PORTFOLIO FACT SHEET: Q1 FY27

UNIFI UMBRELLA AIF – UNIFI BLEND FUND 2

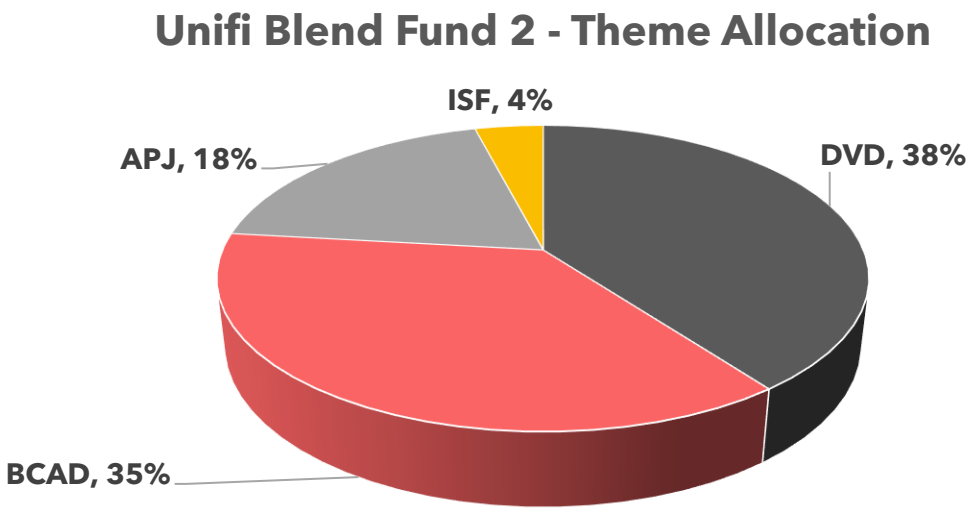
Unifi Capital Private Limited
Unifi Umbrella AIF: SEBI Reg no. IN/AIF3/21-22/0872

Background

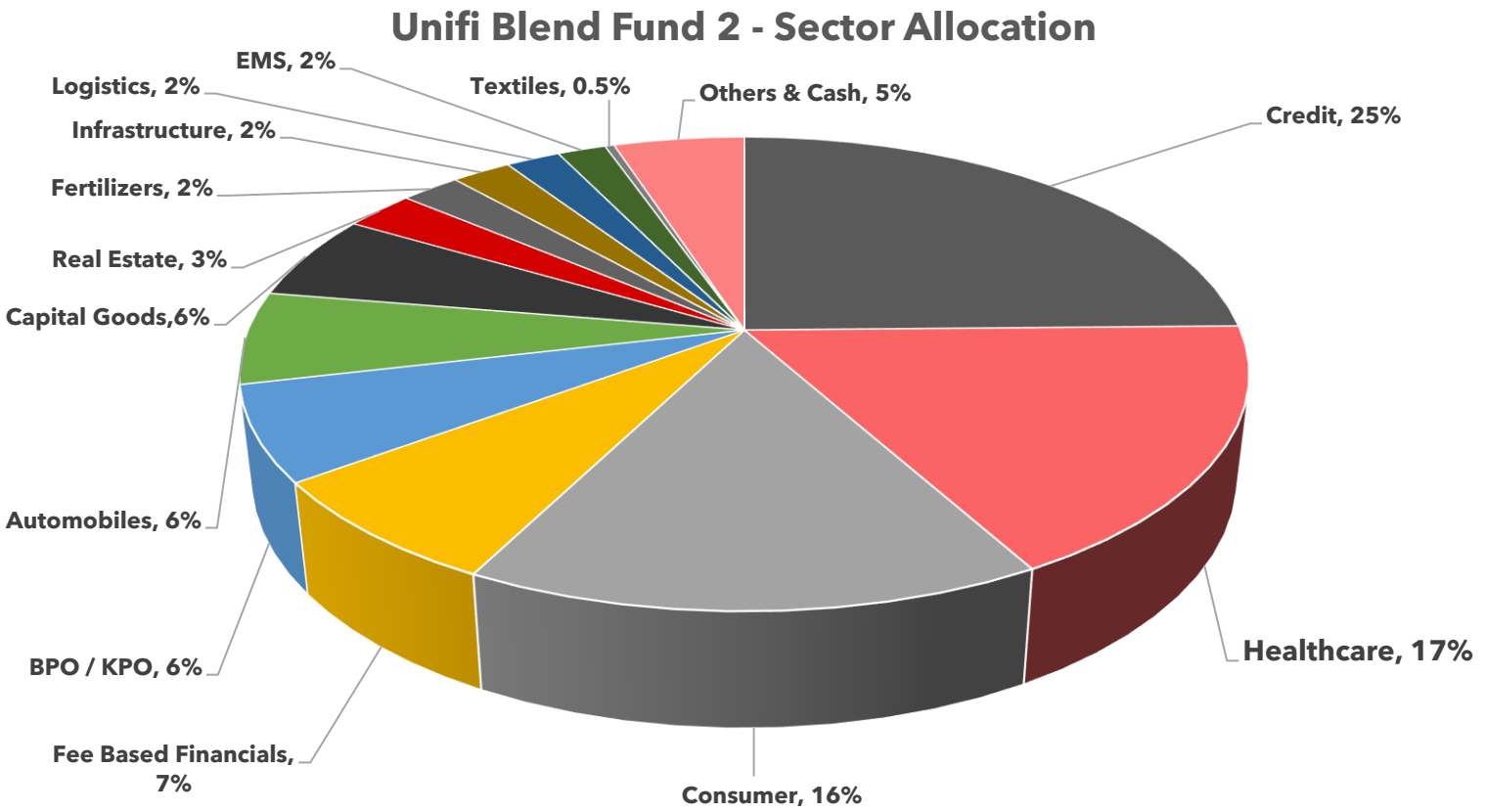
The Unifi Blend Fund 2 continues to draw from the best opportunities across all of Unifi's investment themes. The fund has the flexibility to invest in stocks across diverse sectors, themes, and market capitalization. The fund's holdings are well diversified and poised to benefit and consolidate their position and deliver industry-leading growth. We have trimmed exposure in a few names that have performed significantly well and redeployed the cash generated in firms that offer a better risk/reward proposition.

	Unifi Blend Fund 2
Launch Date	01st June 2021
Scheme AUM	INR 27.01 bn
Firm AUM	INR 195.63 bn
Investment Manager	Unifi Capital Private Limited
Investment Manager's Commitment	INR 100 million
Investment Manager's Additional Investment	INR 220 million
Investment Manager's Total Investment	INR 320 million
Minimum Investment	INR 10 million
Custodian	Axis Bank Limited
Auditors	M/s. Walker Chandiok & Co LLP
Lawyer	IC RegFin Legal Partners LLP

The strategy wise composition of the UNIFI BLEND Fund 2 is as below:



The sector wise composition of the Unifi Blend fund 2 is as below:



The following annexure presents a brief on our top holdings:

Company	Brief background and Investment rationale
Redington	Redington is a global distributor of Information, Communication, and Technology [ICT] products across 40 countries. It covers the entire gamut of IT products and smartphones, offering services and solutions across managed, cloud, and logistics services. The company partners with over 450 brand associations and services more than 73,000 channel partners. Redington reported revenues of Rs. 34,923cr, an increase of 35% YoY. This growth was driven by all major regions, with India experiencing a 63% YoY increase and geographies [outside India] growing by 16% YoY. The Middle East accounts for 30% of the company's topline, and the company is witnessing a short-term disruption in demand as corporates have postponed their purchasing decisions due to the West Asia crisis. Gross margins were down to 4.8% YoY due to intense competition in the technology solutions segment, a higher mix of mobile phones, and the execution of large data centre deals, which are lower-margin.EBITDA increased by 77% YoY to Rs. 708cr, as the company successfully managed its collections, leading to a reduction in receivable provisions from Rs. 101cr to Rs. 52cr YoY. Overall, the company reported a PAT of Rs. 486cr, up from Rs. 275cr last year, translating into 76% YoY growth. From a capital allocation perspective, the company's return ratio is healthy at 18% RoE, and it continues to pay out 30% of its PAT as dividends, resulting in a dividend yield of 2.2-2.5%. We like Redington, given that it is amongst the top 2 ICT distributors in its markets. The company's dominant position and financial strength provide it with a significant competitive advantage in a business with high barriers to entry. Redington has established a strong services business in third-party logistics and the high-margin cloud business. Redington's broad portfolio and relationships with vendors across various segments enable balanced growth and reduce vendor concentration. Redington has consistently demonstrated robust risk management practices across multiple cycles, effectively managing credit, inventory, and currency risks. A significant shift in consumer and enterprise behaviour has driven higher demand for advanced computing, leading to shorter product life cycles and the adoption of premiumization. This tailwind benefits

	Redington. Key risks include a higher-interest-rate environment, delayed margin recovery, and slowdowns/delays in the high-margin enterprise business.
Bank of Baroda	BoB reported PAT of Rs.1,278cr in Q1 FY27 (vs Rs.4,541cr in Q1 FY26), impacted by a one-time Rs.5,680cr settlement with the NMC group routed entirely through the P&L with no prior provision. Excluding this, PAT would have been Rs.5,539cr. Advances declined 0.9% QoQ but grew 17.6% YoY. Domestic corporate loans fell 6.5% QoQ (up 15% YoY) while retail/MSME grew 2.2–2.3% QoQ. Deposits fell 0.9% QoQ and grew 13.8% YoY. CD ratio stood stable at ~85.4%. Management maintained its loan growth guidance of 12–14% and deposit growth guidance of 10–12% for FY27. NIM declined ~12bps QoQ to 2.77%; however, excluding the income tax refund benefit that boosted Q4FY26 margins, core margins were largely stable QoQ. Management reiterated its NIM guidance of 2.75–2.95% for FY27. Management suggested reading margin movement alongside NII growth. The bank's international advances book is a low-margin segment at ~1.7%. This book accounts for ~19% of the loan mix, the highest proportion among PSU peers, and expanded by 23% YoY. In this context, NII growth of 9.5% YoY was broadly comparable to that of large PSU and private peers. Core fee income fell 20% YoY to Rs.1,291cr, partly offset by a rise in PSLC income to Rs.280cr (vs Rs.53cr in Q4 FY26). Cost-to-assets stood at 1.56% vs 1.52% in Q4 FY26. GNPA rose 10bps QoQ to 1.99%, and NNPA rose 5bps to 0.50%. Gross slippages improved to 97bps (vs 103bps in Q4 FY26) and credit cost fell sharply to ~18bps (vs 35bps in Q4 FY26). PCR stood at 75% vs 77% in Q4FY26, and SMA I & II improved to 7bps from 18bps. Management reiterated its guidance of 1–1.25% gross slippage and sub-60 bps credit cost for FY27. On the ECL transition (effective FY28), management expects a ~5% net worth impact, amortised over five years. Key risks include slower-than-expected loan growth or margin recovery, adverse asset-quality/one-off surprises (litigation, ECL transition), and potential treasury volatility.
Sagility	Sagility is a pure-play, US-focused healthcare process services provider, which operates in a large and underpenetrated ~USD 45 billion market, benefiting from ongoing digitisation and efficiency-led transformation. The company offers one of the industry's broadest service portfolios, managing mission-critical workflows for insurers (close to 90% of revenue) and increasingly for hospitals and provider networks. It has a diversified global delivery footprint across India, the Philippines, the Caribbean, and the US. Sagility stands to benefit from the structural expansion of US healthcare spend (17%+ of GDP), alongside ~8% industry growth in healthcare operations and technology services. Rising regulatory complexity and cost pressures are driving sustained outsourcing demand, while deep client relationships, averaging 17 years with its top five customers, provide strong revenue visibility. With a largely non-discretionary revenue mix, the company has visibility of sustained growth, improving margins, potential deleveraging by FY27, and high-teens earnings compounding. In an industry conducive to consolidation, Sagility is well positioned to gain incremental wallet share as clients consolidate vendor relationships toward scaled, proven partners. Sagility delivered a Q1 FY27 performance broadly in line with guidance on both revenue and margins. USD revenues stood at USD 208mn, up 15% YoY in CC terms, and almost entirely organic. INR revenues grew 28% YoY to Rs. 1,964cr. Sequentially, revenues declined 6% (INR: -3%), but this is purely seasonal — Q3/Q4 carry the open-enrolment bump, and Q1 is structurally the softest quarter. Growth remains broad-based, led by sustained momentum in top accounts with a modest incremental contribution from newly onboarded clients. EBITDA came in at Rs. 438cr, up 27% YoY but down 10% QoQ; EBITDA margin was 22.3%, down ~20bps YoY and ~160bps QoQ, as the seasonal revenue decline and the annual wage-hike cycle weighed on margins, partly offset by rupee depreciation. Adjusted PAT grew a strong 53% YoY to Rs. 228cr, though down 12% QoQ in line with the margin move. The outlook remains intact. Client momentum continues to build as active clients rose to 109 (from 82 at FY26-end), with Top 3/5/10 concentration holding steady at 60%/70%/84%, meaning

	growth is broadening rather than concentrating. Deal pipeline remains healthy, with ACV deal wins of USD 35mn in the quarter, the strongest in the last five quarters, giving comfort on sustaining double-digit organic growth through FY27. The recently announced CareSeed acquisition adds HEDIS reporting and risk-adjustment capabilities focused on mid-market health plans and is expected to contribute ~50bps of incremental FY27 revenue; alongside BroadPath, it has added over 55 new small/mid-sized clients, with 6-7 active cross-sell conversations already underway. Sagility remains on track to be debt-free by FY27, after which free cash flow is expected to be redirected toward further bolt-on acquisitions focused on domain-capability expansion and client access. The broader industry outlook remains constructive, with continued outsourcing momentum from US insurers amid rising efficiency and compliance requirements. While pricing discussions may remain tight, management remains confident of mitigating pressure through automation, AI-led productivity gains, and disciplined cost control. Key Risks: Slowdown in IT spending by enterprise clients.
M&M	M&M reported a resilient Q1 FY27, with outcomes better than feared given geopolitical tensions and commodity inflation. Auto volumes recovered in June after April–May labour and supplier constraints, while EBIT margins compressed to 7.1% as commodity inflation ran at 400–500 bps and hedging losses added ~85 bps. Management has implemented cumulative ~4% price hikes (1.5% + 2.7%) and expects Q1 to be the margin trough, with price recovery lagging but visible if commodity prices stabilize. The EV business (MEAL) is meaningfully profitable, posting ~5% EBIT margin. While PLI expires in FY28, management expects EV penetration to rise from 13% to 20–25%, enabling better pricing and cost efficiency. They anticipate being able to charge a 5–7% premium for EVs over time as word-of-mouth and TCO acceptance improve, while supplier scale should lower costs. The tractor business delivered strong volume (+18% YoY), modest ASP growth (+1% YoY), and an EBIT margin of 18.5% (down 130 bps YoY) amid ~300 bps of commodity cost pressure. Margins in Q2 may be weaker due to unhedged steel and rubber costs, along with a shift in the festival season to October 11 (which falls in Q3). This could reduce operating leverage in Q2. However, there has been an improvement in rural sentiment following the monsoon. Kharif sowing is currently only 4% lower compared to the same period last year, which supports a recovery expectation starting in Q3. Regarding supply chain and capacity, management noted that April–May production was impacted by labour shortages and supplier constraints, which normalised in June. Capacity stood at 56,500 ICE and 8,000 EV at the end of Q4FY26, with an additional 3,500 ICE capacity. Key monitorables remain: commodity price trajectory and pass-through timing; EV margin sustainability and PLI policy signals; Tractor demand durability through the Q2 festival shift and Q3 recovery; and execution of the additional 3,500 ICE capacity by end-H2.
Narayana Hrudayalaya	The India business has reported 16.1% YoY revenue growth to Rs. 1,296cr and 36% YoY EBITDA growth. Strong growth came from the hospitals segment, which continues to do well on ARPOB and margins. ARPOB grew 9% YoY to Rs. 52,603cr, and EBITDA Margin expanded 400bps to 23.5%. In the clinics/insurance business, losses rose to Rs. 33 cr in the quarter as the company added more corporate clients in the insurance business. Although losses in the insurance business will continue, strong growth in the hospitals business should ensure the India business delivers high growth. The company will commission new hospitals over the next 2 years, which should provide medium-term growth visibility. The Cayman hospital business saw 5% YoY growth, with revenue of USD 45Mn, as the new hospital continues to scale up. The insurance business reported revenue of USD 15Mn this quarter, with losses declining to USD 3.7Mn. The hospitals business continues to deliver a stable margin profile, while insurance losses will continue to decline as contracts are repriced. The UK business was weak this quarter, given the strong heat wave impacting execution.

	At the consolidated level, the company reported PAT of Rs.226cr, up 6% YoY from Rs.197cr in Q1FY26. New ventures losses will remain in the short term; however, we are below peak losses. The hospitals business will continue to grow well in all the geographies. Key Risks: Delay in Capex, delay in UK turnaround and government interference in pricing.
Marksans Pharma	Marksans Pharma reported a strong Q1 FY27, with revenue growing 35.6% YoY to Rs.841cr. Adjusting for the QliniQ acquisition, which contributed ~Rs.44cr of revenue during the quarter, organic growth stood at ~29% YoY. EBITDA more than doubled by 113% YoY to Rs.213cr, while PAT surged 174% YoY to Rs.159cr. EBITDA margin expanded sharply by ~920 bps YoY to 25.3%. However, the strong YoY growth needs to be viewed against a weak Q1 FY26 base, which was impacted by pricing pressure in the UK, a Rs.10cr ECL provision related to an Iraq customer and negative operating leverage. Gross margin improved by ~140 bps YoY to 59.1%, supported by a favourable product mix, lower-cost inventory and favourable forex movements. Employee costs increased 16% YoY, while other expenses remained relatively well controlled. Other income increased sharply to Rs.25cr from Rs.6cr in Q1 FY26, providing an additional boost to profitability. The effective tax rate moderated to ~22.7% from 23.8% in the year-ago quarter. By geography, the USA grew 15% YoY to Rs. 377cr (down 7% QoQ, as Q4 is seasonally the strongest quarter for the region), supported by a healthy order book and new launches, with generic pricing erosion staying in single digits; winter demand is expected to pick up from Q2–Q3. UK & Europe delivered its highest-ever quarterly revenue of Rs. 356cr, up 75% YoY (+16% QoQ) — growth aided by a low base as well as the consolidation of QliniQ, with management targeting 200+ product filings over the next four years. Australia/NZ grew 54% YoY to Rs. 88cr, though down 28% QoQ given Q4's structural seasonal strength (Southern Hemisphere winter). RoW revenue declined 38% YoY to Rs. 20 cr due to supply disruptions caused by the Middle East crisis. During the quarter, two European acquisitions were finalised: QliniQ (Netherlands) - Acquired on June 1, 2026, for €7.5 million (about Rs. 85 crore). QliniQ specialises in women's health, dermatology, and respiratory care. It reported €9.4 million in revenue and €1.0 million in profit after tax for CY25, growing at a 41% CAGR from CY23 to CY25. In its first quarter post-acquisition (effective April 2026), it contributed Rs. 44 crore in revenue. ABCnow GmbH (Germany): This OTC wholesale and distribution platform was acquired in July 2026 for €0.9 million (approximately Rs.10cr) and will be consolidated from Q2 2027. Management aims to reach around Rs. 1,000 crore in European revenue over the next five years, supported by further acquisitions. The expected product mix is 85-90% generic/OTC, with EU margins matching or exceeding those of the US business. With a robust presence in over 50 countries, including key markets such as the United States, the United Kingdom, Australia, and New Zealand, the company offers a diverse portfolio of over 300 products across therapeutic segments including pain management, cardiovascular, central nervous system, anti-diabetic, and gastrointestinal treatments. Marksans operates state-of-the-art manufacturing facilities in India, the UK, and the US, all compliant with stringent international regulatory standards such as the US FDA, the UK MHRA, and Australia's TGA. The company's strategic focus on quality assurance, cost-effective production, and strong R&D capabilities has positioned it among the top Indian pharmaceutical firms in the UK market. Under the leadership of CEO Mark Saldanha, Marksans continues to expand its global footprint through strategic acquisitions and partnerships, reinforcing its commitment to delivering affordable healthcare solutions worldwide. Key Risks: Regulatory Risks; Higher API and KSM prices; Inability to scale up from the newly acquired entities
Karur Vysya Bank	KVB reported PAT of Rs.756cr in Q1 FY27 vs Rs 521cr in 1Q FY26. Loan book grew 6.0% QoQ and 17.0% YoY, led by growth across business segments. Gold loans, which contributed ~30% of the loan mix, grew 6.4% QoQ and 26.5% YoY, and accounted for ~43% of incremental loan growth on a YoY basis. The internal threshold for gold loans is 32%, against a current share of ~30%, leaving a 200bps headroom. Commercial loans grew 6.4% QoQ and 12.8% YoY. Management indicated that MSME growth of ~18% YoY remains achievable despite the slowdown seen in Q4 FY26.

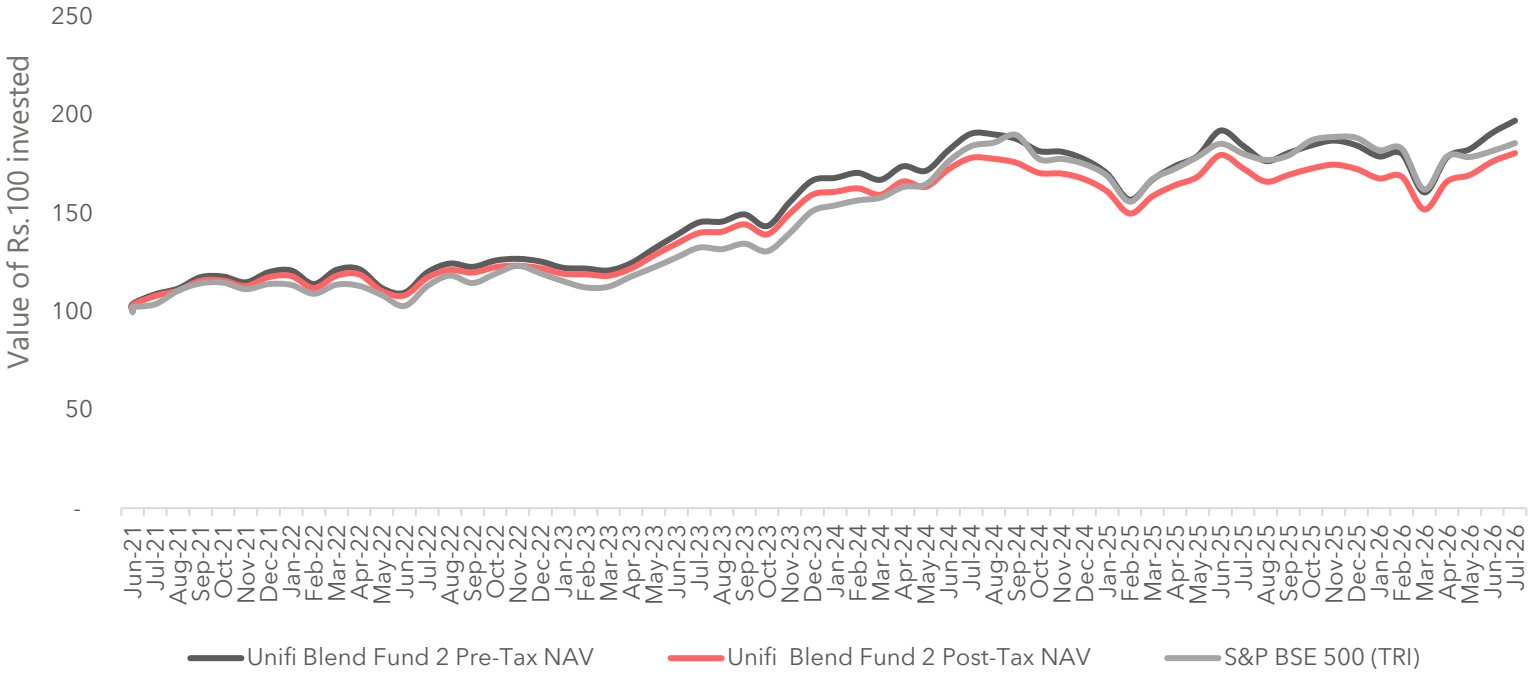
	Corporate loans stood at 14% of the loan mix, and management indicated that any further growth in this segment would remain selective and risk-calibrated. Deposits grew 6.0% QoQ and 14.9% YoY. CD ratio stood at 84.9%. Management maintained its guidance of growing 100-200bps above system loan growth. NIM remained broadly stable at 4.26% in Q1FY27, up 1bp QoQ, despite earlier guidance of a gradual decline in margins. Management maintained its NIM guidance of 3.75-3.80% for FY27, down from 3.97% in FY26. Management expects asset yields to moderate by ~10bps in Q2 FY27 amid rising competitive intensity, while NIM is expected to remain above 4% during the quarter. Fee income, which constitutes 15% of total income, declined 3.6% QoQ and grew 7.6% YoY. Cost-to-assets remained broadly stable at ~2.19% in Q1 FY27 compared with 2.18% in Q4 FY26, adjusted for the reversal of pension/gratuity liabilities. GNPA and NNPA remained largely stable sequentially, and PCR was stable at ~75%. Gross slippages improved 22bps QoQ and net slippages improved 18bps QoQ to 56bps and 32bps respectively. Credit cost declined to 36 bps from 106 bps in Q4 FY26. Excluding the prudential provision of Rs.163cr made in Q4 FY26, credit cost in the previous quarter would have been ~38bps. Including this provision, the bank carries an overall contingent provision of Rs.363cr, or 35bps of the loan book. SMA 1&2 stood at 22bps versus 17bps in Q4FY26. Management guided that GNPA will be below 1.5% and NNPA below 1% for FY27. On the ECL transition, management indicated that the bank has adequate buffers and expects minimal impact from the one-time transition cost, while noting that it is too early to quantify normalised credit costs given their dependence on multiple factors. Key risks include a sharp correction in gold prices impacting growth, and margin/asset-quality pressure from competitive intensity in the MSME and corporate segment.
South Indian Bank	South Indian Bank reported PAT of Rs.378cr in Q1 FY27 vs Rs 322cr in Q1 FY26. Loan growth stood at 4.1% QoQ and 18.6% YoY, led by growth in the LAP and MSME segments. The corporate loan book grew 7.8% QoQ, as the bank capitalised on higher yields to deploy excess liquidity into short-term corporate loans. Management reiterated its strategic focus on increasing the share of Retail and MSME loans in the overall portfolio. Over the past year, ~49% of incremental loan growth came from gold loans, and excluding gold loans, the loan book grew 11% as of Q1 FY27. Deposits grew 2.0% QoQ and 11.4% YoY. CD ratio improved to 82% from 80% in Q4FY26. Margins improved 28bps QoQ to 3.23%, led by a 31bps sequential improvement in cost of deposits, along with a 5bps improvement in yields on advances. Margin improvement was also supported by an improving CASA mix and a decline in bulk deposits, which the bank has reduced by ~50% over the past year. Management indicated that from now on, margin expansion will be driven primarily by an improvement in the loan mix toward MSME and retail assets, along with a shift within the corporate portfolio toward higher-yielding exposures, as the benefit from deposit repricing is now largely behind. Operating expenses grew 13% QoQ and 4% YoY, as employee expenses normalized after a one-off reversal of Rs.80cr in pension and gratuity-related liabilities in Q4FY26. Excluding this one-off, operating expenses increased 1.6% QoQ and 3.9% YoY. The adjusted cost-to-income ratio improved to 57.9% from 61.5% in Q4 FY26, while cost-to-assets remained broadly stable at ~2.28%. The bank added 186 employees during the quarter, reversing a trend of sequential decline in the employee base over the preceding nine quarters. Management guided that operating costs are likely to increase from here on an absolute basis, while the bank continues to benefit from operating leverage. Gross NPA improved 5bps QoQ to 1.38%, and Net NPA improved 3bps to 26bps. PCR stood at 81% versus 80% in Q4 FY26. Gross slippages declined to 0.53% from 0.64% sequentially, while net slippages stood at 0.2% versus -0.1% in Q4FY26. Credit cost stood at 33bps versus 14bps in Q4FY26. Restructured book declined to 17bps from 19bps in Q4 FY26, while SMA I+II book stood at 0.75% versus 0.65% in Q4 FY26. Management guided that slippages and credit costs should remain manageable unless delinquencies rise unexpectedly due to the ongoing geopolitical conflict. Key risks include slower-than-expected RAM-led growth or margin improvement, and adverse asset-quality surprises.

Alivus Life Sciences	Alivus Life Sciences reported a steady consolidated quarter for Q1 FY27, with revenue growing 6% YoY to Rs. 640cr, while EBITDA and PAT grew sharply by 23% and 30% YoY to Rs. 212cr and Rs. 160cr, respectively, aided by strong margin expansion. The Glenmark Pharma (GPL) business declined 53% YoY to Rs. 72cr, reflecting inventory rationalisation at the customer end, while the non-GPL business grew 27% YoY to Rs. 568cr, now accounting for ~89% of the revenue mix (up from 65% in Q4'26). Within non-GPL, growth was volume-led (~21-22% volume, ~7% currency, ~1-2% price erosion), with chronic therapies at 74% of topline and CVS+CNS at 58%; generic API grew ~7% YoY while CDMO grew 5% YoY, with 5 ongoing revenue-generating CDMO projects and 7 new inquiries under evaluation showing strong US traction, and two new CDMO contracts under pipeline. Gross margins were strong at 60% (vs 55% YoY), led by new-launch contribution and yield/process efficiencies, driving EBITDA margins to 33.1% (vs 28.7% YoY), even as opex and employee costs grew at a steady 8% and 11% YoY, respectively. The market mix remains steady with regulated markets at ~83% of sales, and the core therapy mix continues to be steady [CVS, CNS]. The company generated free cash flow of Rs. 90cr in the quarter, taking cash and cash equivalents to Rs. 880cr as of 30th June 2026. On the HP API front, cumulative DMF/CEP filings rose to 617 in Q1 FY27 (from 611 in Q4'26), with the 29-product portfolio comprising 13 validated products and 7 in advanced stages of development. Multiple brownfield and greenfield plants are expected to commercialise in H2 FY27: Dahej's brownfield capacity of ~160kL is expected to be operationalised in Q3 FY27, Ankleshwar's 100kL in Q4 FY27, and Solapur's 465kL capacity (across two phases — Phase 1 of ~115kL and Phase 1.1 of ~325kL) is expected to come online in Q4 FY27 and Q3 FY27. With the divestment of the majority stake to Nirma Limited, the company will enter a new phase of growth. Under the new promoters, the company intends to significantly increase its investments while exploring the incorporation of new chemistry platforms, thereby increasing growth opportunities in the medium term. Alivus' focus remains on building a sizeable portfolio of low- to mid-volume, high-value APIs. Regarding its R&D efforts, the company endeavours to focus primarily on APIs that can be commercialised in the next 3-5 years. Key risks include continued customer concentration towards Glenmark Pharma (notwithstanding its declining mix share), a low extent of backward integration with high KSM sourcing from top suppliers, regulatory risks, execution risk on the Solapur/Ankleshwar/Dahej capacity ramp-up, and higher tariffs in the USA.
HDFC AMC	HDFC AMC reported core PAT of Rs 838cs vs Rs 748cr in Q1 FY26. Core PAT stood at Rs 636cr vs Rs 571cr in Q1 FY26, supported by AUM growth and favorable TER-led yield changes. QAAUM (Quarterly Average Assets under Management) grew 0.8% QoQ and 14% YoY, with equity AUM (ex-hybrid, 44.6% of AUM) growing 2.7% QoQ and 20% YoY. Equity AUM mix increased to 44.8% from 43.8% in Q4 FY26. Debt funds (11.6% of QAAUM) declined 7.6% QoQ and 6% YoY, while ETF funds (4.6% of QAAUM) grew 2.7% QoQ and 115% YoY. SIP flows for the company declined 1.4% QoQ and grew 20% YoY to ~Rs.48bn in June'26, compared with industry SIP flows that declined 1.0% QoQ and grew 17% YoY to ~Rs.318bn. SIP flows' market share declined 10bps QoQ to 15.1%. Despite the marginal 0.8% QoQ growth in QAAUM, revenue from operations grew 4.6% QoQ, largely due to changes in TER regulations. Yields increased 1.7bps QoQ, largely due to TER regulation changes that resulted in rationalization of distributor commissions across schemes. Equity yield stood at ~58bps versus 56bps QoQ, including index funds, with yield on active equity AUM at 60-61bps. Debt and liquid yields were stable QoQ at 28bps and unchanged, respectively. Operating expenses increased 20.5% QoQ and 26.5% YoY, driven by a 14% sequential increase in employee expenses and a 31% QoQ rise in other operating expenses. The increase in employee expenses was primarily due to annual salary hikes and included an ESOP charge of Rs.22.7cr for the quarter. The company revised its ESOP expense guidance upward to Rs.80cr for FY27 from Rs.63cr earlier. Other operating expenses grew 31% QoQ, primarily driven by higher CSR spending and increased IT-related expenses. Despite the sharp increase in operating expenses, EBITDA grew 0.7% QoQ and 10.2% YoY.

	HDFC Bank's share in the company's equity AUM has been gradually declining over the past few years, though management clarified that this reflects faster growth through other distribution channels rather than any loss of market share within HDFC Bank, with SIP contributions through HDFC Bank remaining healthy. The direct mix in equity AUM improved further to ~31%, driven by higher inflows through fintech platforms, RIAs, and large family offices. Management reiterated that the direct mix of equity AUM is expected to improve gradually over the medium- to long-term. Key risks include adverse capital market conditions, moderation in equity/SIP flows, and regulatory changes impacting TERs or distribution economics.
Fedbank Financial Services	FedFina reported PAT of Rs 114cr in Q1 FY27 vs Rs 75cr in Q1 FY26. AUM grew 5% QoQ and 35% YoY, led by Gold loans (53% of AUM), which grew 8% QoQ and 77% YoY. Gold tonnage grew 1% QoQ and 13% YoY. The company added 147 new gold loan branches over the past five quarters, taking the network to 631 branches, and plans to add 200 more branches in FY27, mostly gold loan branches. Gold loan AUM per branch improved to Rs.17.7cr, up 36% YoY, and the company intends to take this to ~Rs.20cr per branch. Gold loan LTV stood at 67% as of Q1 FY27, up from 61% in Q4FY26, primarily due to the decline in gold prices, and management indicated the company continues to operate at conservative LTV levels versus the RBI-permitted 85% ceiling for lower-ticket loans. Small Ticket LAP (19% of AUM) grew 3.3% QoQ and 5.1% YoY, with the company maintaining a cautious stance and tightened underwriting, while Medium Ticket LAP (28% of AUM) grew 5.2% QoQ and 22% YoY. Management guided to AUM growth of ~20-25% over the medium term. Spreads declined 40bps QoQ to 8.6%, led by a decline in yield on advances. Net Interest Income grew 6.6% QoQ / 39% YoY. Operating expenses declined 2% QoQ, aided by an 8% sequential decline in employee costs, though they were up 21% YoY. Cost-to-assets improved to 4.6% from 5.5% in Q4 FY26, and cost-to-income ratio improved to 53% from 57% in Q4 FY26, resulting in a 15% QoQ growth in operating profit. Management indicated cost ratios are likely to inch up over the next couple of quarters as branch expansion continues, while expecting some operating leverage benefit in FY27. Gross NPA improved 30bps QoQ to 1.6% and Net NPA improved 30bps to 1%, largely aided by write-offs. Gross NPA on mortgage loans (ST LAP & MT LAP) declined 40bps QoQ to 3.4%, while Gold loan NPAs were stable at 0.1%. Credit cost stood at 78bps versus 71bps in Q4 FY26. PCR on stage 3 loans increased to 38.4% from 32.3% in Q4 FY26. Stage 2 assets increased 50bps QoQ to 2.7%, led by higher defaults from gold loans following the RBI's change in LTV calculation methodology effective 1st April'26. Management guided that credit cost is expected to improve in FY27 compared with 80bps in FY26. Key risks include sharp correction in gold prices impacting AUM/asset quality, and slower-than-expected recovery in Small Ticket LAP growth.
Kotak Mahindra Bank	Kotak Mahindra Bank reported PAT of Rs. 4,123cr in Q1 FY27 vs Rs. 3,282cr in Q1 FY26. Loan growth was healthy at 3.3% QoQ and 15.2% YoY, led by growth across Corporate and SME segments, which grew 4.8% QoQ and 2.6% QoQ, respectively, while Retail loan growth was muted on a sequential basis. Unsecured loans grew 12% QoQ, led by higher growth across Credit cards, MFI and Personal Loans (excluding the Standard Chartered portfolio), and the unsecured mix improved to 9.7% from 8.9% in Q4FY26. Management reiterated its intent to continue growing ahead of the system, emphasising that growth will not be pursued at the expense of profitability or prudence, and remains committed to increasing the share of unsecured loans to ~15% over the next couple of years. The bank continues to guide to loan growth of 1.5-2.0x nominal GDP growth. Reported margins declined 14bps QoQ to 4.53%; however, excluding the one-off day-count benefit in Q4 FY26, margins were flat sequentially. Management refrained from providing margin guidance for FY27, citing the evolving macro environment, while reiterating its commitment to delivering profitable and responsible growth. Fee income, which constitutes 22% of total income, declined 9.6% QoQ and grew 11.2% YoY. Operating expenses were flat on an absolute basis, with employee expenses growing 7.3% QoQ, reflecting annual increments and higher retirement benefit costs. The cost-to-assets ratio improved further during the quarter, and management reiterated that operating leverage will continue to play out for the bank.

	Gross slippages and net slippages increased 22bps and 33bps sequentially to 1.07% and 0.61% respectively, largely due to seasonally higher delinquencies in the commercial vehicle and tractor finance portfolios. However, the bank continued to see improvement in collections within the commercial vehicle segment. Management reiterated that stress in the unsecured segment is behind, and characterised the current period's slippages as reflecting the seasonal impact of Q1. Credit cost increased to 53bps from 42bps in Q4 FY26. RoA stood at 2.12% versus 2.13% in Q4 FY26. Key risks include slower-than-expected loan growth or margin recovery, and adverse asset-quality surprises.

Investment Strategy NAV [as of 31st July2026]



Key Portfolio Metrics

It is important to note that each investment in the fund has been made on its own merit, and the portfolio characteristics are merely a by-product of the process. In sync with Unifi's philosophy, the aggregate portfolio has low leverage, demonstrates potential for strong earnings growth, and has reasonable valuations.

Valuation Parameters* (As on 27th Aug 2026)	FY2027E	FY2028E
P/E Ratio	21.5x	17.7x
Earnings Growth	18.3%	18.2%
Debt Equity Ratio	0.1	0.1
ROE %	17.5%	18.4%
PE/ Growth Ratio	1.1	

**Adjusted for one-off to make figures representative.*

We are continually monitoring the environment for any opportunities that have the potential to materially improve the portfolio composition. We will be writing to you again after the 2nd quarter results of FY27.

In closing, we encourage you to write to us or your relationship manager for a detailed review of the portfolio and understanding of our proposition in greater granularity.

Annexures:

Financial Details of Top Portfolio Companies

Unifi BLEND Fund 2	Market Cap (Rs. cr)	PBT (Rs.cr)		YoY (%)	PAT (Rs. Cr)		P/E	ROE	Portfolio Weight
Company	27th Aug 2026	Q1 FY26	Q1 FY27		FY26	FY27e	FY27e	FY27e	27th Aug 2026
Redington	27,767	305	611	100%	1,572	2,048	13.6	15%	10.00%
BOB	1,23,327	6,270	1,804	-71%	20,021	21,683	5.7	13%	7.00%
Sagility	20,320	210	303	44%	951	1,119	18.2	11%	6.50%
M&M	3,25,512	4,471	4,776	7%	12,752	14,280	22.8	21%	6.30%
Narayana Hrudayalaya	38,238	232	262	13%	939	1,080	35.4	22%	5.10%
Marksans	15,002	77	207	169%	424	577	26	16%	5.10%
Karur Vysya Bank	34,300	687	1,005	46%	2,510	2,684	12.8	18%	4.00%
South Indian Bank	12,143	433	508	17%	1,455	1,656	7.3	14%	3.90%
Alivus Life	16,782	164	212	29%	585	692	24.3	19%	3.80%
HDFC AMC	1,14,313	986	1,090	11%	2,859	3,482	32.8	38%	3.80%
Fedfina	6,008	100	153	53%	344	444	13.5	14%	3.60%
Kotak Bank	2,89,793	4,356	5,463	25%	14,008	16,831	17.2	12%	3.60%
Tube Investments	15,547	222	213	-4%	818	903	17.2	14%	3.40%
ICICI Bank	8,64,644	16,931	19,126	13%	50,147	55,510	15.6	15%	2.70%
Lodha developers	1,26,402	904	1,774	96%	3,421	4,105	30.8	16%	2.70%
Angel One	2,701	164	325	98%	916	1,226	2.2	19%	2.60%
Caplin Point	19,114	184	225	22%	632	712	26.8	19%	2.30%
Britannia	1,28,155	706	799	13%	2,536	2,934	43.7	55%	2.30%
Coromandel Int	57,418	677	513	-24%	2,141	2,063	27.8	18%	2.30%
NCC	9,198	268	313	17%	675	747	12.3	9%	2.30%
CMS Info	3,931	126	105	-17%	304	351	11.2	14%	2.10%
VGUARD	14,402	98	172	76%	323	420	34.3	17%	2.10%
Dixon Technologies	89,065	366	868	137%	850	985	90.4	19%	1.90%
Apar industries	68,861	353	623	76%	1,009	1,215	56.7	18%	1.30%
Mazagon	1,05,777	567	686	21%	2,436	2,891	36.6	29%	1.00%
Aditya Birla AMC	29,793	372	406	9%	975	1,138	26.2	27%	1.00%
Aarti Pharma	7,593	63	94	49%	227	313	24.3	14%	1.00%
Pearl Global	10,582	77	122	58%	279	320	33.1	19%	0.40%

CLASSIFICATION OF MARKET CAP

Segment	Basis	%
Large Cap	> Rs. 1,05,000cr	29.4%
Mid Cap	> Rs. 34,700cr < Rs. 1,05,000cr	10.5%
Small Cap	< Rs. 34,700cr	55.1%
Cash		5.01%
Total		**100.0%**

LIQUIDITY ANALYSIS

Segment	% of portfolio
1 day	19.9%
Between 1 & 3 days	26.3%
Between 3 & 7 days	34.3%
Greater than 7 days	14.6%
Total	**95.0%**

CRISIL CAT III AIF BENCHMARKS DATA [as of 30th September 2025]

Index	1 Year (%)	2 Year (%)	3 Year (%)
Unifi Blend Fund 2 (Scheme of Unifi Umbrella AIF)	-3.46%	11.88%	14.85%
CRISIL AIF Index – Long Only Equity Funds (open ended) (INR)	-3.9%	15.71%	16.75%

Values as on September 30, 2025

Schemes that have completed at least one year since their first close as on September 30, 2025, have been considered for the benchmark. In all, 299 schemes have been considered for the above analysis

Returns refer to post-expense, pre-carry, pre-tax values. Returns for more than one year are annualised

Risk Management

While the environment is buoyant for India in the longer term, in the shorter to medium term, the aftereffects of unforeseen economic linkages from a recessionary West may be a risk. While India remains a largely domestic consumption-oriented economy, a rapid worsening of the economies in the West may affect their balance of trade with the World [including India] in the immediate to medium term. India's Current Account Deficit and foreign exchange reserves may be under pressure if energy prices remain elevated and rise. The recent softening of energy and commodity prices will assist India's macroeconomic case, but there remains the prospect of second or third-order impact from global macroeconomic and geo-political shocks.

Risk	Level	Mitigants
Concentration Risk	Fund	At the portfolio level, such risks are minimized by limiting the aggregate exposure of the portfolio to such investments to less than 10% of the value at the time of investment.
Foreign Exchange Risk	Fund	Fund has invested in only Indian Listed companies and hence the fund's investments do not face any foreign exchange risk at the Fund level.
Leverage Risk	Investee Company/Fund	Fund has not taken any leverage at the Fund level. Except for financial companies, most of the investee companies in the strategies carry nil to moderate debt on their balance sheets with a track record of having managed leverage well in the past. Their leverage is monitored regularly.
Realization Risk	Investee Company/Fund	High Impact cost, due to thin trading at the time of buying or selling is endemic to small & mid-caps. We plan our investment decisions, the size of the investment and trading strategies to minimize the realization risk.
Strategy Risk	Investee Company	Investments are evaluated from a bottom-up and top-down perspective. The fund investments align with the segments of the economy that are emerging and companies that have characteristics which make them the dominant participants in their industry. The investments are assessed through a detailed financial model that captures historical performance and forward estimates based on publicly disclosed documents. The investment team rigorously undertakes quarterly diligence for any change in the investment thesis.
Reputation Risk	Investee Company	Company selection starts with rigorous fundamental analysis and a historical performance review supported by a detailed financial model constructed internally. We have an internally designed governance framework vetted over many years. This governance framework helps us in evaluating companies that meet our internal guidelines. We evaluate the investee companies both at an absolute and relative level. Periodic maintenance diligence of management/ financials has been done for Investee companies.
Extra Financial Risk	Investee Company/Fund	We avoid investing in companies with a known history of corporate governance issues. If such an issue arises in an existing investment, we stop additional purchases and start optimally exiting the investment. Our governance framework helps us in identifying any lapses in corporate governance. We actively monitor all publicly disclosed documents regarding ESG [Environmental, social, and corporate governance]. Any reported misconduct is evaluated by the investment committee for further action.
Geopolitical risks	Investee Company	Geopolitical tensions globally can disrupt the supply chain in the region. This might have a non-linear impact on business.

Raw material inflation	Investee Company	India continues to be dependent on the supply of feedstock whose pricing is global in nature. Key categories would be crude, metals, minerals, and natural commodities. Sharp movement in their underlying prices will have a short-term financial impact on the companies. The situation in China [political] has the potential to disrupt the supply chain of a few of our investee companies.
Key Man Risk	Investee Company	Small and mid-caps are frequently managed by a key promoter/person on whom the business is completely reliant and without whom the business would be materially inferior. We generally avoid such names and in cases where we make any exceptions, the aggregate exposure of the portfolio to such investments is limited to less than 10% by value.

Disclosure for deviation in the value of shares between 31 March 2026 and 01 April 2025 / initial purchase price previous valuation under clause 18.2.1 of the SEBI Master Circular for AIFs :

Company	Factors for Deviation
Karur Vysya Bank	The appreciation was supported by continued improvement in earnings, asset quality and return ratios, strengthening market confidence in the bank's growth trajectory.
T D Power Systems	The appreciation reflected strong earnings growth and improving visibility on the power-generation and industrial capex cycle, supported by a healthy order pipeline.
South Indian Bank	The appreciation was supported by sustained improvement in profitability, asset quality and return ratios, alongside expectations of continued business growth.
NCC Ltd	The decline reflected concerns around delays in the execution cycle, stemming from delays in approvals and funding constraints at government departments, resulting in uncertainty around order execution.
Fedbank Financial Services	The appreciation reflected strong operating performance, improving asset quality and return ratios, and expectations of sustained growth in the NBFC's core franchise.
CMS Info Systems Ltd	The decline reflected revenue deceleration following industry disruption triggered by the bankruptcy of a peer firm, which led to a reduction in overall ATM count in the country, coupled with the cancellation of an order by a large customer for whom the company was the sole bidder, resulting in growth coming in below expectations.
Marksans Pharma	The decline reflected a moderation in market expectations following concerns around pricing pressure in select overseas markets and the normalisation of growth expectations.

Disclosure for deviation in the value of shares between 31 March 2026 and previous valuation under clause 18.2.1 of the SEBI Master Circular for AIFs :

Company	Factors for Deviation
Bank of Baroda	The movement reflected market expectations of pressure on profitability from a combination of continued NIM compression and lower treasury income amid the rise in G-Sec yields.
Redington Ltd	The decline reflected concerns around the performance of the Middle East business, which accounts for approximately 30% of consolidated revenue, amid the breakout of the Middle East war.

Disclosure on Conflict of Interest:

The Investment Manager of the Fund is the holding company of Unifi Asset Management Company ("Unifi AMC"), which manages mutual fund schemes. Unifi Blend Fund 2 invests its surplus funds in liquid mutual fund schemes, including Unifi Liquid Fund, managed by Unifi AMC. Such investments are undertaken strictly in accordance with the applicable regulations for liquidity management purposes and are executed at prevailing market prices on an arm's-length basis. At the end of the quarter, the fund had NIL investments in Unifi Liquid Fund. The highest exposure during the quarter was 3.6% of the Fund's NAV.