Wave Asset

Pure Alpha

Inflection Investing

INTRODUCING THE

Pure Alpha Fund

The Wave Pure Alpha Strategy practices the art of inflection investing - buying companies at the cusp of earnings acceleration, before the market has recognized the turn.

Philosophy

We believe the greatest returns are generated not during steady compounding, but in capturing the transition from under-earning to compounding, where both earnings growth and valuation re-rating are most asymmetric.

Criteria

We avoid "priced-to-perfection" compounders. Instead, we hunt for (1) Emerging tech-forward businesses that will become future compounders (2) Former leaders undergoing meaningful transformations.

Construction

We hold a focused portfolio of 10-20 high-conviction positions through the full cycle, allowing both earnings growth and multiple expansion to drive returns.

01 Firm & Management Information

About Us

Wave Asset is an innovative Mumbai-based asset management company that provides differentiated investment solutions by crafting high-conviction portfolios designed to adapt and thrive across different market cycles.

We offer actively-managed PMS strategies designed to break free from benchmark-hugging norms and deliver real differentiation.

The firm is led by its founders, Ashwin Agarwal and Rohan Agarwal, whose multi-decade experience investing across market cycles shapes our investment philosophy.

Experience

We possess extensive experience managing client assets in varied market conditions.

Mission-oriented

We are a compelling alternative to larger firms; prioritizing performance over the mere accumulation of assets under management.

Operating Expertise

Our previous real-world business stints provides insights on “the other side of the table" when making investments in companies.

Investment Team

Rohan Agarwal

DIRECTOR | FUND MANAGER

Seasoned professional with 16 years of experience in capital markets spanning asset management, financial advisory & cross-border M&A.

Co-founder of Moneyjar & ex-SEBI-registered Investment Advisor (RIA)

Education: BA (Economics) & MS (Finance), University of Illinois at Urbana-Champaign, USA

Interests: Travel, Stand-up Comedy

Ashwin Agarwal

DIRECTOR | PRINCIPAL OFFICER

Over 14 years of experience in financial services across asset management, equity research and treasury operations. Featured on Bloomberg Quint *Hot Money*.

Ex-Fund Manager, Newberry PMS & CFA® charter-holder

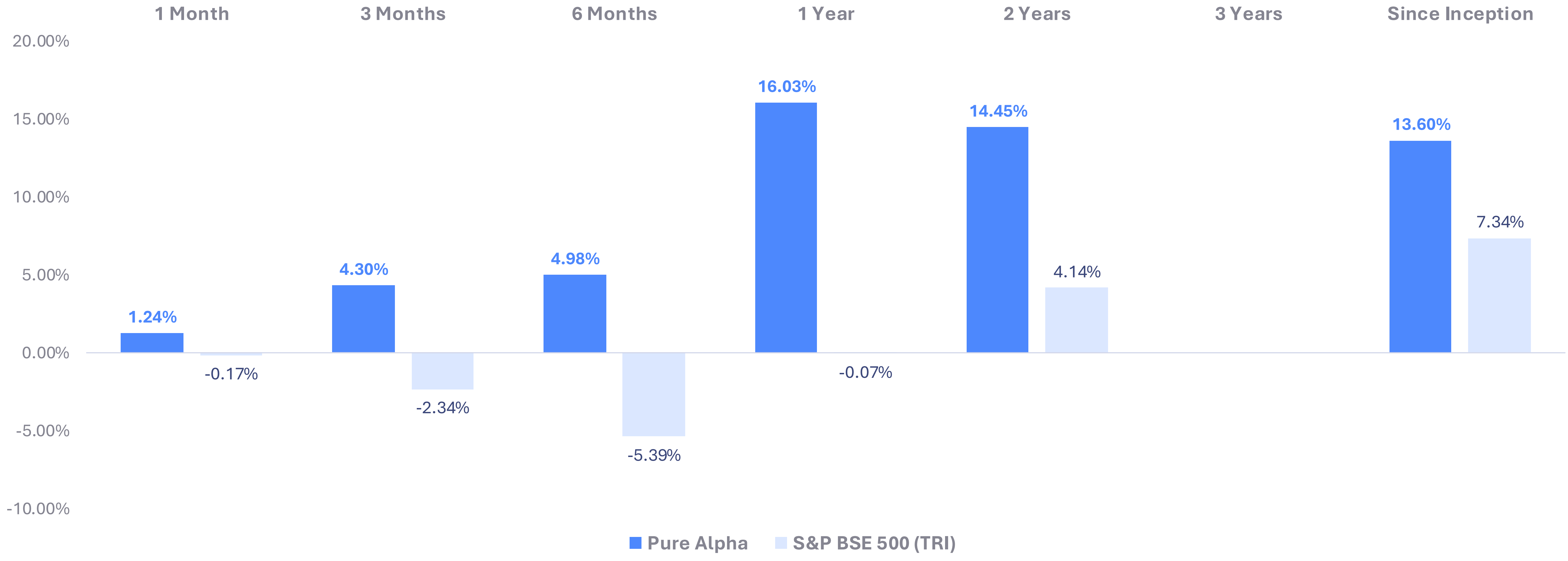
Education: BA (Economics/Telecom), Indiana University, Bloomington, USA

Interests: Football, Electronic Music

02 Portfolio Performance & Factsheet

Portfolio **Performance**

Wave Asset – **Pure Alpha** Strategy - Performance (in INR):



Data as of May 31, 2026

** Since Inception Date of 20/03/24. All returns are net of expenses & fees and is based on TWRR (Time weighted – daily valuation). >1-year returns are annualized; other time-period returns are absolute. Periodic returns are geometrically linked. Investor returns may differ, based on their period of investment, fee structure an d point of capital flows. Past performance may or may not sustain in the future.*

Portfolio Metrics

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Risk Measure (Since Inception)	Pure Alpha	BSE 500 (TRI)
Beta	0.58	1.00
Standard Deviation	12.16%	14.76%
Sharpe Ratio	0.49	0.08
Jensen’s Alpha	5.25%	-
Information Ratio	0.45	-
R2	0.50	-
% Positive Months	76%	64%
Max Drawdown	-13.74%	-18.69%

The Pure Alpha strategy has been able to outperform its benchmark while maintaining lower beta and volatility.

Performance has been more consistent, with a higher percentage of positive months and smaller drawdowns than the benchmark.

Data as of May 31, 2026. Since Inception Date of Mar 20, 2024.

Drawdown Control

Wave Asset

Drawdown Period	BSE 500 TRI Performance	Pure Alpha Performance	Outperformance
Oct 24 – Feb 25	-17.85%	-3.5%	**14.35%**
Jul 25 – Aug 25	-4.41%	3.23%	**7.64%**
Dec 25 – Mar 26	-14.15%	-10.13%	**4.02%**

Periods of market volatility have historically created a stronger backdrop for the strategy's alpha generation.

This resilience is due to stock & sector selection, diversified geographic exposures, and a systematic hedging framework that helps protect capital during sharp market drawdowns.

Data as of May 31, 2026. Since Inception Date of Mar 20, 2024.

Performance Achievements

Wave Asset

Our strategies, which have been live since Q2 2024, have consistently been featured in leaderboard charts maintained by platforms like PMS Bazaar and PMS AIF World. We take pride in the fact that we have been able to do so in particularly volatile times seen in the past year or so.

Top 10 PMS Performers for the month of August

PMS Strategy	Category	As on August'25 Performance
Valcreate Investment Managers LLP - IME Digital Disruption	Thematic	2.84%
Right Horizons - Perennial	Multi Cap & Flexi Cap	2.65%
Wave Asset - Pure Alpha	Multi Cap & Flexi Cap	2.14%
Aequitas Investment Consultancy - India Opportunities Product	Small Cap	2.05%
Pelican Holdings - PE Fund	Large Cap	2.01%
Shade Capital - Value Fund	Multi Cap & Flexi Cap	1.84%
Envision Capital Services - India Opportunities	Multi Cap & Flexi Cap	1.20%
Sundaram Alternate Assets - SISOP	Multi Cap & Flexi Cap	1.11%
Qode Advisors LLP - Qode All Weather	Multi Cap & Flexi Cap	0.77%
Ambit Investment Advisors - Ambit Coffee Can Portfolio	Large Cap	0.75%

moneycontrol

PMS AIF WORLD

Top 10 Portfolios In Each Peer Group (Data as of 31st August 2025)

Peer Group 5: One Year Plus Peer Group											
Company	Strategy	AUM (Cr)	1M	3M	6M	1Y	2Y	3Y	5Y	SI	Category
WAVE	BLOOM	-.	0.15%	-0.52%	7.40%	18.82%	-	-	-	22.99%	MULTI CAP
WALLFORT PMS	INDIA CONTRA EQUITY FUND	-.	-4.96%	-4.90%	13.60%	6.91%	-	-	-	27.18%	SMALL & MID
WAVE	PURE ALPHA	-.	2.14%	7.97%	15.94%	13.97%	-	-	-	15.44%	MULTI CAP
DYNAMIC EQUITIES	BLUECHIP	-.	-0.58%	2.58%	20.08%	0.48%	-	-	-	22.96%	MID & LARGE
FORT CAPITAL	DYNAMIC	-.	-1.00%	1.96%	16.84%	4.22%	-	-	-	21.60%	MULTI CAP
CAPITAL 8	INFINITY	125.58	-1.14%	4.61%	17.03%	-1.63%	-	-	-	24.85%	MULTI CAP
EMKAY	GOLDEN DECADE OF GROWTH	-.	-2.64%	2.15%	18.67%	-1.02%	-	-	-	20.04%	MULTI CAP
PRPEDGE	ALPHAAMONEY EQUITY+	-.	-0.42%	3.91%	12.23%	3.25%	-	-	-	18.70%	ETF
PHILLIP CAPITAL	INCOME BUILDER	-.	0.74%	2.87%	6.36%	12.00%	-	-	-	15.28%	DEBT
CKREDENCE WEALTH	BUSINESS CYCLE	-.	-1.30%	1.77%	14.19%	0.23%	-	-	-	17.95%	MULTI CAP

03 Investing Framework & Portfolio Management

Investment Philosophy

We focus on **Inflection Investing**: Identifying companies at pivotal turning points where fundamental, management, or structural changes can significantly reshape the earnings trajectory and drive a meaningful re-rating.

Earnings Inflection

We target the critical window where fundamentals begin to decouple from market sentiment. By entering at the start of an earnings pivot, we aim to maximize upside capture.

Beyond Consensus

Traditional compounders often trade at peak multiples with future growth priced in. Instead, we prefer underappreciated growth & businesses where expectations are low but improving.

Full Cycle Ownership

Unlike momentum traders, we hold through the full cycle of expansion. We prioritize the "twin-engine" effect of growing EPS and expanding valuation multiples.

Inflection Framework

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Alignment of the three dimensions of earnings momentum, business quality, and market perception is the signal. The checklist is the conviction filter, ensuring we know exactly what we're underwriting before we buy.

Earnings

Early signs of revenue growth, margin expansion, and improving ROCE.

Business Quality

Improving competitive positioning or structural tailwinds broadening the moat.

Perception

Market expectations still anchored to the past, creating mispricing opportunity.

Conviction Checklist

- ✓ **Operating leverage kicking in?**
- ✓ **Industry tailwinds or consolidation?**
- ✓ **Capital allocation improving?**
- ✓ **Management incentives aligned?**

What we underwrite

- Evidence that earnings are near an inflection, not just statistically cheap.
- A pathway to become a durable compounder, not merely a short-term rise.
- Catalysts to change market perception: execution, balance sheet repair, product cycles, or management change.
- Enough valuation room for upside if both earnings and multiples expand together.

Opportunity Set

Our hunting grounds are two pockets of structural mispricing: emerging companies that can be tomorrow's compounders & past leaders undergoing meaningful turnarounds.

01 Future Compounders

We look for evidence that technology, process advantage, distribution strength, or market structure can support sustained inflection in earnings quality.

Our ideal future compounder has some or all the following characteristics:

- ✓ Tech-forward
- ✓ High operating leverage and low maintenance capex
- ✓ Capable & trustworthy management
- ✓ Sunrise Industry & Structural Tailwinds

02 Credible Transformations

In turnaround situations, we focus on solvable problems, resilient balance sheets, credible management execution, with a clear path to restoring earnings power.

Our ideal transformation has some or all the following characteristics:

- ✓ Proven businesses with improving fundamentals
- ✓ Balance sheet getting stronger
- ✓ Margin + Growth Recovery
- ✓ Strategy/Macro/Management Change

Our Differentiation

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What we avoid

- x Traditional compounders often trade at peak multiples with growth expectations priced in and holding them often yields market beta.
- x **"Consensus compounders" → High expectations, limited upside**

What we want

- ✓ Instead, we focus on underappreciated growth & mispriced transitions & businesses where expectations are low but improving.
- ✓ **"Inflection businesses" → Low expectations, expanding upside**

Characteristic	Consensus/Growth Funds	Our Inflection Strategy
Entry Point	Mid-to-late Expansion (High Sentiment)	Early Inflection (Disbelief/ Scepticism)
Primary Return Driver	Organic Growth Only	EPS Growth + Multiple Rerating
Valuation Sensitivity	Low (Growth at any price)	High (Margin of Safety Focus)
Portfolio Concentration	Broad Index-like Holdings	High-conviction, Targeted Positions
Horizon	Quarter-to-Quarter	Multi-quarter Cycle Capture

Portfolio Construction

We run a focused, high-conviction portfolio where position sizing reflects the strength of each inflection opportunity and allocations shift dynamically as the risk-reward evolves. Capital is recycled when the inflection is fully priced or the thesis has run its course, ensuring we never overpay for growth that is already in the price.

Investment Lifecycle

01 → **02** → **03** → **04** →

01 Scouting

Screening for fundamental pivots and negative sentiment

02 Conviction

In-depth analysis of the "Inflection Trigger"

03 Expansion

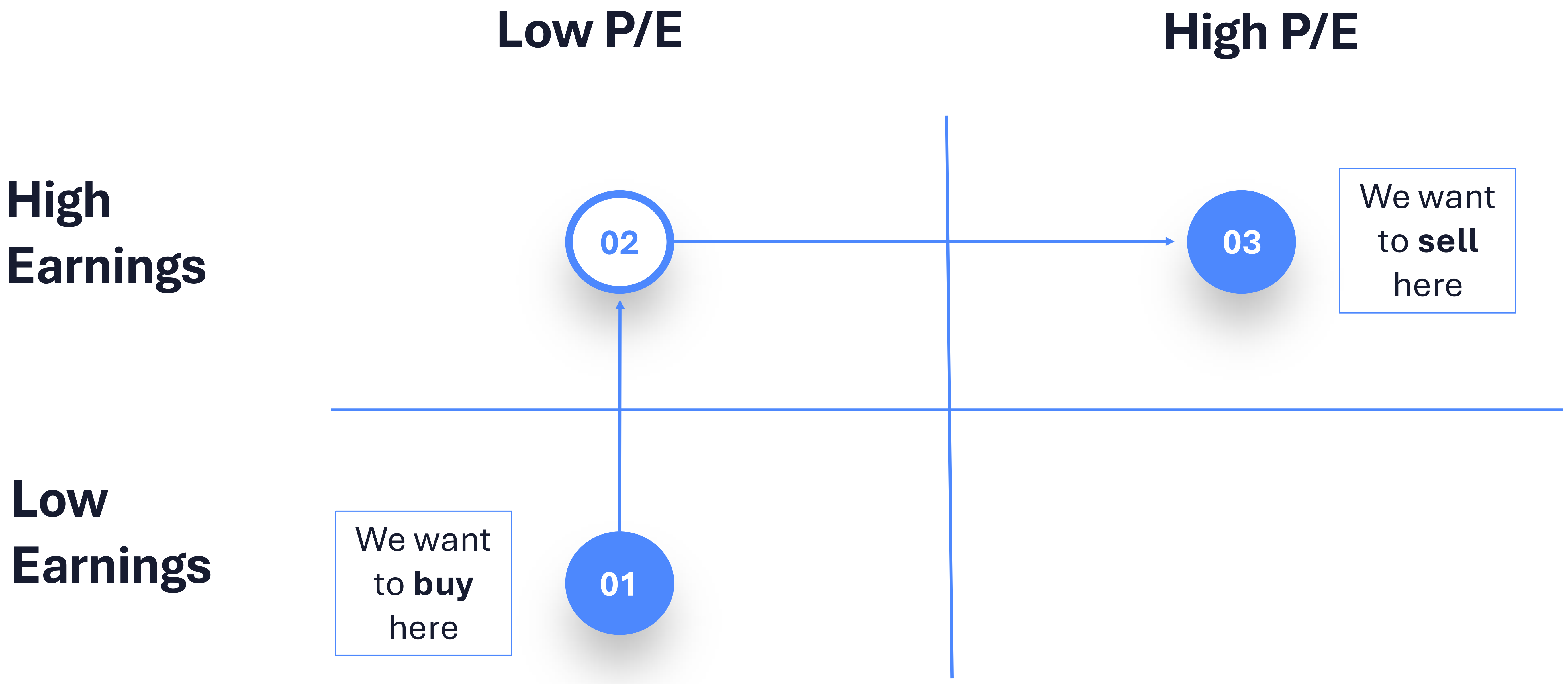
Holding as earnings grow and market adopts narrative

04 Re-rating

Full valuation catch-up. Disciplined Exit.

Returns **Framework**

We want to acquire companies when they demonstrate both, low P/E ratios and sluggish earnings (**01**). As earnings inflect, market skepticism lingers (**02**). The complete value is realized when the market acknowledges that transformation or compounding is "sustainable" and rewards the company with higher multiples (**03**).



Our Edge

Our edge is in identifying inflections & transitions earlier than consensus and holding through convergence.

Early Identification of Inflection Points

Deep Fundamental Research & Variant Perception

Willingness to invest before consensus

Patience to hold through the full cycle

Case Study (Transformation) - Sun Pharma

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India's largest pharmaceutical company experienced a downturn and consolidation from 2015 – 2019 owing to regulatory and price pressures in the US generic pharma market. It scripted a remarkable turnaround, focusing on specialty drugs and streamlining operations.

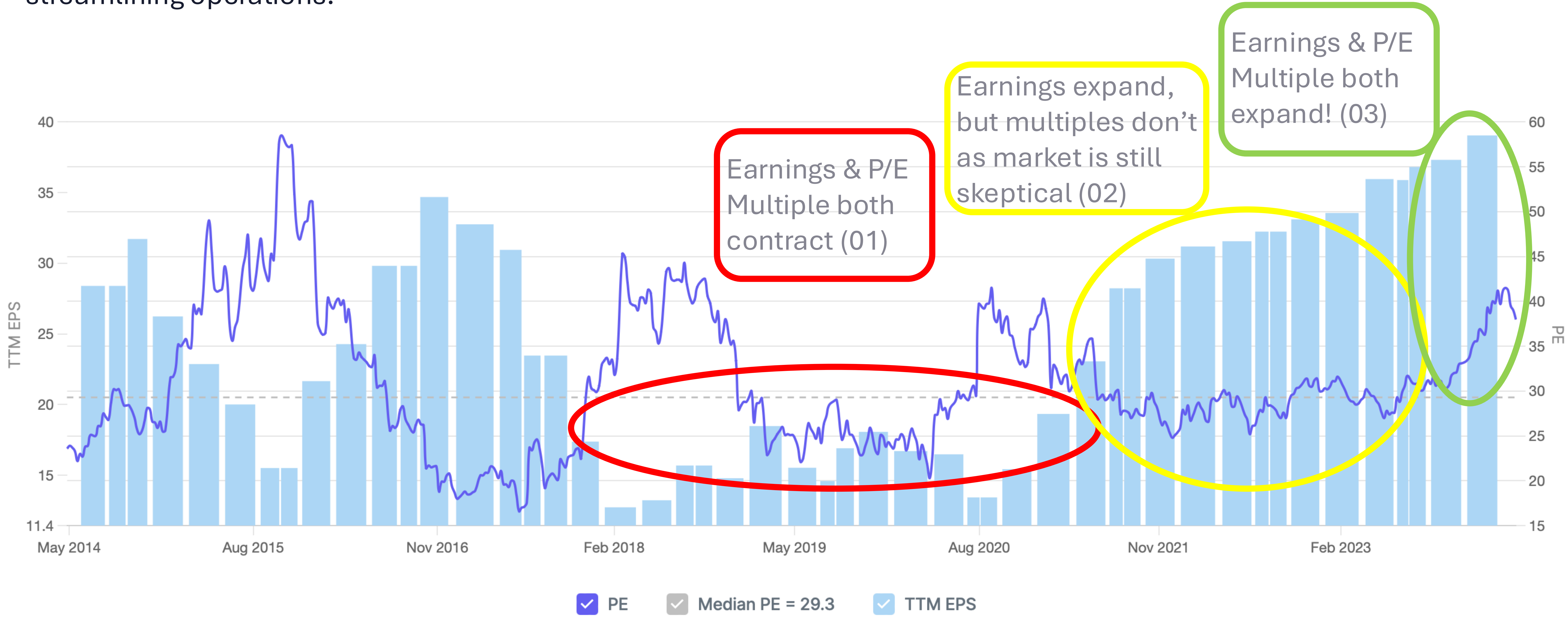

Chart Source: Screener.in

Case Study (Future Compounder) - Cartrade Tech

One of India's most widely accessed online auto portal was available in March 2023 at Enterprise Value of 700 Cr with almost 1000 Crores of net cash & investments on the books.

What others thought

Street assumed that the cash on the books would not be deployed properly.

Growth prospects were not priced in with the assumption that profits would be anemic indefinitely.

There would be no innovation on Cartrade's part to find new product and service lines to increase revenue and profitability.

No value given to organic traffic driven by Cartrade to their platform and the brand value they've created.

What we believed

Cartrade is a great proxy for increased commerce conducted on digital platforms.

Well-stocked balance sheet and experienced management with proven track record of execution and smart M&A.

Cash on balance sheet would be used for acquiring synergistic businesses or be returned to shareholders.

How it fit in our framework

We were enthused by the fact that one of the few profitable auto-tech startups to be listed in India was available at such attractive valuations.

We believe Cartrade is a great way to capitalize on the theme of digitization of transactions & discovery in the auto sector and aligns well with our thematic investment approach.

Risk Management

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"Focus on the downside and the upside will take care of itself". Risk Management is practiced at all levels of our process – idea generation, shortlisting, portfolio construction and ongoing management & compliance.

True Diversification – Stock, Sector, Style & Geography

Our strategy maintains a sufficiently-diversified portfolio spanning not only various companies & sectors but also investing styles & geographies to mitigate risks and capture opportunities across various market regimes.

We enforce stock and sector limits to prevent any single investment from disproportionately impacting portfolio performance.

Rigorous Research

We employ a discerning selection process for stocks in our portfolio, conducting thorough research to ensure each investment meets our criteria for quality & potential.

Portfolio Hedging

We use various downside protection mechanisms like put option overlay and/or precious metal exposure to ensure our portfolio is anti-fragile during troubled times.

04 Strategy Information & Commercials

Strategy Details

Important information about the **Pure Alpha** strategy by Wave Asset PMS

Structure	
Strategy Name	Pure Alpha
Fund Manager	Rohan Agarwal
Structure	Open-ended discretionary PMS, no lock-in
Minimum Investment	INR 50 Lakh
Custodian & Banking	Axis Bank
Fees	
Fixed Management Fee	**Nil**
Performance Fee	15% of Profits, with high watermark protection
Exit Load	1% if redeemed within 1 year, none thereafter

Why invest through a PMS?

01 It's stress-free

Continuous professional management of your assets

02 There's skin in the game

Performance-linked compensation

03 Customized

Tailor-made portfolio and access to fund manager & his insights

04 No size-penalty

No performance degradation due to large fund size, often encountered by some mutual funds

05 It's safe

PMS is a SEBI-regulated vehicle & assets are held in your name by major custodian banks

A Note on Safety

Ensuring the safety of your assets and addressing your related concerns is our primary responsibility. All else comes second.

SEBI-regulated

We are licensed and regulated by the primary securities market regulator in India, who also provides grievance redressal mechanisms for all investors dealing with licensed entities.

Marquee Custodians & Partners

We exclusively engage with highly reputable brokers, custodians, and banks to ensure the secure safekeeping of your assets.

Regular Audits

Undergoing routine internal and external audits by independent parties, we diligently comply with all regulatory requirements.

No assignment of Assets

Your stocks are securely held in your name, ensuring their safety.

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The client has an option to onboard with Wave Asset PMS directly by reaching out to us on above contacts.

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Thank You