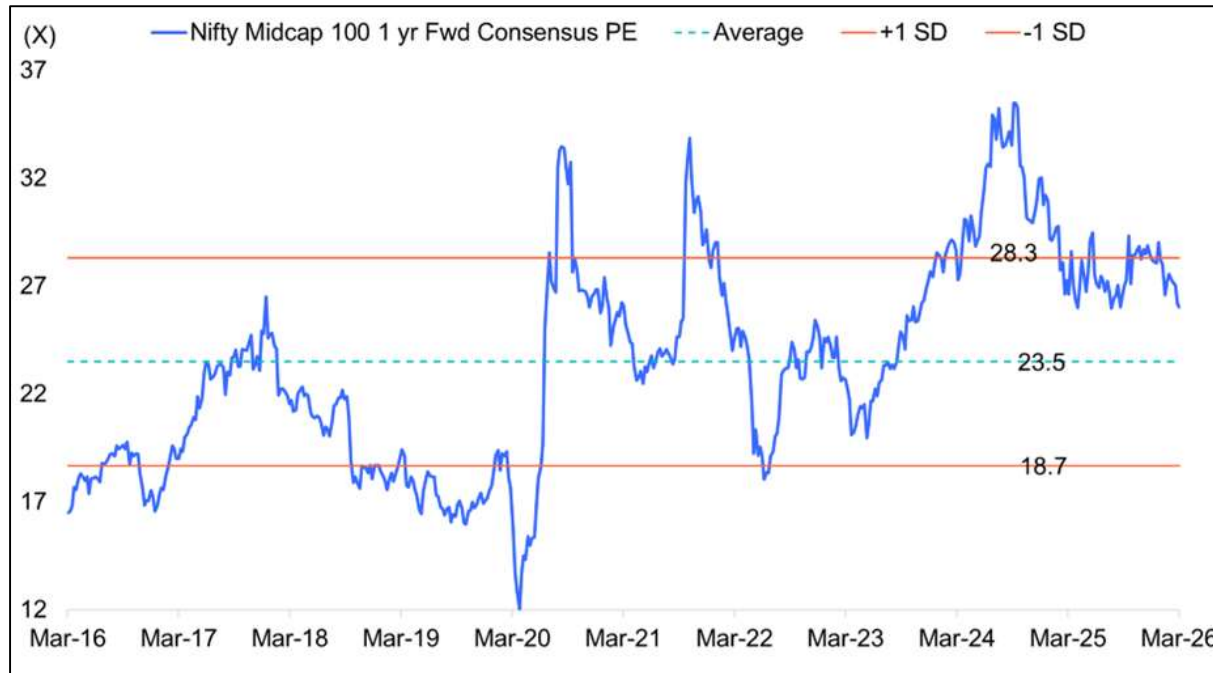


Source: Bloomberg, Franklin Templeton, Data as on March 12, 2026

Mid and Small Cap Valuations Declined



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Source: Bloomberg, Franklin Templeton, Data as on March 12, 2026

Markets Have Always Recovered After Every Crisis



Crisis	Period of Crisis	Maximum Drawdown (Nifty 500 TRI)
Asian Financial Crisis	1998	-23.4%
Kargil War	1999	-10.8%
Attack on World Trade Center, US	2001	-43.2%
SARS Outbreak	2002-2003	-11.4%
Iraq War	2003	-11.4%
Unexpected election outcome	2004	-24.4%
Global Financial Crisis	2008	-57.7%
European Debt Crisis	2011-2012	-26.8%
Taper Tantrum	2013	-10.1%
BREXIT Announcement	2016	-11.9%
Covid-19 Pandemic	2020	-38.1%
Geo Political Crisis	2022	-17.5%
Economic Slowdown / USD Strength	2024-2025	-18.6%

Date of Investment	Post-crisis performance (Nifty 500 TRI)		
	1-year	3-years	5-years
30-Jun-98	30.5%	6.3%	9.5%
30-Jun-99	35.0%	0.2%	11.7%
30-Sep-01	22.1%	40.4%	41.9%
30-Jun-03	43.8%	45.5%	31.6%
30-Jun-03	43.8%	45.5%	31.6%
31-May-04	53.0%	45.5%	26.0%
31-Dec-08	91.0%	17.5%	17.8%
31-Dec-11	33.5%	24.9%	15.5%
28-Feb-13	9.6%	10.4%	17.0%
30-Jun-16	20.9%	12.8%	15.4%
31-Mar-20	77.6%	28.9%	26.1%
30-Jun-22	22.7%	20.8%	?
28-Feb-25	16.5%	?	?

Past performance may or may not be sustained in future and is not a guarantee of any future returns. Returns calculated are absolute for 1 year period and are compounded annualized growth rate performance for period more than 1 year. Date of investment is at the end of the month in which the NAV reached the lowest point of each crisis period. **Source:** NSE.

This information is for educational purpose only and should not be construed as investment advice. You cannot directly invest in an index.



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Change The Soch Drive



Introducing SIFs



Sapphire Equity Long-Short SIF

India Mutual Funds Industry - Vital Stats (Feb 2026)



Industry AUM
Rs 82.03 lakh Cr

Unique Investor Accounts
6.09 Cr

Monthly SIP Flows
Rs 29,845 Cr

Number of AMCs
50

Total SIP accounts
10.45 Cr

Individual AUM % share^
60%

Institutional AUM % share^
40%

Equity Net Flows
Rs 34,589 Cr

SIP AUM
Rs 16.64 lakh Cr

Direct AUM % share^
49%

Passive AUM % of Total AUM
19%

MF AUM to Bank Deposits %
33%

Source: AMFI, ^Pertains to monthly average AUM. Data as of February 2026.

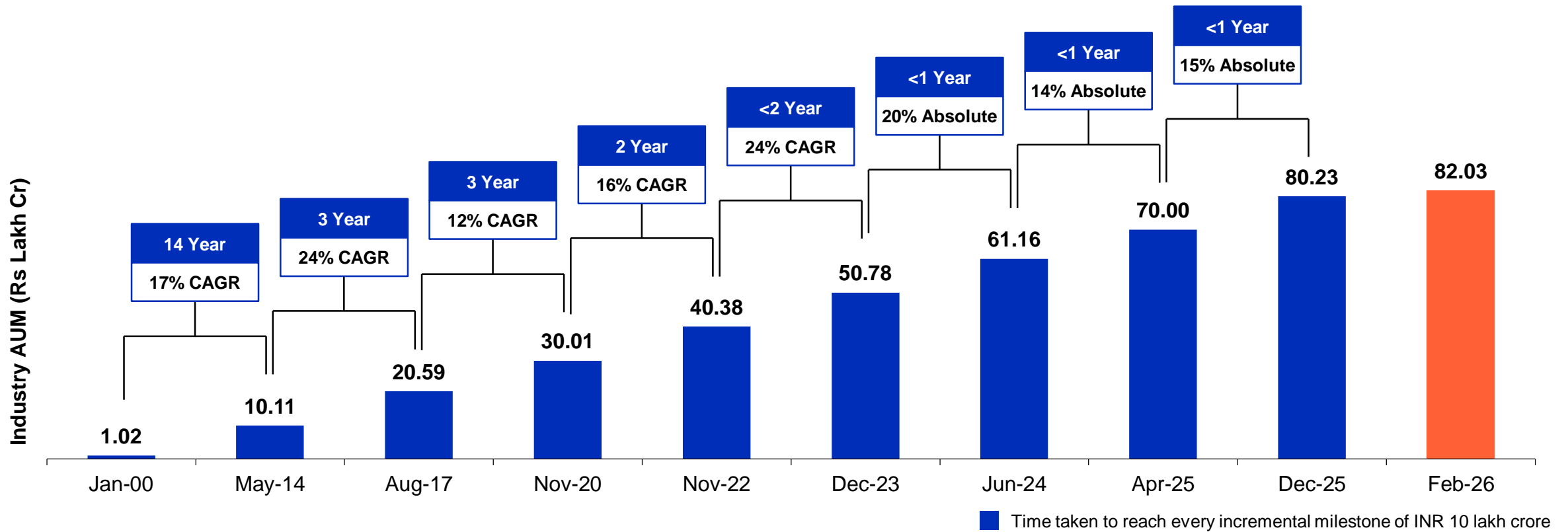
Growth of Mutual Funds



Industry AUM saw a **82X** growth from Jan 2000 to Feb 2026

Industry AUM @ INR 82 Lakh Cr

Industry AUM grew by 21% CAGR in the last 5 years & 10 years respectively, ended February 2026



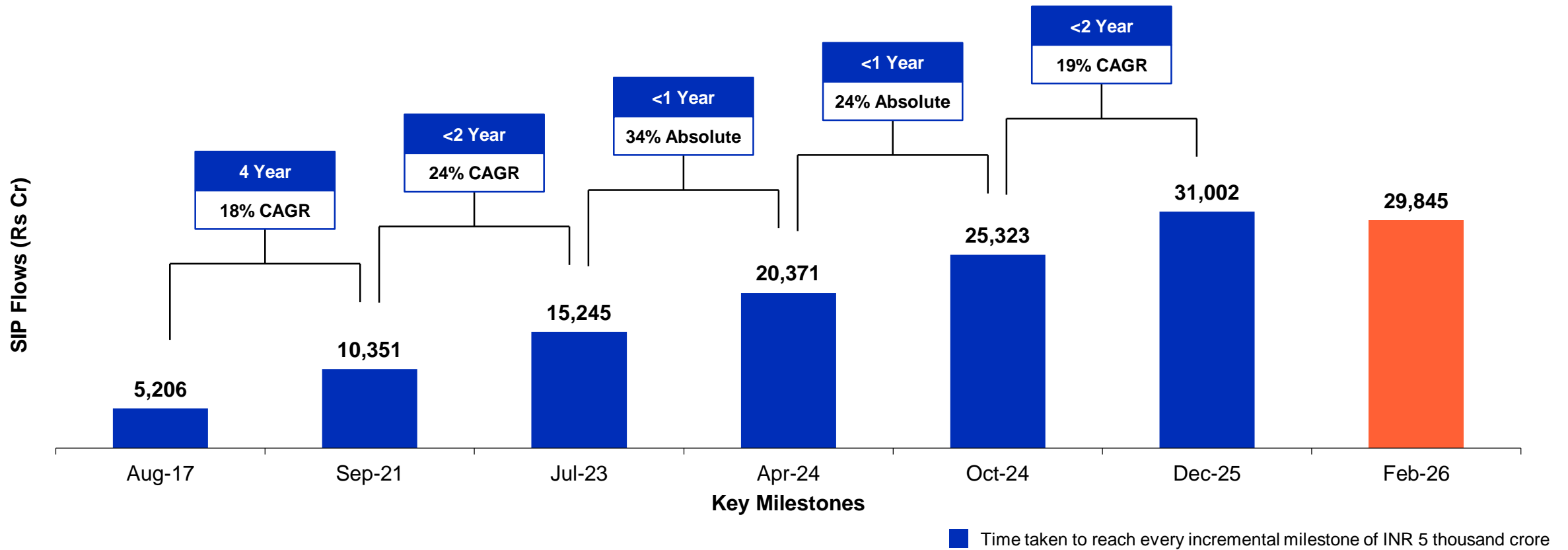
Annualised growth (CAGR) for the period more than 12 months and absolute growth for the period less than 12 months

Source: AMFI

SIP Flows @ Rs 29,845 cr in February 2026



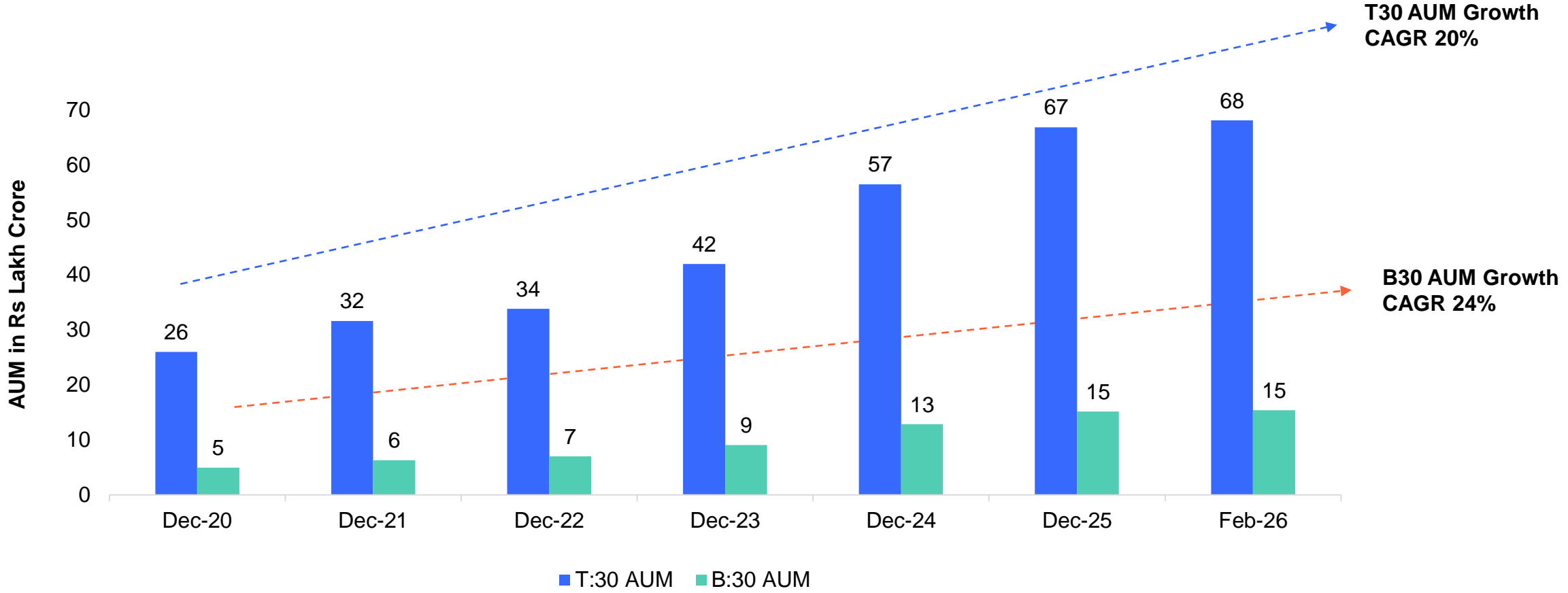
SIP flows doubled in less than 3 years | Monthly SIP flows (up 15% YoY) | SIP Flows for last 12 months at Rs 3.43 lakh crore



Source: AMFI. GS – Gross Sales. Growth rate for over one year is annualized. For less than one year is absolute.

B30 AUM Growth Outpaced T30 AUM Growth

Share of B30 AUM in Industry AUM increased from 16% in Dec 2020 to 18% in Feb 2026



Data pertains to month-end AAUM. Source: AMFI.

Rising Potential of Women Investors



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- Workforce participation almost doubled in 6 years
- Rising female enrolment in STEM courses
- Growing share in industry AUM, especially in B30 markets
- Rising aspirations
- Looking beyond savings and traditional avenues
- Seeking financial independence
- Seeking professional guidance
- Willing to invest for long term goals



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**CHANGE
THE SOCH
DRIVE** ↑

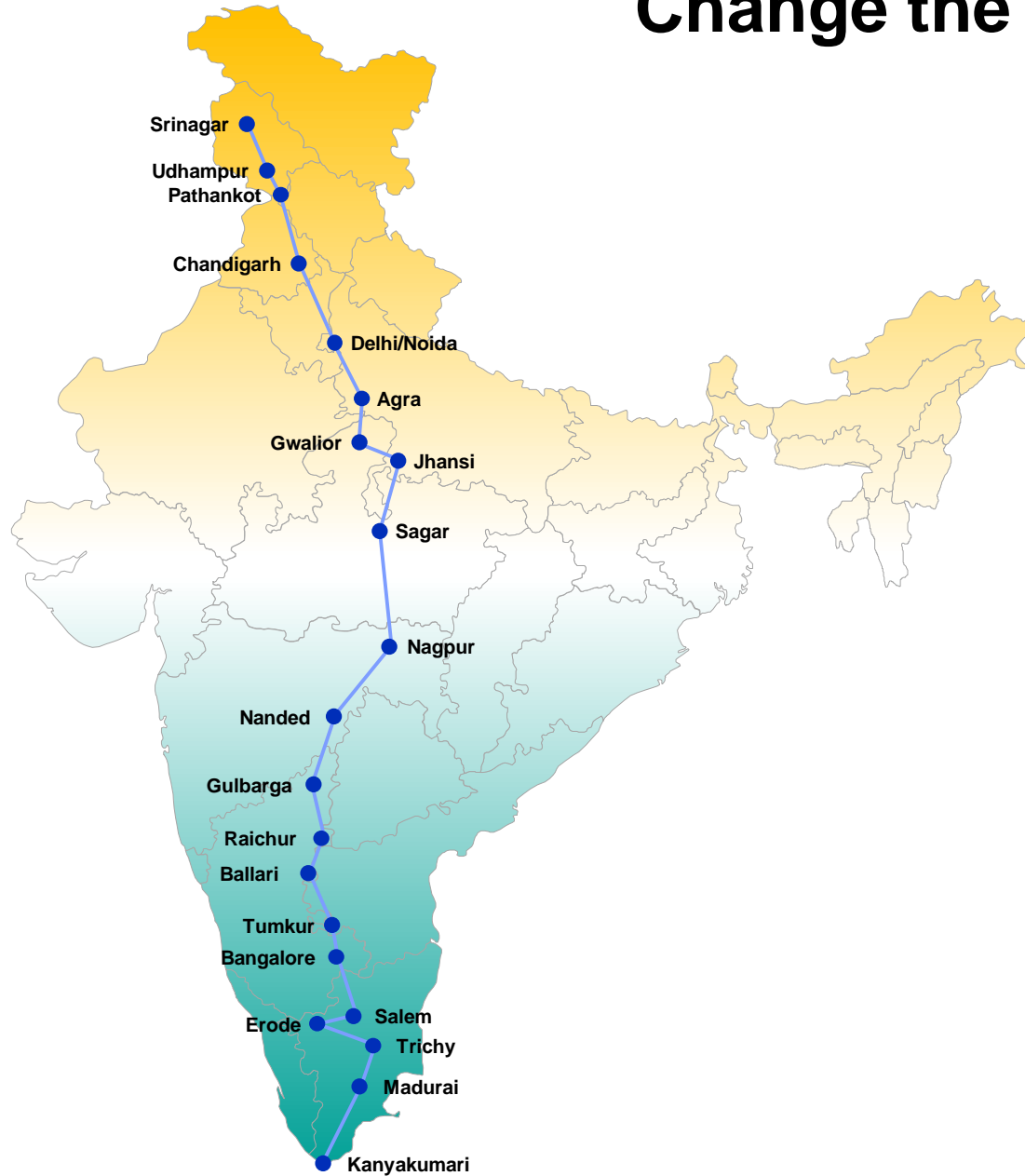
4000+ Kms



Change the Soch Drive



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Kanyakumari to Kashmir

~4300 People Reached

4000+ Kms Travelled

21 Cities Covered

The map is only for representation purposes. Not to scale to actual political boundaries.



Market Overview



Industry Trends



Change The Soch Drive



Introducing SIFs



Sapphire Equity Long-Short SIF

Introducing...

“Specialised Investment Funds (SIF)”



The images used in this material are for representational and illustrative purposes only. They are not intended to depict or denote any specific fund, investment strategy, feature, benefit, guarantee or performance of the Specialized Investment Fund (SIF).

What are Specialised Investment Funds (SIFs)



- 01 **SEBI regulated** Investment product
- 02 **7 categories** under – **Equity, Debt and Hybrid** framework
- 03 Gross exposure across Long and Short positions **cannot exceed 100%**
- 04 **Unhedged short positions** up to 25%
- 05 **Minimum initial investment** INR 10 Lakh
- 06 SIF framework **broadly aligned to Mutual Funds** framework





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Why Equity Long-Short Strategy Now?



Market Overview



Industry Trends



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Introducing SIFs



Sapphire Equity Long-Short SIF

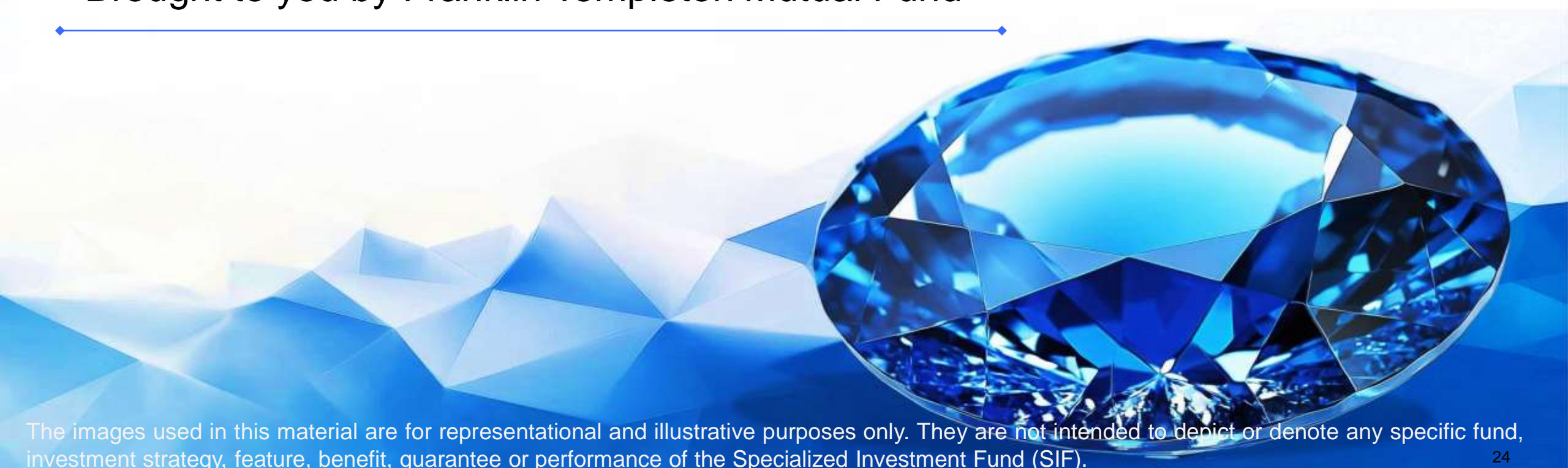


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Launching our First Fund in the SIF Equity Category

Sapphire Equity Long-Short SIF

Brought to you by Franklin Templeton Mutual Fund



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Franklin Templeton

75+ Years of Asset Management Experience

1,500+ Investment Professionals

\$1.66T (USD) Total Assets Under Management

25+ Countries with Investment Professionals

Franklin Templeton Investment Solutions

\$101B¹

USD Total Assets

30+

Years of Investing

90

Investment Professionals

12

Countries with FTIS Investment Professionals



Leverages Insights from Franklin Templeton's Investment Teams

- Alcentra • Benefit Street Partners • Clarion Partners • Clearbridge Investments • Fiduciary Trust • Franklin Equity • Franklin Income Investors • Franklin Templeton Fixed Income • Franklin Venture Partners • Lexington Partners • Putnam Investments • Royce Investment Partners • Templeton Global Investments • Templeton Global Macro • Western Asset

Data as of December 31, 2025. Latest data available

1. Franklin Templeton Investment Solutions (FTIS) total assets combine assets under management (AUM) and assets under advisory (AUA). Total Assets include investments in other products managed by other Franklin Templeton and external investment teams but exclude investments within other FTIS managed products to eliminate double counting.

Flexible Client Centric Approach



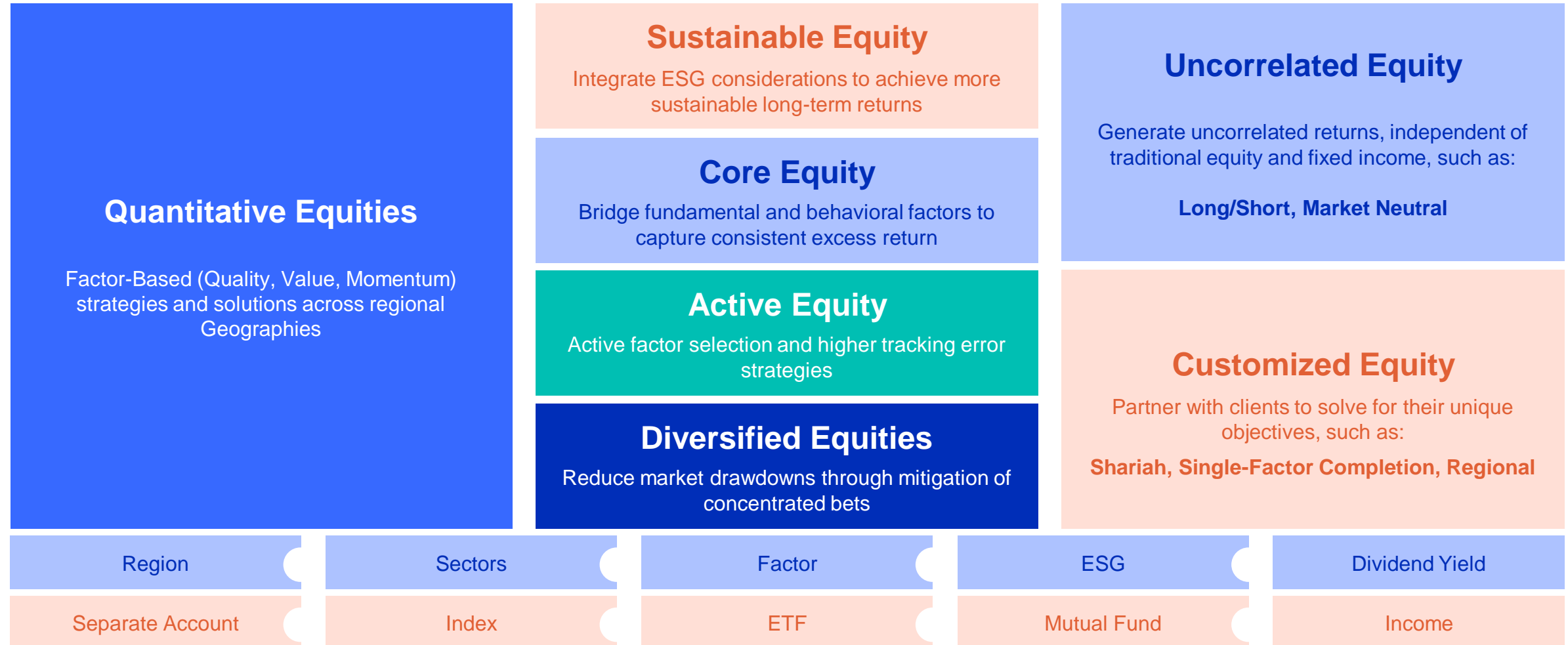
	Multi-Asset Allocation	Equity	Alternatives
	Portfolios managed according to risk tolerance and return expectations	Systematic, factor-based approach	Diversified hedge and private strategies
Strategy	Target Date, 529*, Target Risk, Goals-Based, SAA	Smart Beta, Active Quant, Fixed Index Annuities	Transparent Hedge Strategies, Custom Portfolios
	Can be delivered via: Funds / Sub-advised, Separate Accounts, Models, Digital, Indices and Strategic Advice		
Assets	\$71B	\$34B	\$10B
	Centralized Research Agenda	Actionable Thought Leadership	MosaicQ [™] Investment Platform

Data - As of Dec 31, 2025. Risk Based Asset Allocation Product View represents AUM & AUA total net assets ex intra investing which excludes cross investments and separate account sleeves. Systematic Product View represents AUM/AUA net assets and includes \$9.8 billion in cross investments (\$3.2 billion) and separate account sleeves (\$6.7 billion) that are included in multi-asset mandates.. *A 529 plan, also called a qualified tuition program, is a [tax-advantaged](#) investment vehicle in the United States designed to encourage saving for the future higher education expenses of a designated beneficiary.

Customized Factor-based Equity Strategies



Flexibility to customize portfolio construction to meet unique client considerations



This discusses ESG capabilities available at FTIS; however, not all strategies at FTIS have ESG-oriented objectives or utilize these capabilities.

People & Expertise



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Global Active Quant Capabilities

01

US 65%, DM* ex US 20%,
EM* 15%

02

Coverage of ~8500 Stocks
Across 46 Countries

03

Expertise across Region,
Sectors, Factors, ESG*,
Dividend yield, Passives, Mutual
Fund and Income products

04

AUM of \$34 Bn
(INR 3 Lac Crs.)
in Quant Strategies

05

Managing 70 global Quant
based Equity Mandates

06

4 Member Dedicated
AI Research Team

07

14 Technology
Solution Specialists

08

~162 years Cumulative
Investment Experience

09

Experienced (20+ years)
Fund Management Team

Macro Model - Investment process



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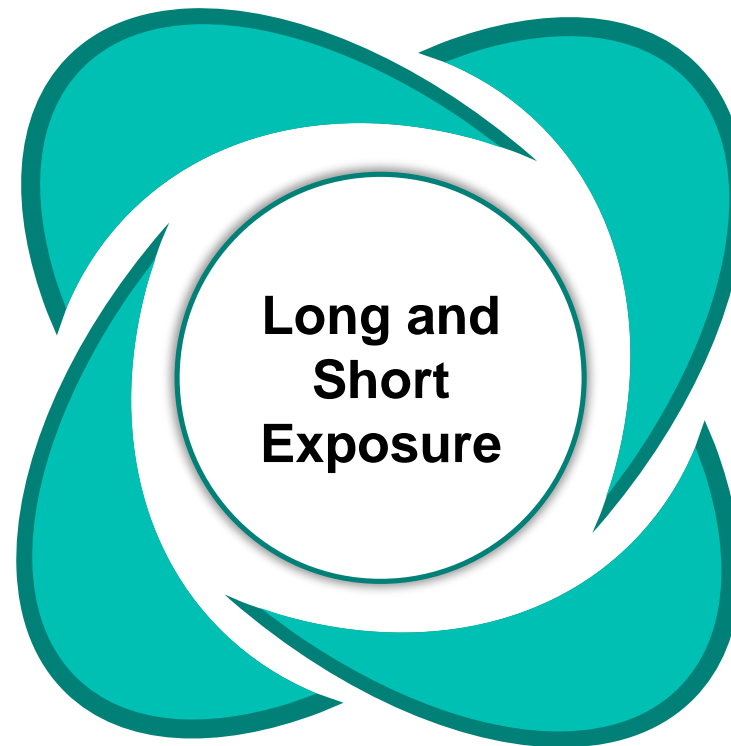
Model to predict Long and Short exposure – given leverage is not available. Model uses trailing and forward-looking indicator to predict market breadth.

Growth

High growth gives more opportunity to participate in rally and vice a versa

Valuation

Rich valuations imply muted forward returns and increased shorting potential



Inflation

Periods of high inflation are typically followed by weaker market performance, offering opportunities to capitalize on overvalued stocks through short exposure

Street Expectation

Give forward looking view of the market
When the street turns bearish, it reflects deteriorating expectations, which typically align with lower future returns and increased short potential.

Investment Process – Our Proprietary Model

Curated Funnel based approach



Long (75 – 100%)

- Positive Macro Outlook
- Bullish Street Sentiment
- Attractive Valuations

Short (0-25%)

- Negative Market Outlook
- Bearish Street Sentiment
- Valuations are expensive

Broad Investable Universe – Nifty 500 Companies

Quality		Innovation		Value		Sentiment		Alternative		Stock for Shorting	
Balance Sheet Strength	Profitability	Future Growth	Innovation	Value	Cash Flow	Expectations	Behavioral	Short Interest	Implied Volatility	Weak Factor Scores	Bearish Expectations
<ul style="list-style-type: none"> • Return on Assets • Capex Coverage • Accruals • Leverage • Governance 		<ul style="list-style-type: none"> • R&D • Growth • Innovation 		<ul style="list-style-type: none"> • Price Multiples • EV Multiples • Free Cash Flow • Shareholder Yield 		<ul style="list-style-type: none"> • Price Momentum • Earnings Momentum 		<ul style="list-style-type: none"> • Implied Volatility • Short Interest 		<ul style="list-style-type: none"> • Poor Fundamentals • Poor Governance • Overvalued relative to Peers • High Volatility 	<ul style="list-style-type: none"> • Weak Earnings Sentiment • High Put to Call Ratio

Peer Groups

Sector	Size	Risk	Style
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Final Stock Scores (Long – Best Scores & Short – Worst Scores)

Capital Allocation | Portfolio Construction | Risk Management • Portfolio Targets

Optimize Trading execution and operational costs

Liquidity and Cash Management

Trade Final Portfolio (Long and Short)

Our process is dynamic and subject to change.

Long-Short Factor Model using Quant strategy

How the model incorporates factor-based insights in its investment approach



Our 40+ Leading and lagging indicators provide a comprehensive and nuanced evaluation of a stock's attributes

Factors	Factor Definition Overview	Our definition aims to capture stocks with	Indicative key metrics
Quality	<ul style="list-style-type: none"> A robust definition of Quality rooted in traditional financial statement analysis 	<ul style="list-style-type: none"> High profitability Strength of balance sheets from a debt quality perspective Efficiency in use of assets and low volatility of earnings 	<ul style="list-style-type: none"> Return on Assets Gross Profit to Assets Capex Coverage Accruals Leverage Innovation
Value	<ul style="list-style-type: none"> Applies a blend of valuation metrics to different sectors 	<ul style="list-style-type: none"> Value helps to identify companies that are both attractively valued and poised for strong performance 	<ul style="list-style-type: none"> Price Multiples EV* Multiples Free Cash flow Shareholder Yield
Sentiment (Momentum)	<ul style="list-style-type: none"> Applies metrics to capture market and financial momentum 	<ul style="list-style-type: none"> Positive catalysts to avoid value traps Improving trends relative to peers 	<ul style="list-style-type: none"> Price Momentum Earnings Momentum EPS* Breadth EPS Revision Yield
Alternatives	<ul style="list-style-type: none"> Look for signals from alternative sources 	<ul style="list-style-type: none"> Attractive attributes when evaluated using non-financial data sources or using non-traditional techniques 	<ul style="list-style-type: none"> Annual reports & filings Options & Short Interest

Source – FT Quant team Internal process. The process is dynamic and subject to change subject to approval and due diligence from the management

* EV – Enterprise Value, EPS – Earning per share

Return Generation Opportunities



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01

Stock Allocation and Selection – depending on the market outlook

02

Various Derivative strategies such as covered calls, options strategies etc.

03

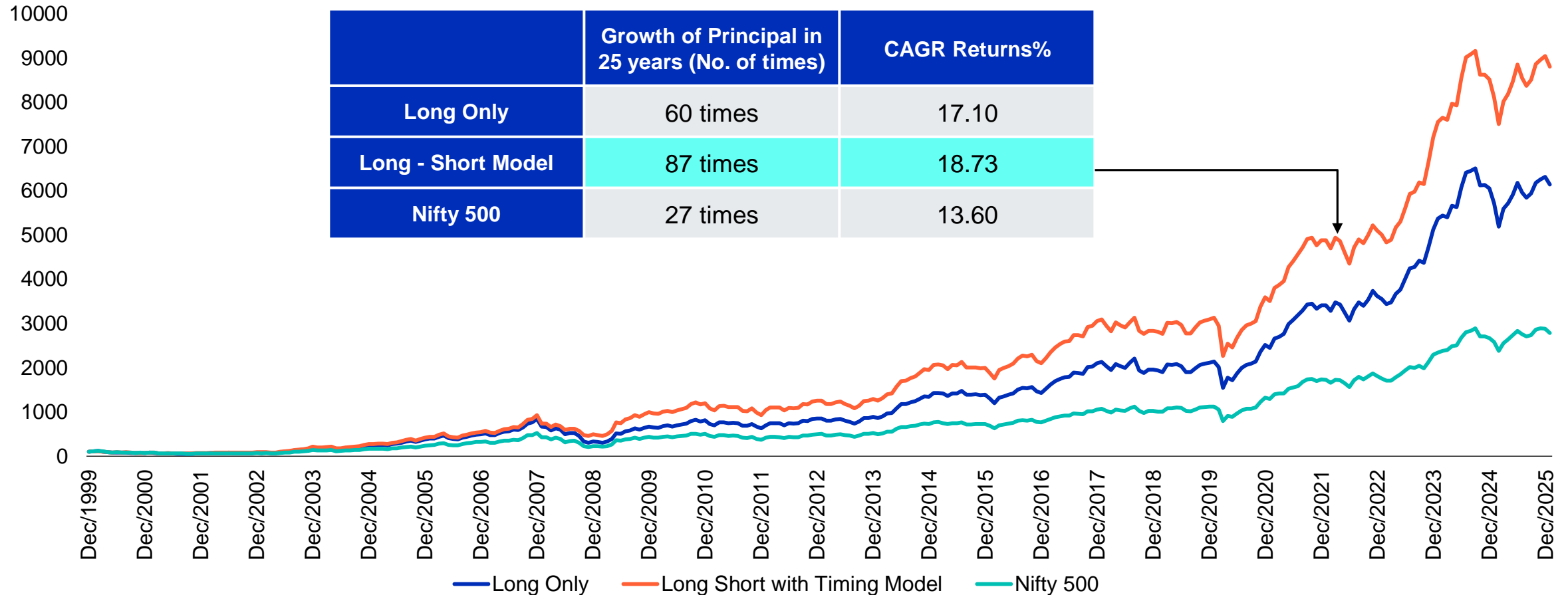
Investments in IPOs/ QIPs/ Block/ Buyback or other securities as permitted by SEBI

04

Carry based Debt securities (Corporate Bonds, CPs, CDs etc.) – Performance only considers Treasury Bills returns

Cumulative Returns Over 25 Years

Theoretical Results: Period Dec 1999 to Jan 2026



Period – 30 Dec 1999 to 31 Jan 2026. Source – Factset, Bloomberg. The returns are Net Returns. TER of 200 bps has been considered for the calculation. Long only resembles existing inhouse model where the strategy only can take Long position. This is only for comparison purpose and does not involve financial advice. Past performance may or may not be sustained in future and is not a guarantee of any future returns. All information contained in this slide is for illustration purpose only to show how quant model function. The model performance is derived based on back tested result considering multiple factor-related parameters and are based on Theoretical testing of the proposed investment strategy for the fund and has been calculated using historical data. Hypothetical results have inherent limitations and actual results may materially differ. The back tested result does not in any way indicate the NAV, performance of the Scheme and is not indicative of future results. The actual model and the Investment Strategy portfolio shall be constructed based on the provisions in the Investment Strategy Information Document.

Model Back-Testing Results

Theoretical Results: Across Bear Market Scenarios following Recovery



	From	To	Long-Short Model (%)	Nifty 500 (%)	Excess Return (%)	Upside	Downside
Dot-com bubble	Apr-00	Oct-02	-25.67	-44.35	18.68		
Recovery Post Dot-com bubble	Nov-02	Dec-03	172.40	128.96	43.44		
Full Market Cycle	Apr-00	Dec-03	102.48	27.42	75.06	103.5	73.41
Global Financial Crisis	Jan-08	Feb-09	-51.08	-59.90	8.81		
Recovery Post GFC	Mar-09	Oct-10	168.49	139.96	28.53		
Full Market Cycle	Jan-08	Oct-10	31.34	-3.77	35.11	99.67	77.93
EU Debt Crisis	Jan-11	Dec-11	-22.58	-26.40	3.82		
Post EU Debt Crisis	Jan-12	May-13	32.80	32.27	0.53		
Full Market Cycle	Jan-11	May-13	2.82	-2.64	5.47	93.59	85.75
Pandemic	Jan-20	Mar-20	-26.68	-28.87	2.19		
Post Pandemic Recovery	Apr-20	Oct-21	118.03	119.17	-1.13		
Full Market Cycle	Jan-20	Oct-21	59.86	55.88	3.97	99.28	92.2

Source: Factset, Bloomberg. The returns are Net Returns. TER of 200 bps has been considered for the calculation. Past performance may or may not be sustained in future and is not a guarantee of any future returns. All information contained in this slide is for illustration purpose only to show how quant model function. The model performance is derived based on back tested result considering multiple factor-related parameters and are based on Theoretical testing of the proposed investment strategy for the fund and has been calculated using historical data. Hypothetical results have inherent limitations and actual results may materially differ. The back tested result does not in any way indicate the NAV, performance of the Scheme and is not indicative of future results. The actual model and the Investment Strategy portfolio shall be constructed based on the provisions in the Investment Strategy Information Document.

Why Invest in Sapphire Equity Long-Short SIF



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01

Long-Short Strategy

Exposure to Short position could help cushion during market downturns

04

Proprietary Differentiated Model

Factor diversification and comprehensive model used for stock picking

02

Volatility Management

Increasing Naked Short position may potentially help mitigate downside risk during bear markets and periods of heightened volatility

05

Risk Controlled

Constructed with a focus on key risk parameters to maintain balance and aim to minimize downside risk.

03

Multiple Factors

Mix of 4 Factors under single umbrella with an aim to cover different business cycles

06

Data Driven Investment Model

Leverages quant-based model which is developed by the global team.

Fund Information





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SIF Category	Equity Long-Short SIF
Strategy Type	An open-ended equity investment strategy investing in listed equity and equity related instruments including limited short exposure in equity through derivative instruments
NFO Period	Open – 10 th April 2026 Close – 24 th April 2026 Allotment – 29 th April 2026 Reopen - 4 th May 2026
Managed by	Arihant Jain
Minimum Amount	Rs. 10 Lakh (First Time) and multiples of Rs. 10,000 thereafter
Benchmark	Nifty 500 TRI
Plans/Options	Growth and IDCW
Exit Load	1% if units are redeemed within one year of allotment, NIL thereafter
Subscription/ Redemption	Daily (Business hours)

Product Labels



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Fund Name	<p style="text-align: center;">This product is suitable for investors who are seeking* (level of risk) *Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>		
	Product Labelling	Risk band – Sapphire Equity Long- Short SIF	Benchmark Risk Band – NSE 500 TRI (As applicable)
<p>Sapphire Equity Long-Short SIF</p>	<ul style="list-style-type: none"> • Long term capital appreciation • Investment in equity and equity related instruments including limited short exposure in equity through derivative instruments 		

The above mentioned risk band assigned during the New Fund Offer (NFO) is based on internal assessment of the characteristics of the investment strategy or model portfolio and the same may vary post NFO when the actual investments are made.

Disclaimer



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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**



Franklin Templeton Asset Management (India) Pvt. Ltd.
12th and 13th floor, Tower 2, One Internation centre,
Elphinstone West, Mumbai, 400025, Maharashtra, India
Tel: 91 22 6751 9100
franklintempletonindia.com



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Thank You!