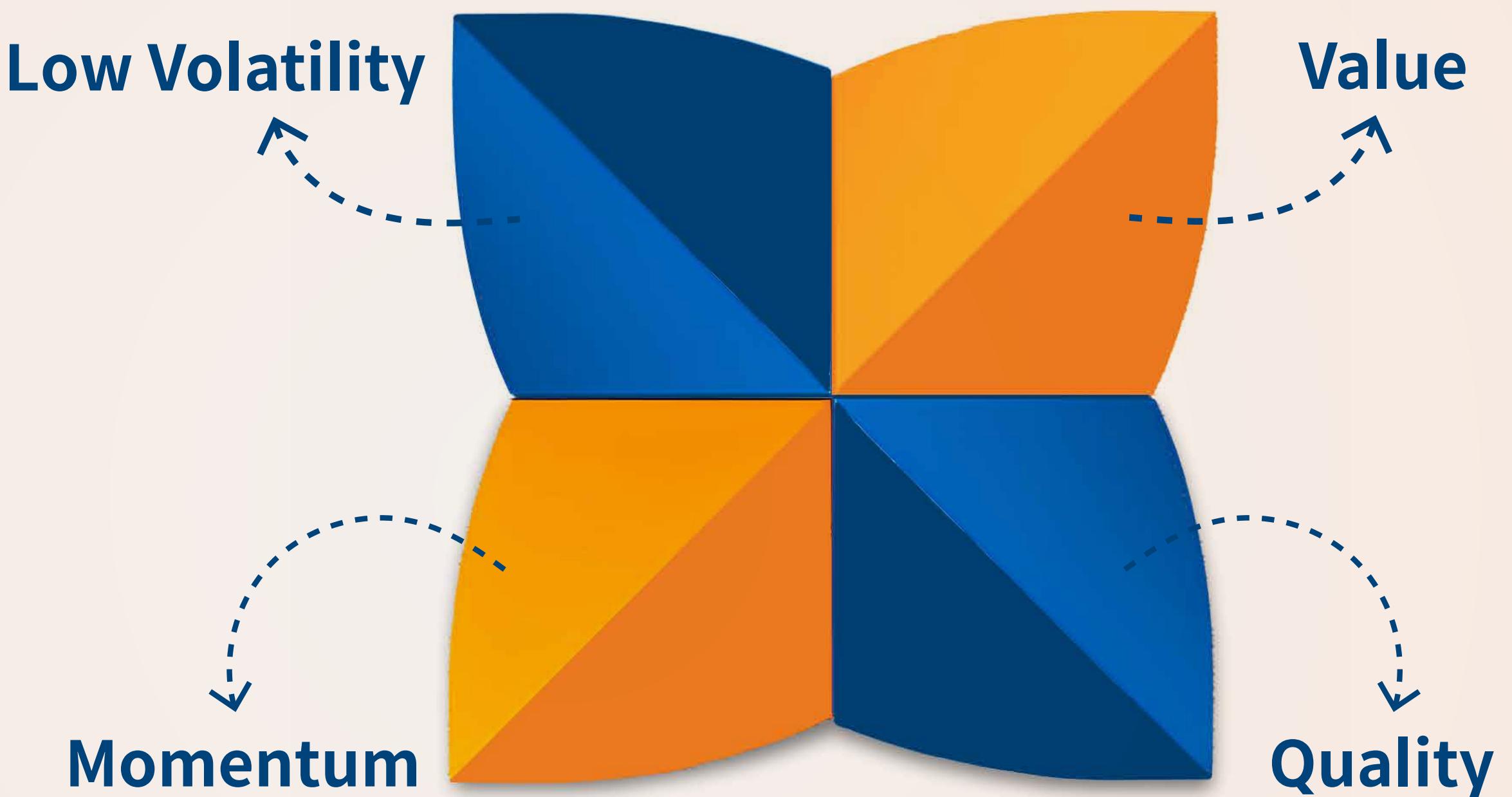


Mirae Asset Multi Factor Passive FOF

(An open-ended fund of fund scheme
predominantly investing in units of factor
based domestic equity ETFs)



Fund of Fund New Fund Offer details:

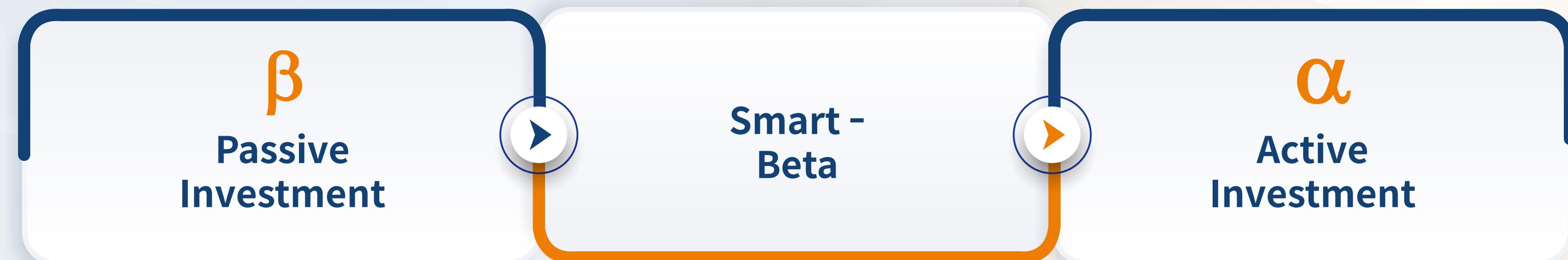
New Fund Offer (NFO) starts on: Aug 11, 2025

New Fund Offer (NFO) closes on: Aug 25, 2025

Scheme re-opens on Sep 1, 2025

What is Smart-Beta Investment?

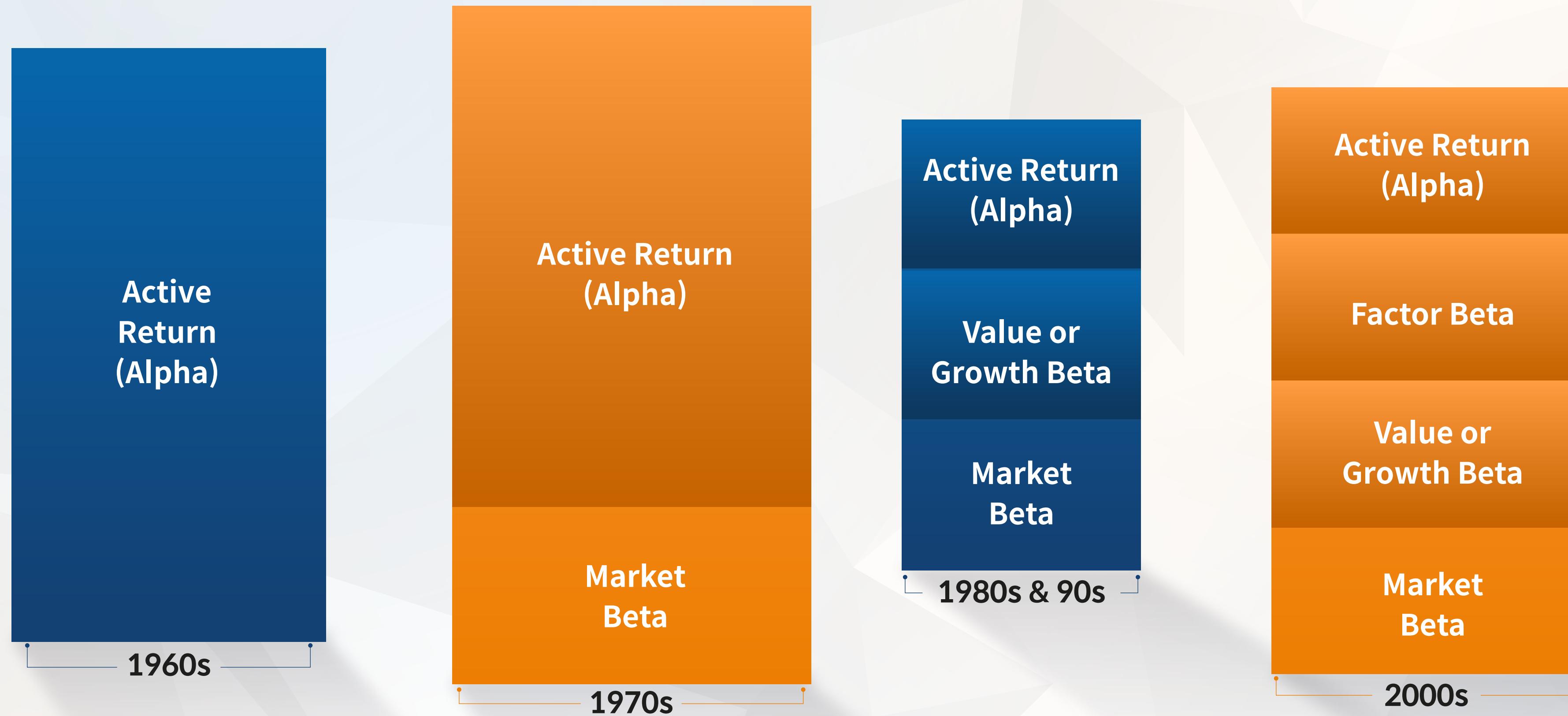
Smart Beta: Aims to potentially combine the best of both world



Passive Investment	Smart- Beta	Active Investment
<ul style="list-style-type: none"> - Market Return/Market Beta - Relatively low cost as compared to active funds - Transparent - Rule-based framework 	<p>Combines best of both the world (Rule-based framework + Use of factors)</p>	<ul style="list-style-type: none"> - Potential to outperform market - Exploit market inefficiencies - Identify factors to generate alpha - Fund Manager risk

Smart beta strategies typically capture factor exposures using systematic, rule-based approaches in a cost effective manner

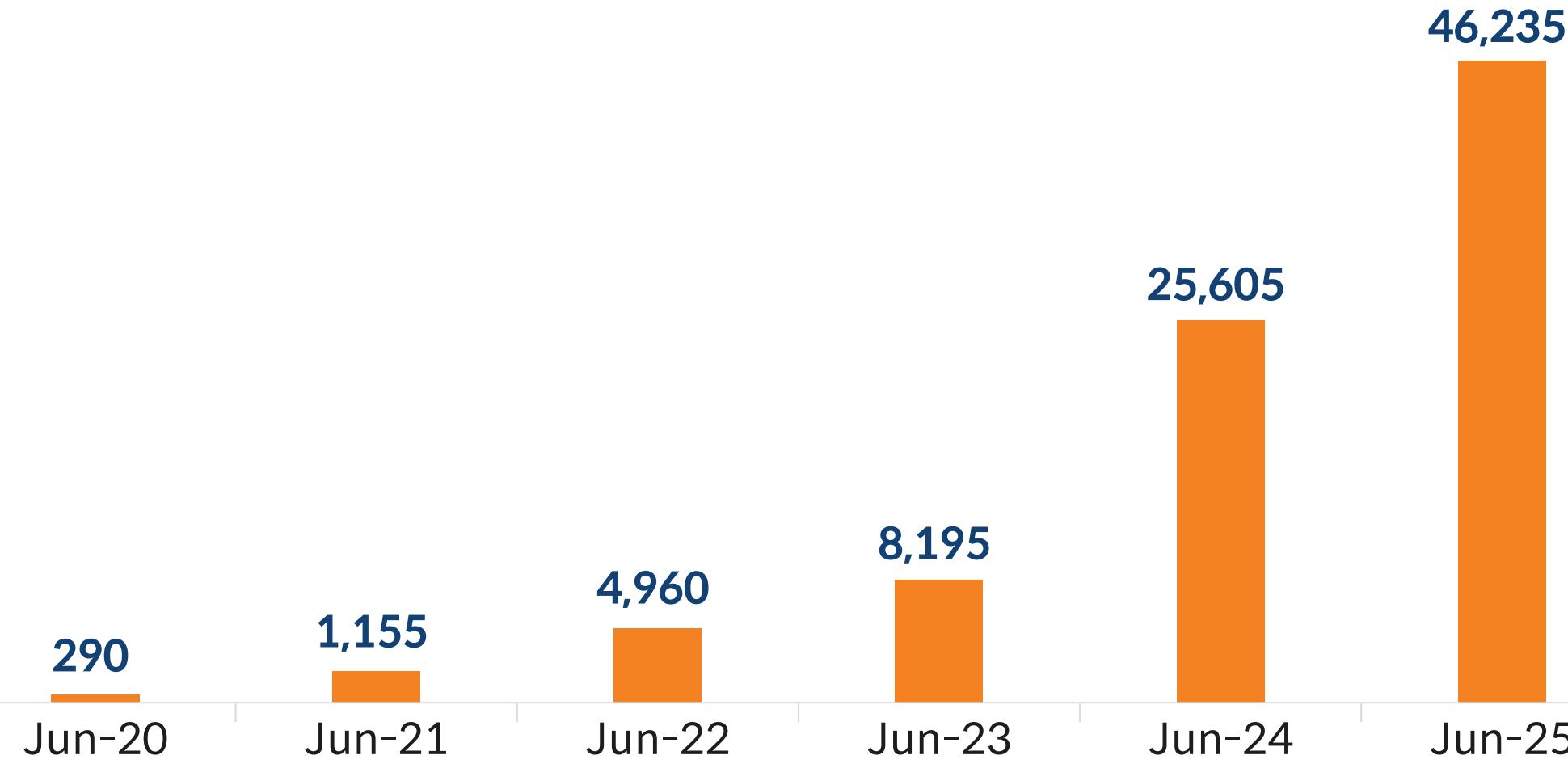
Evolving understanding of source of return across various periods



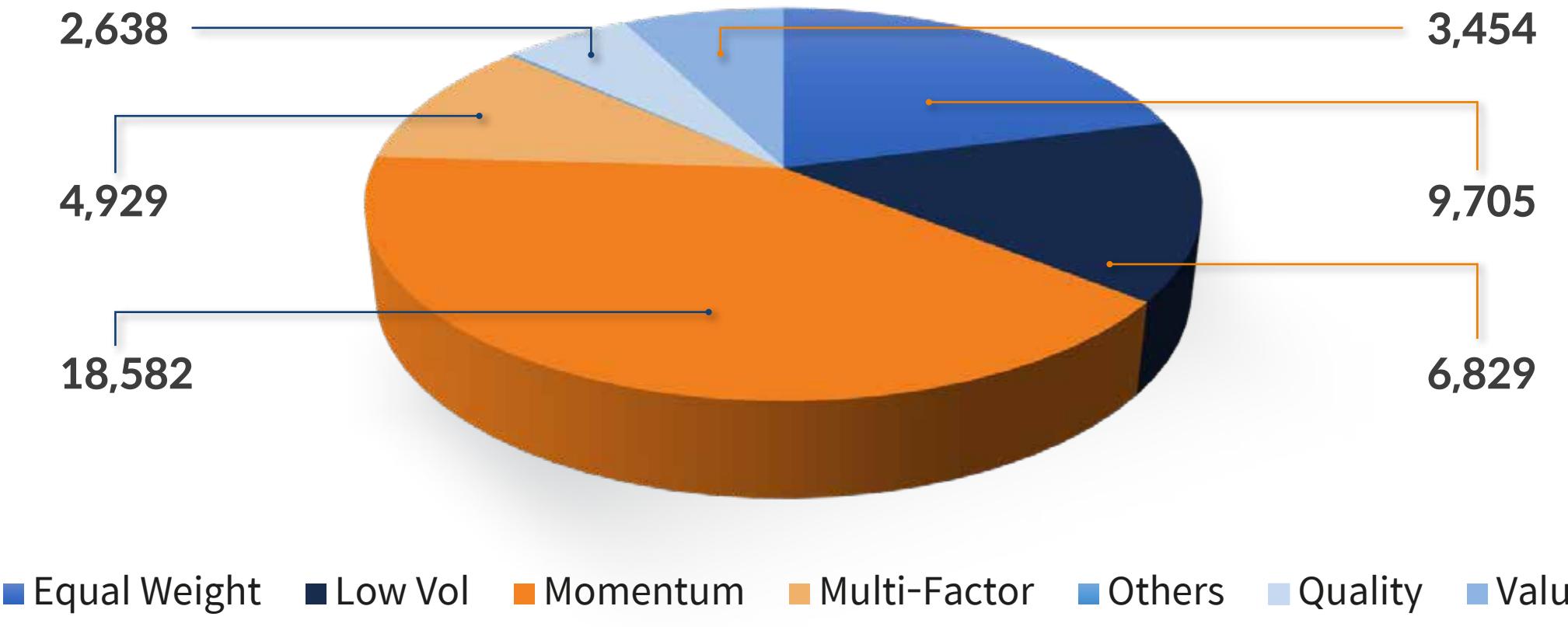
Identification of various factors as source of return has helped in building of smart-beta products

Smart-Beta passive funds on the rise in India

Passive Smart Beta AUM Growth (in Rs. Cr.)



Smart Beta Factor-wise AUM (in Rs. Cr.)



Factor	# Schemes	Flows 1 Year	Flows 3 Years
Momentum	25	8,987	14,888
Equal Weight	23	4,471	6,979
Multi-Factor	11	2,916	4,320
Low Vol	12	1,976	3,890
Value	14	1,144	2,651
Quality	17	1,592	2,159
Others	2	33	63
Grand Total	104	21,121	34,950

Pros and Cons of Smart-Beta Investment



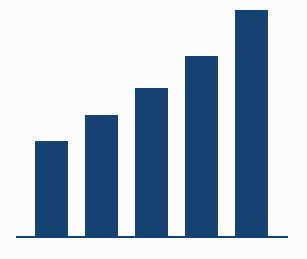
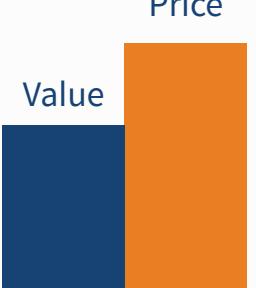
What are Factors?

Different type of factors



Various style factors may help in explaining equity stocks performance across time

Blending Smart Beta Factors for Alpha & Stability

Quality	Equal Weight	Value	Low Volatility	Momentum
Smoother Earnings 	Lesser Concentration 	Overpriced Stock  Value Price No Value Opportunity	Stocks with lower volatility 	Trend Capture 
Debt/Equity: Low 	Equally Spread 	Undervalued Stock  Value Price Good Value Opportunity	Risk Averse Strategy 	Risk Seeker Strategy 
High ROE Companies 	Contribution by tail stocks 		Lower Drawdowns 	Potentially Higher Alpha 

Choosing the Right Smart Beta Factor at the Right Time

Factor	Selection Parameters	Portfolio Turnover (Low to High)	Sector Tilt	Pro-Cyclical/Defensive/ Tactical	When it may work?	When it may Underperform?	Portfolio Role
 Momentum	Higher stock returns	 	Adaptive				Alpha Driver
 Quality	ROE, D/E & Earnings Growth	 	Biased against BFSI & Asset heavy segment				Defensive Stability
 Low Volatility	Lower stock Volatility	 	FMCG & Healthcare				Defensive Anchor
 Value	P/B, P/E, Dividend Yield	 	Public Sector Enterprises				Bull market & Recovery Play
 Equal Weight	Equal Allocation	 	Sector Neutral			Rally confined to larger cos.	Depends upon underlying universe

Over the long term, factors have generated superior long-term returns or risk adjusted returns

Index Name	Smart Beta Factors based on Nifty 500 Index						Market Cap Indices	
	Value	Equal Weight	Momentum	Low Volatility	Quality	Nifty 500 Index	Nifty 50 Index	
20 Years	17.1%	15.3%	23.0%	17.9%	18.0%	14.8%	14.4%	
15 Years	14.1%	13.4%	21.2%	14.9%	16.1%	13.1%	12.4%	
10 Years	17.9%	15.7%	19.7%	15.8%	14.9%	14.4%	13.2%	
7 Years	20.3%	17.6%	21.4%	17.3%	16.3%	15.7%	14.6%	
5 Years	40.5%	31.3%	31.3%	23.5%	25.2%	24.0%	21.4%	
3 Years	39.3%	28.9%	29.1%	25.0%	26.6%	22.0%	18.7%	
2 Years	37.6%	28.0%	27.1%	22.8%	28.1%	21.0%	16.7%	
1 Year	-1.1%	3.9%	-8.6%	8.4%	8.5%	5.7%	7.5%	
YTD 2025	7.3%	3.3%	-3.2%	10.0%	3.4%	6.1%	8.7%	
3 Months	8.2%	15.7%	16.0%	9.7%	15.9%	11.1%	9.0%	
1 Month	4.0%	4.0%	5.5%	3.2%	4.1%	3.8%	3.4%	

Historically, Momentum has delivered the highest return whereas Low-Volatility has generated best risk adjusted return. Value has been the most volatile.

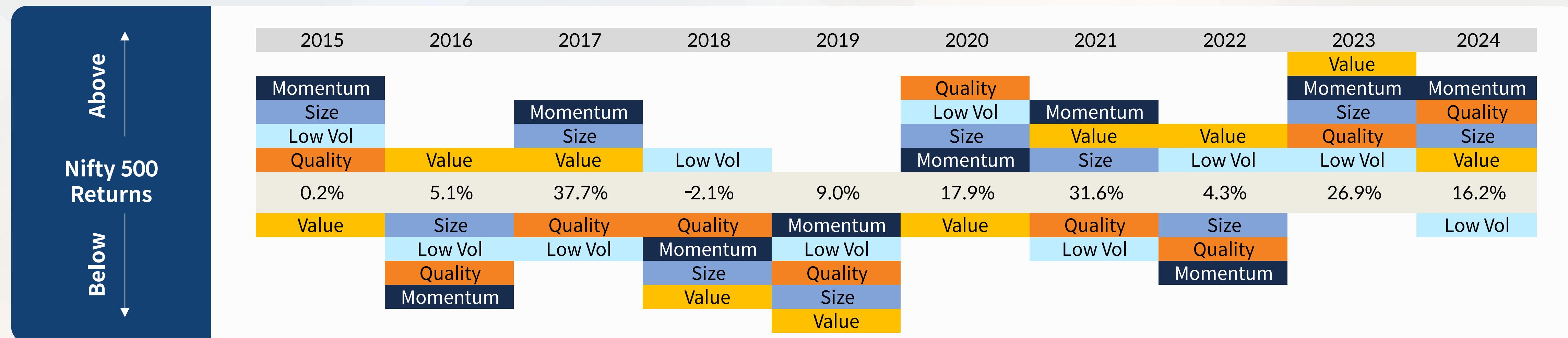
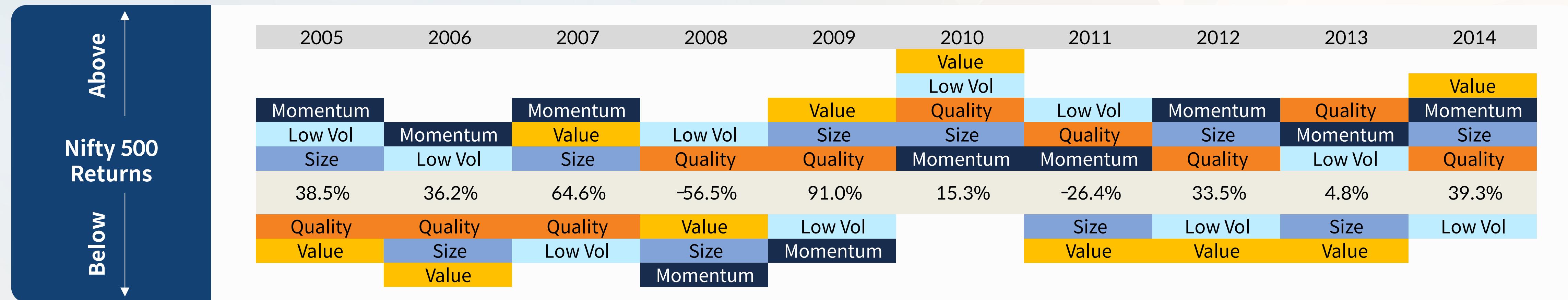
Factor	20 Year CAGR (%)	20 Year Volatility (%)	Max Drawdown (%)	Return/Risk Ratio	3 Year Rolling Return (%)	5 Year Rolling Return (%)
 Momentum	23.0%	22.6%	-70.2%	1.02	20.0%	20.0%
 Quality	18.0%	18.3%	-68.5%	0.98	16.0%	16.7%
 Low Volatility	17.9%	16.3%	-48.3%	1.10	16.4%	16.0%
 Value	17.1%	26.0%	-65.3%	0.66	16.3%	14.4%
 Equal Weight	15.3%	20.9%	-68.5%	0.73	13.8%	13.5%

Macro Regimes and Factor Cyclical



Each smart beta factor provides potential to outperform in different regime and business cycle.

Different factors have outperformed Nifty 500 in different market regimes



Assessing Factor Relationships: Implications for Smart Beta Portfolio Construction

Correlation of daily excess return of Nifty 500 Factor Indices (2005-2015)

Factor	Quality	Low Vol	Momentum	Value	500 EW	Top 20 EW
Quality	1.00	0.68	0.33	-0.08	0.24	-0.06
Low Vol	0.68	1.00	0.22	-0.09	0.20	-0.14
Momentum	0.33	0.22	1.00	0.16	0.39	-0.44
Value	-0.08	-0.09	0.16	1.00	0.63	-0.41
500 EW	0.24	0.20	0.39	0.63	1.00	-0.59
Top 20 EW	-0.06	-0.14	-0.44	-0.41	-0.59	1.00

Correlation of daily excess return of Nifty 500 Factor Indices (2015-2025)

Factor	Quality	Low Vol	Momentum	Value	500 EW	Top 20 EW
Quality	1.00	0.51	0.31	-0.03	0.33	-0.28
Low Vol	0.51	1.00	-0.03	-0.27	-0.04	0.08
Momentum	0.31	-0.03	1.00	0.28	0.49	-0.53
Value	-0.03	-0.27	0.28	1.00	0.56	-0.42
500 EW	0.33	-0.04	0.49	0.56	1.00	-0.60
Top 20 EW	-0.28	0.08	-0.53	-0.42	-0.60	1.00

Historically, lower factor correlations may enhance diversification, making multi-factor blends of defensive (Quality, Low Vol) and pro-cyclical (Value, Momentum) factors more effective.

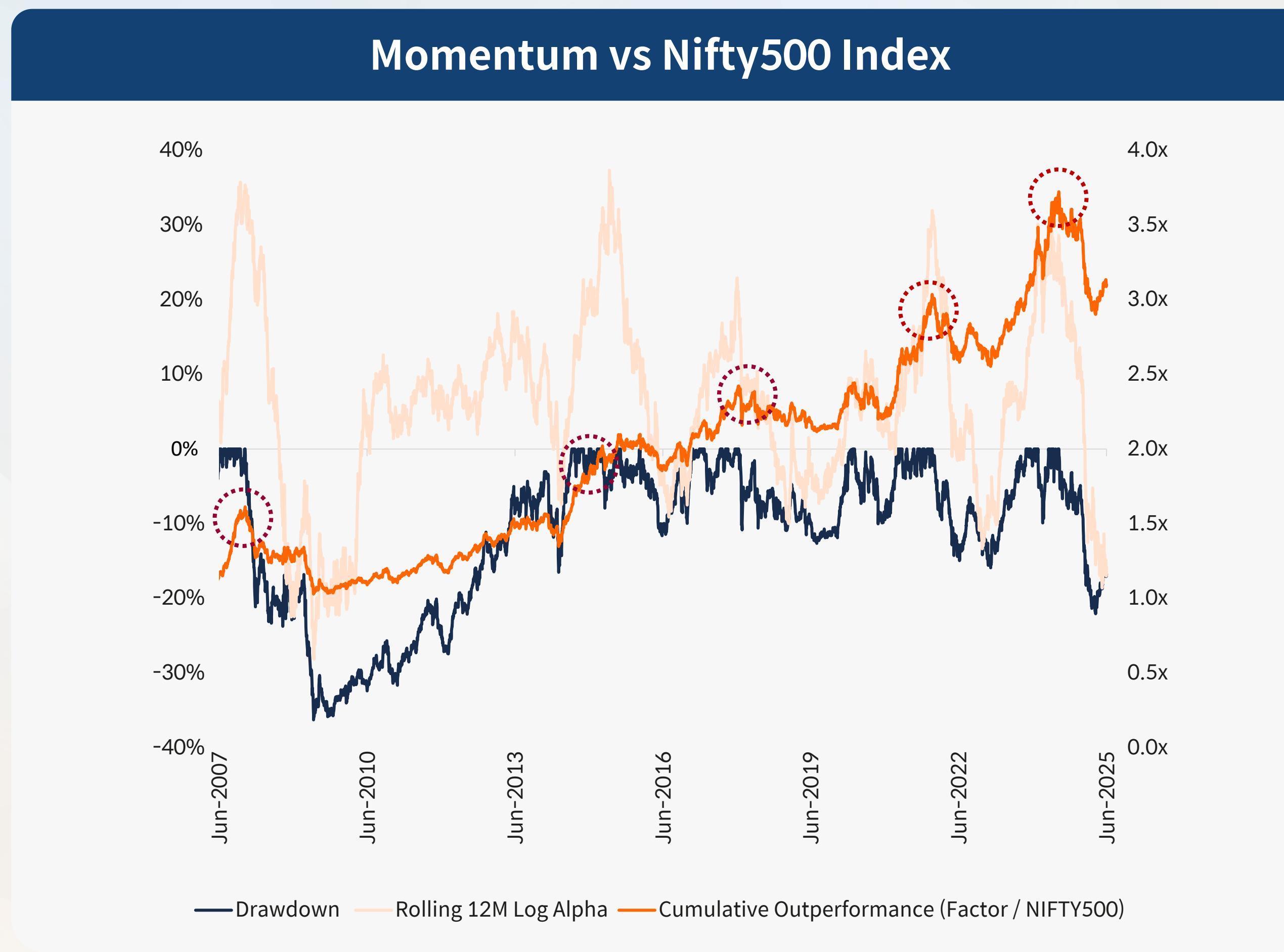
Comparison of calendar year returns of smart beta indices highlight cyclical

Index Name	Smart Beta Factors based on Nifty 500 Index					Market Cap Indices	
	Value	Equal Weight	Momentum	Low Volatility	Quality	Nifty 500 Index	Nifty 50 Index
2024	20.2%	23.1%	27.2%	16.0%	23.3%	10.1%	16.2%
2023	62.6%	42.5%	47.7%	33.4%	42.0%	21.3%	26.9%
2022	23.2%	1.6%	-7.6%	7.3%	-2.8%	5.7%	4.3%
2021	56.4%	50.2%	78.9%	20.9%	29.9%	25.6%	31.6%
2020	8.5%	27.1%	21.0%	24.7%	27.6%	16.1%	17.9%
2019	-13.7%	-6.9%	8.6%	8.2%	1.8%	13.5%	9.0%
2018	-26.2%	-21.4%	-10.7%	6.5%	-2.4%	4.6%	-2.1%
2017	47.0%	51.3%	69.5%	31.7%	33.6%	30.3%	37.7%
2016	25.1%	2.6%	-0.8%	2.0%	0.8%	4.4%	5.1%
2015	-7.2%	7.2%	11.3%	7.7%	8.6%	-3.0%	0.2%
2014	78.9%	62.4%	70.3%	35.6%	48.6%	32.9%	39.3%
2013	-14.0%	-6.7%	12.8%	7.2%	18.0%	8.1%	4.8%
2012	32.1%	38.6%	51.6%	32.2%	35.2%	29.4%	33.5%
2011	-37.7%	-34.1%	-20.5%	-18.9%	-19.2%	-23.8%	-26.4%
2010	30.9%	21.1%	20.6%	29.3%	26.2%	19.2%	15.3%
2009	133.1%	132.6%	61.3%	90.8%	121.4%	77.6%	91.0%
2008	-56.7%	-61.8%	-64.2%	-41.8%	-48.8%	-51.3%	-56.5%
2007	109.0%	68.6%	128.9%	42.0%	42.1%	56.8%	64.6%
2006	14.1%	20.4%	60.3%	39.3%	25.7%	41.9%	36.2%

Source: NSE Indices Limited, Calendar Year data as on Dec 31, 2024; Past performance may or may not sustain in future. The index return are in Total Return Variant. The data shown above pertains to the index and does not in manner indicate performance of any scheme of the Fund. Returns below or for 1 year are absolute returns.. Momentum is defined by Nifty500 Momentum 50 Index, Low Vol: stands for Low Volatility and is represented by Nifty500 Low Volatility50 Index, Quality is represented by Nifty500 Quality 50 Index, Value is represented by Nifty500 Value 50 Index, Equal Weight is represented by Nifty500 Equal Weight Index.

Factor Cyclicity: Strive for Balance or Perfect Timing

Momentum Factor: Smart on Paper, Hard in Practice, Behaviourally Demanding

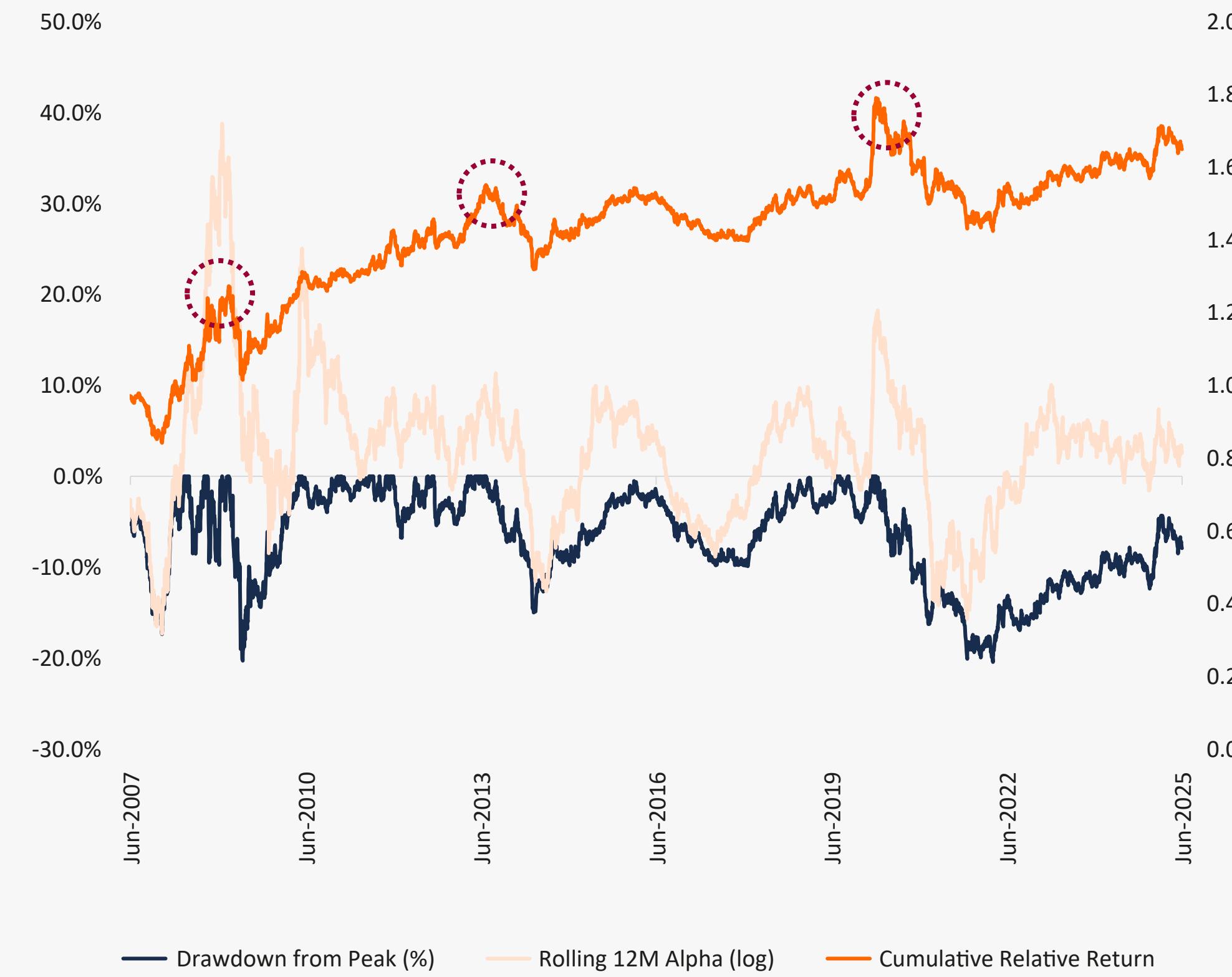


- Bulk of alpha over Nifty500 Index was concentrated in two phases: **H2 2014-2018 & H2 2020 to H1 2024**
- Momentum is a **cyclical alpha generator**; you need to be exposed during its “sweet spots” to benefit
- Rolling 12M alpha ranges between **+35% to -25%**, showing dispersion, but persistent
- **Drawdowns occur often** but are usually short-lived and moderate in depth

Metric	Observation
Long-Term Alpha	✓ Yes (3.10x total)
Short-Term Consistency	✗ No — large drawdowns
Behavioural Risk	⚠ High — hard to stay invested in drawdowns or stagnation
Dependence on Timing	⚠️ Very high
Regime Sensitivity	✓ Strong in trending or euphoric markets

Low Volatility Factor: Defensive, Consistent-but Patience-Testing

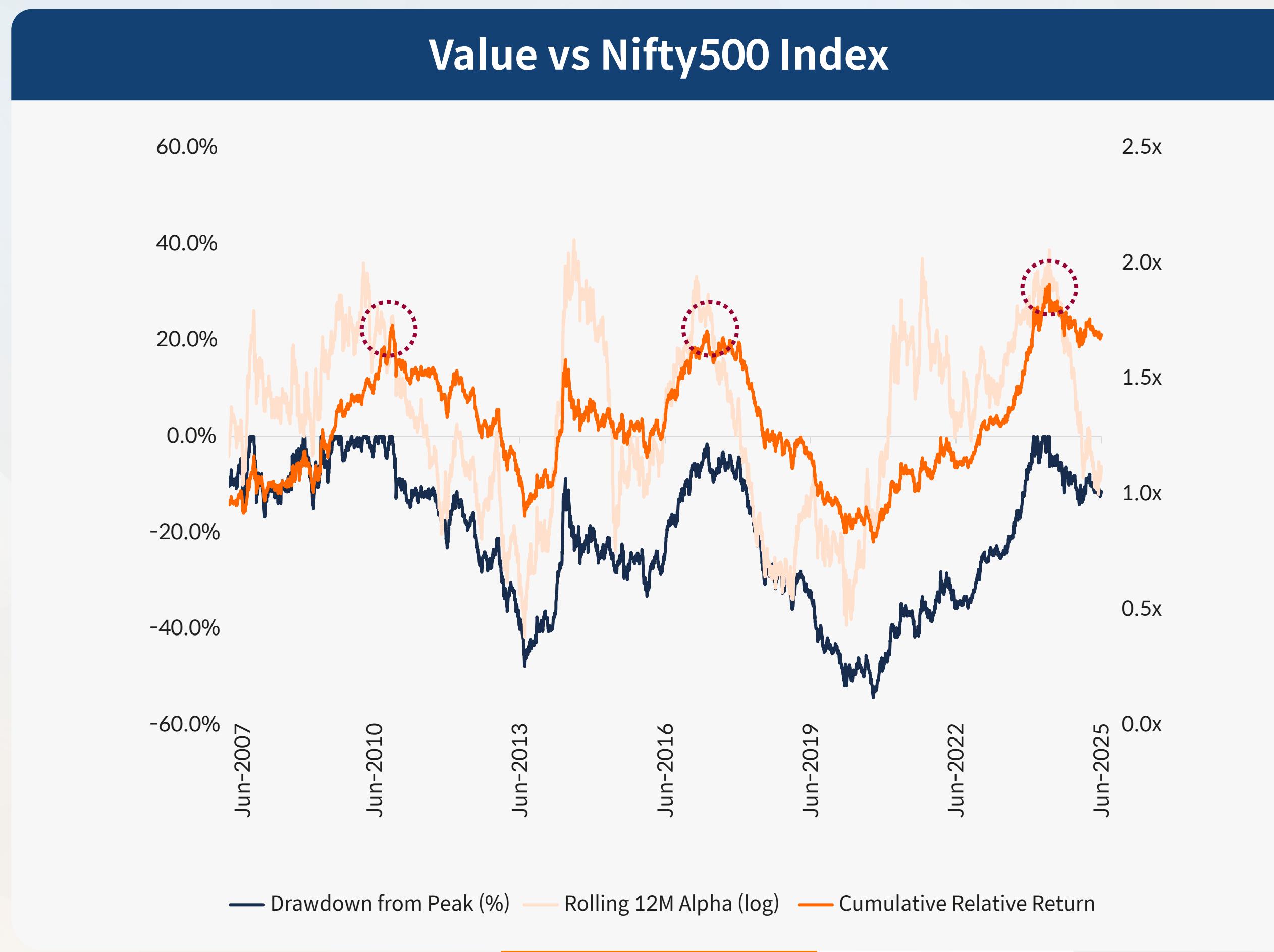
Low Volatility vs Nifty500 Index



- June 2009–2014 and 2018–2020 delivered the bulk of outperformance
- Low volatility is a **steady compounder** but can lag in roaring bull markets
- Rolling 12M alpha ranges between **+10% to -5%** in most periods, closed range, no swings
- Drawdowns are shallow and less frequent

Metric	Observation
Long-Term Alpha	👍 Yes (1.7x), moderate but consistent
Short-Term Consistency	⚠️ Mixed – outperformance is cyclical; drawdowns can persist
Behavioural Risk	⚠️ Moderate – May test investor patience
Dependence on Timing	⚠️ Moderate – Best entered during corrections or volatility spikes
Regime Sensitivity	✅ Strong during risk-off, bottoming, or macro-stress environments

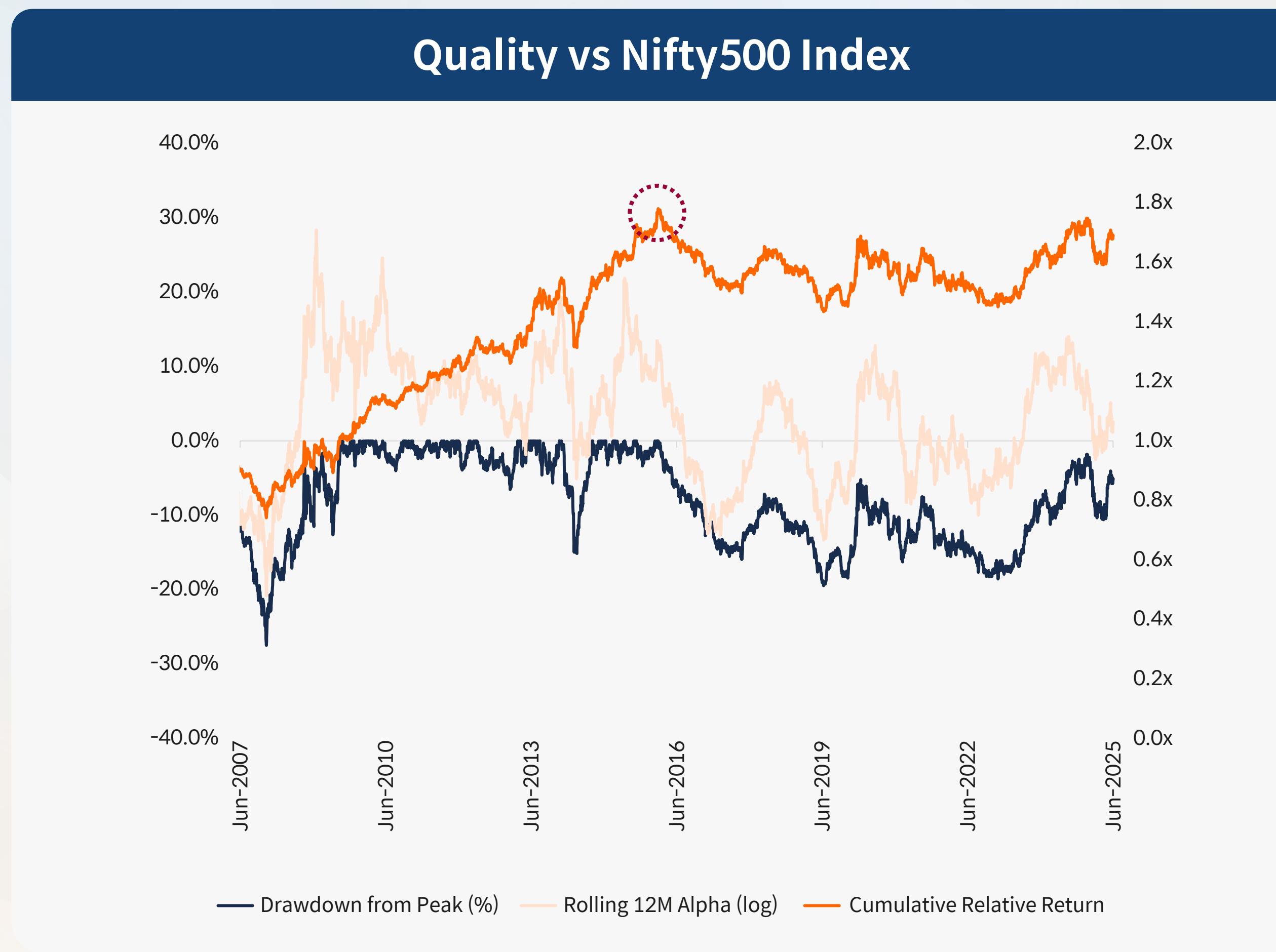
Value Factor: Cyclical, Contrarian-Timed Right, it Shines-Timed Wrong, it Stings



- Sharp 2020–2023 surge masks a decade-long sideways churn making it **Highly Cyclical**
- Severe drawdowns (up to -60%) make value strategies hard to stick with
- Rolling 12M alpha ranges between **+50% to -40%, relatively higher dispersion; Timing is everything**
- Conviction pays, but requires endurance.

Metric	Observation
Long-Term Alpha	👍 Yes (1.6x+), strong but irregular
Short-Term Consistency	✗ No – very large drawdowns
Behavioural Risk	⚠️ Very high – underperformance test conviction
Dependence on Timing	⚠️ Very high
Regime Sensitivity	✓ Very strong during early recovery or value rotations

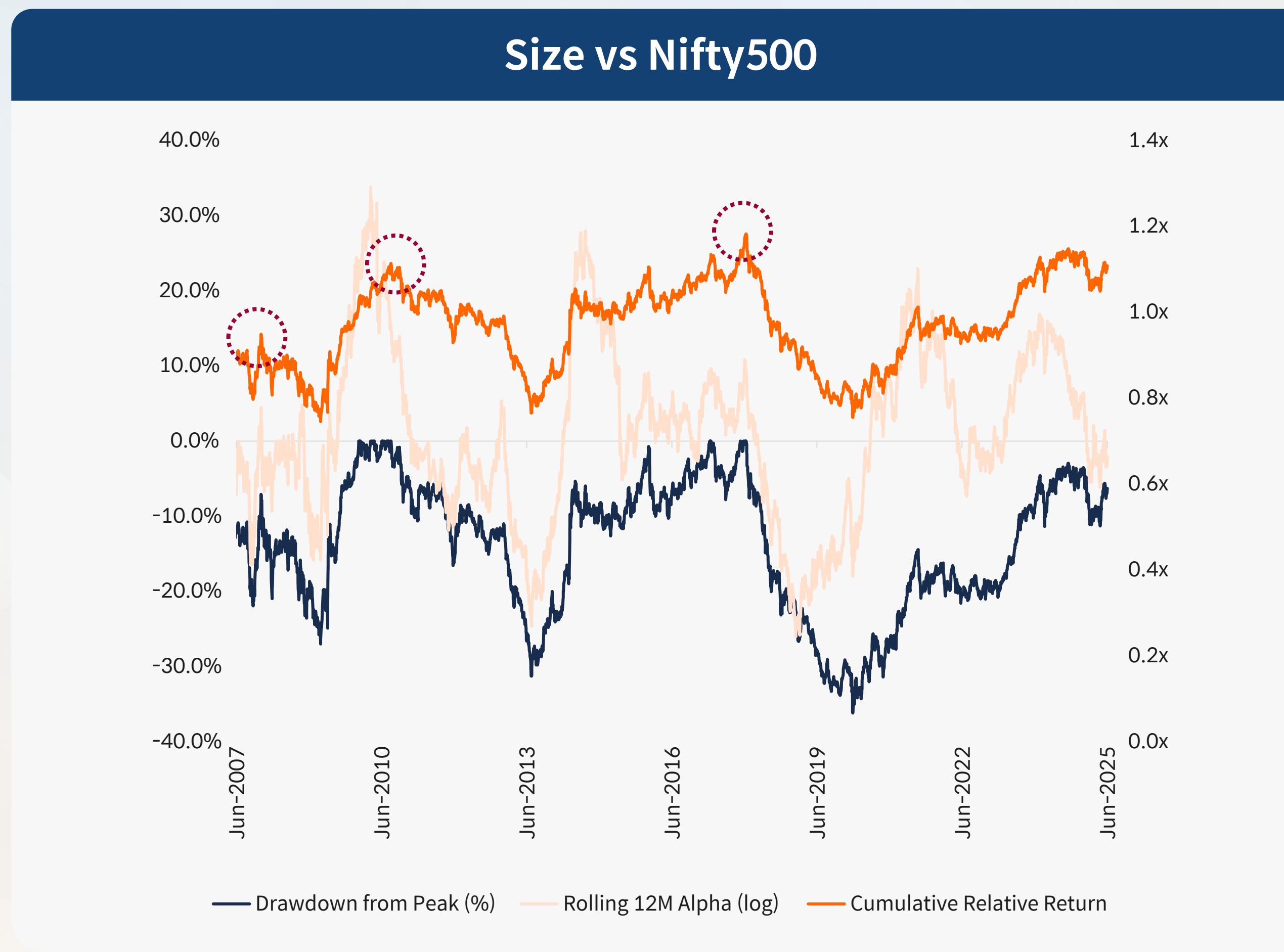
Quality Factor: Slow-Compounding and Defensive, But Prone to Prolonged Flatlining



- Phase 1: Jun 2009 to Jan 2016 → **Consistent Compounder**
- Phase 2: Feb 2016 – Nov 2024 → **Lost Decade**
- **Drawdowns are minimal, shallow, but prolonged** as seen in Phase 2
- Quality behaved in Phase 2 as “**low pain, high boredom**”; it didn’t hurt sharply, it wore you down

Metric	Observation
Long-Term Alpha	Yes (1.7x+), built slowly, but needs patience through stagnation
Short-Term Consistency	Mixed – range bound
Behavioural Risk	Moderate – Will test investor patience without severe drawdown
Dependence on Timing	Moderate – but not binary like value
Regime Sensitivity	Strong during post-crisis, stable growth, or risk-averse regimes

Equal Weight Strategy: Mean-Reverting, Timing-Dependent – Not a Buy-and-Hold Workhorse



- Alpha is more **cyclical** than **persistent**, with short bursts needing timely entry
- Long periods of **shallow alpha** and **drawdowns** wear down investor conviction
- Size had a meaningful run post-GFC; **(2009 – 2014)** and another short burst at **Mid-2023 – early-2024**
- Almost every alpha peak (>20%) reverts quickly, underlining short-lived bursts

Metric	Observation
Long-Term Alpha	🟡 Marginal (1.1x–1.2x) – weak compounding, mostly range-bound
Short-Term Consistency	🔴 Poor – noisy, dominated by short bursts and fades
Behavioural Risk	🔴 High – conviction erodes in extended sideways periods
Dependence on Timing	🔴 High – entry during post-crisis or early bull phases is critical
Regime Sensitivity	🟢 Strong during early recovery, reflation, or mid-small-cap rallies

Single Factor, Multiple Frictions: Why Multi-Factor may offer smoother Ride



Timing matters



Alpha is episodic,
not persistent



Long spells of
underperformance
= Exit risk



Behavioural mismatches
= Poor timing, early exits,
missed recovery



Emotional Drawdown >
Market Drawdown



Easy entry into a factor,
but difficult to
stay the course

-  Momentum: Timing fatigue, regret aversion, overconfidence risk
-  Value: Deep drawdowns, conviction fatigue, recency-bias traps
-  Quality: Long flat spells, boredom risk, false sense of safety

-  Low Volatility: Patience stress during bull markets, fear of underperformance
-  Equal Weight: Entry timing anxiety, frequent disappointment

Single factors reward precision, punish emotion. Multi-factor addresses pain of factor cyclicity.

Why Fund-of-Funds: Tax Efficiency is a Structural Edge, Not an Alpha Bet

Alpha generation remains essential, but **structural tax drag** can significantly reduce long-term compounded returns.

A Fund-of-Fund structure may potentially help to **preserve gross returns** by minimising interim tax leakage, despite a slightly higher expense ratio.

Metric strategy: Equal weighted exposure to five factor with Quarterly Rebalancing)	No-Tax Scenario	Post-Tax Scenario
Initial Investment	₹10,00,000	₹10,00,000
Final Portfolio Value	₹2,21,47,980	₹1,68,78,169
CAGR (01-04-2006 to 30-06-2025)	17.46%	15.82%
Total STCG Paid (B)	-	₹11,16,703
Opportunity Cost of Paying Taxes (B)	-	₹41,53,108
Wealth Lost to Tax Drag (A+B)	-	₹52,69,811

A Fund-of-Fund may deliver higher post-tax outcomes versus a DIY ETF portfolio.

Multi-Factor Framework

Multi-Factor Investing Approaches & why Hybrid Approach is better



Timing the Market

- Requires conviction in market timing
- Tactically rotates between factors based on signals
- Vulnerable to signal failure or regime shifts
- Can outperform in short bursts if signals align
- All-or-nothing: High alpha or high regret
- Execution complexity often higher than it appears



Asset Allocation Grid

- Strategic: Allocation rules across various market conditions for all factors
- Rebalances based on set scheduled (e.g. annually) or static allocation
- Stable exposure avoids timing error
- Diversifies across complementary factors
- Needs careful avoidance of factor overlap (clones)



Hybrid Approach

- Combines signals with structural allocation
- Weighting tilt dynamically, but within a band as per grid
- Best of both worlds — adaptable, yet anchored
- Protects against extreme whipsaw of pure timing
- Higher resilience in regime-shifting markets
- Can be aggressive or conservative

Multi-factor investing is not about chasing past performance - it's about aligning strategy with both risk & returns.

How We Allocate: The Multi-Factor Framework in Action



Steps	Elements	Strategic Role
Regime Identification	Market Trend, Breadth & Sentiment	Measures market strength, trend & sensitivity
Base Allocation	Allocation Grid (Core)	Regime-sensitive. Synthesises multi-layer signals into high and low conviction grid
Tilt	Valuation & Earnings Anchors	Guides when to lean in and when to step back; Primary Driver to move the allocation grid
Final Allocation	Style & Factor Rotation	Seeks to reposition the allocation to various factors

Various market regimes and preferred allocations

Category	Indices	Base Regime	Moderate Regime	Froth Regime	Drawdown Regime	Allocation	
						Allocation	
Defensive	Nifty Top 20/15/10 Equal Weight	Low	Moderate	Tilted	Moderate		
Defensive	Nifty 50 Equal Weight	Moderate	Moderate	Tilted	Moderate		
Defensive	Nifty 100 Low Volatility 30	Low	Moderate	Tilted	Moderate		
Aggressive	BSE 200 Equal Weight	Tilted	Moderate	Moderate	Moderate		
Aggressive	Nifty Midsmallcap400 Momentum Quality 100 Nifty Smallcap250 Momentum Quality 100	High	High	Moderate	High		
Aggressive	Nifty 200 Alpha 30	High	High	Moderate	Tilted		
Aggressive	Nifty 500 Value 50 Nifty 200 Value 30	Moderate	Moderate	Low	Moderate		
Defensive Allocation		10%-30%	20%-40%	40%-60%	20%-40%		
Aggressive Allocation		70%-90%	60%-80%	40%-60%	60%-80		

Why you may consider investing in Mirae Asset Multi Factor FoF?

- 1 Smart Beta Factors Have Alpha Potential:** Momentum, Value, Quality, and Low Volatility are proven to generate long-term outperformance-but not all the time, and not always together.
- 2 Single Factors Can Be Risky in Isolation:** Every factor goes through its own cycle. Riding just one can lead to periods of underperformance, making it emotionally difficult to stay invested.
- 3 Multi-Factor Means Better Balance:** Combining complementary factors helps smooth the ride. It reduces sharp drawdowns and the stress of constantly switching between styles.
- 4 No Need to Time the Market:** Instead of chasing the best factor, rely on a disciplined allocation grid that adapts to various market phases.
- 5 Structured, Hybrid Allocation Framework:** The fund uses a dynamic approach, favouring defensives in down markets, pro-cyclicals in bull phases, and diversified exposure during transitions.
- 6 Relative more tax-efficient structure:** Mutual Fund enjoy tax pass-through taxation, making dynamic allocation tax-efficient relative to doing allocation shifts at DIY portfolio level. (Refer Slide no. 24)
- 7 Reduce Regret and not eliminate Risk:** While the framework is thoughtfully designed to adapt across market regimes, the fund aims at a disciplined strategy meant to reduce risk while seeking to generate higher returns in the long term.

Scheme Details

 NFO Period August 11, 2025 – August 25, 2025	 Fund Manager Mr. Ritesh Patel	 Type of Scheme An open-ended fund of fund scheme predominantly investing in units of factor based domestic equity ETFs	 Exit Load: If redeemed within 3 months from the date of allotment: 0.50% If redeemed from 3 months from the date of allotment: NIL
 Taxation: Equity	 Benchmark Nifty 500 Total Return Index	 Minimum Investment during NFO ₹ 5000/- and in multiples of ₹ 1/- thereafter.	 SIP: ₹ 500/- and above

PRODUCT LABELLING

Mirae Asset Multi Factor Passive FOF is suitable for investors who are seeking*

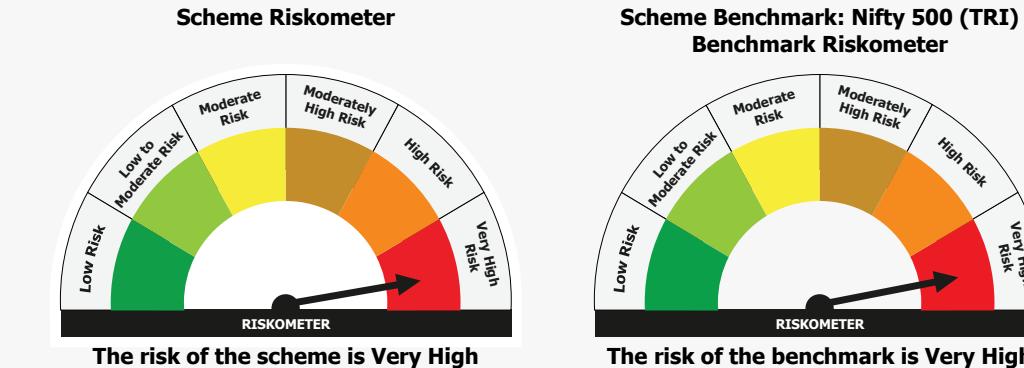
- To generate long term capital appreciation/income.
- Investments predominantly in units of factor based domestic equity exchange traded funds.

*Investors should consult their financial advisors if they are not clear about the suitability of the product.

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

Scheme may invest in any eligible domestic factor based equity ETFs. Please refer to scheme information document for further details.

In Fund Of Fund scheme, the investor shall bear the recurring expense of the scheme in addition to the expenses of the underlying-scheme.



Note: The above Product Labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

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Statutory Details: Trustee: Mirae Asset Trustee Company Private Limited; Investment Manager: Mirae Asset Investment Managers (India) Private Limited (AMC); Sponsor: Mirae Asset Global Investments Company Limited.

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For further information about other schemes (product labelling and performance of the fund) please visit the website of the AMC: www.miraeassetmf.co.in

Please consult your financial advisor or mutual fund distributor before investing

Mutual fund investments are subject to market risks, read all scheme related documents carefully.

THANK YOU

