HSBC Mutual Fund

Product Note

HSBC Medium Duration Fund (HMDF)

(An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years to 4 years (please refer to page no. 12 in the SID for details on Macaulay's Duration). Relatively high interest rate risk and moderate credit risk.)

August 2026

Fund Category	Fund Manager	Benchmark [1, 2]	Inception Date	AUM[3 &]
Medium Duration Fund	Shriram Ramanathan	NIFTY Medium Duration Debt Index A-III	2 Feb 2015	Rs. 686.84 Cr

Quantitative Data	
Average Maturity	5.26 Years
Modified Duration	3.56 Years
Macaulay Duration^	3.72 Years
Yield to Maturity	7.74%

Minimum Investment		
Lumpsum ₹ 5,000	SIP ₹ 500	Additional Purchase ₹ 1,000

Why HSBC Medium Duration Fund?

- Aims to create alpha by identifying pockets of value propositions, vis-à-vis yield curve steepness, attractive carry opportunities, elevated credit spreads, etc.
- Rigorous credit selection process to ensure good portfolio quality
- Aim to demonstrate ability to strategically manage Duration in periods of volatile interest rates
- A strategy combining a prudent mix of strategic Duration calls and Accrual product is well suited for investors with 3 year horizon

Fund Approach

- Aims at delivering yield pick up through judicious exposure to high quality/relatively less liquid space, while keeping adequate liquidity
- Ability to opportunistically evaluate deals with good yield pick up given the high proportion of G-Sec in the portfolio
- Strategic duration management in an Accrual product

Investment Objective

To seek to generate income by investing primarily in debt and money market securities. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Month End Base Expenses Ratios (Annualized)[4]

Plan	Base Expense Ratio (BER)
Regular[5]	0.94%
Direct	0.34%

Entry Load*: Not Applicable, **Exit Load:** NIL, No entry load will be charged to the investor.

[1] As per clause 7.22 of the SEBI Master Circular for Mutual Funds dated March 20, 2026., on Benchmarks for Mutual Fund Schemes' has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark. Furthermore, the same is effective from 01 December 2021.
[2] Fund's benchmark has changed with effect from May 01, 2024. [3] AUM is as on 31 July 2026. [4] BER excludes brokerage & transaction cost, and statutory levies(including GST). Refer to the notice cum addendum issued on March 27, 2026 with respect to change in "Base Expense Ratio (BER) limits" of all schemes of HSBC Mutual Fund effective April 01, 2026. For detailed TER Click Here (https://old.camsonline.com/COL_HSBCDownload.aspx). [5] Continuing plans
&For disclosure of quarterly AUM/AAUM and AUM by geography, please visit our website: https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investor-resources/information-library#&accordion1446811090=4
^The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.

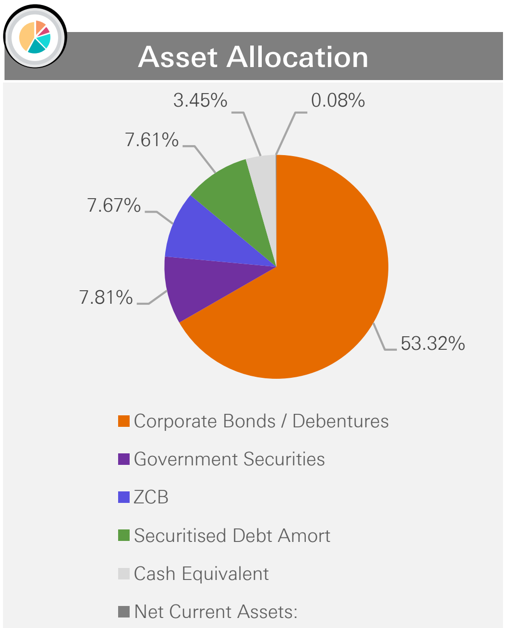
Note: The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Source – HSBC Mutual Fund, Data as of 31 July 2026. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

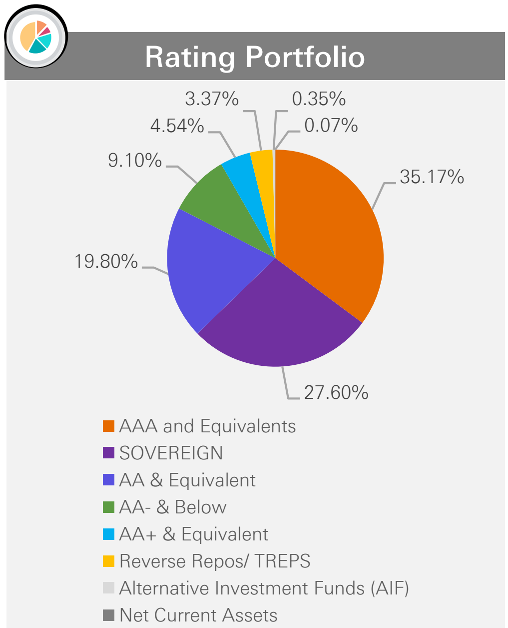
Portfolio

Issuer	Rating	% to Net Assets
Corporate Bonds / Debentures		53.32%
SIDBI	CRISIL AAA	5.98%
Delhi International Airport Limited	ICRA AA	4.51%
Aditya Birla Digital Fashion Venture Ltd	CRISIL AA-	3.93%
Aditya Birla Renewables Limited	CRISIL AA	3.92%
Indian Railway Finance Corporation Ltd	CRISIL AAA	3.74%
360 ONE Prime Limited	ICRA AA	3.70%
NABARD	CRISIL AAA	3.66%
UltraTech Cement Limited	CRISIL AAA	3.64%
REC Limited	ICRA AAA	3.63%
Housing and Urban Development Corp. Ltd.	ICRA AAA	3.63%
Motilal Oswal Finvest Ltd.	CRISIL AA+	3.16%
MAS Financial Services Limited	CARE AA-	2.93%
LIC Housing Finance Limited	CRISIL AAA	2.32%
Indostar Capital Finance Limited	CARE AA-	2.23%
Cube Highway Trust	ICRA AAA	1.46%
Embassy Office Parks REIT	CRISIL AAA	0.88%
Securitised Debt Amort		7.61%
Siddhivinayak Securitisation Trust (PTC of loan pool from Mukesh Ambani group entity)	CRISIL AAA(SO)	3.60%
Dhruva XXIV (PTC of pools from Five-Star Business Finance Limited)	ICRA AAA(SO)	1.80%
ARIEL TRUST 2026	IND AA+(SO)	1.38%
Vajra 011 Trust (PTC of pools from Veritas Finance Private Limited)	ICRA AAA(SO)	0.83%
ZCB		7.67%
JTPM Metal Traders ZCB30Apr30 P/C29Sep28	CRISIL AA	3.91%
JSW Kalinga Steel ZCB23Mar31 P/C23Mar29	CRISIL AA	3.76%
Government Securities		27.60%
6.94% GOI 11-May-2036	SOVEREIGN	17.88%
6.68% GOI 07Jul2040	SOVEREIGN	4.97%
7.24% GOI 18-Aug-2055	SOVEREIGN	3.66%
6.48% GOI 06Oct2035	SOVEREIGN	1.09%
Alternative Investment Funds (AIF)		0.35%
Corp Debt Mkt Devlop Fund (SBI AIF Fund)	AIF	0.35%
Cash Equivalent		3.45%
TREPS*		3.37%
Net Current Assets		0.08%
Total Net Assets as on 31-July-2026		100.00%

*TREPS : Tri-Party Repo fully collateralized by G-Sec

Source: HSBC Mutual Fund, data as on 31 July 2026
Note : Please refer to Scheme Information Document for more details on Asset Allocation of the scheme.



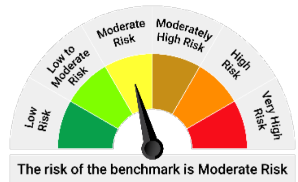


Fund Manager - Shriram Ramanathan Effective 02 Feb 2015. Total Schemes Managed - 9

Lump Sum Investment Performance											Inception Date
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		10 Years		Since Inception		
	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	
HSBC Medium Duration Fund - Regular Plan~~	10524	5.24	12342	7.26	13461	6.12	18747	6.48	21692	6.97	02-Feb-15
Scheme Benchmark (NIFTY Medium Duration Debt Index A-III)	10392	3.92	12225	6.92	13222	5.74	19523	6.91	22289	7.22	
Additional Benchmark (CRISIL 10 year Gilt Index)	10227	2.27	12176	6.78	12971	5.34	17781	5.92	20192	6.30	
HSBC Medium Duration Fund - Direct Plan~~	10594	5.94	12599	8.00	13973	6.91	20349	7.35	23844	7.85	02-Feb-15
Scheme Benchmark (NIFTY Medium Duration Debt Index A-III)	10392	3.92	12225	6.92	13222	5.74	19523	6.91	22289	7.22	
Additional Benchmark (CRISIL 10 year Gilt Index)	10227	2.27	12176	6.78	12971	5.34	17781	5.92	20192	6.30	

Past performance may or may not be sustained in future and is not a guarantee of any future returns. The performance details provided herein are of Regular as well as Direct Plan - Growth Option. Returns on ₹10,000 are point-to-point returns for the specific time period, invested at the start of the period. The returns for the respective periods are provided as on last available NAV of July 2026 for the respective schemes. Returns for 1 year and above are Compounded Annualized. Returns for less than 1 year is Simple Annualized. Load is not taken into consideration for computation of performance. Different plans shall have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses / commission charged to the Regular Plan.
As per clause 6.9.1 of the SEBI Master Circular for Mutual Funds dated March 20, 2026., the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units.
Post merger performance of the surviving scheme, arising out of merger of schemes with similar features, is computed as per the provisions of clause 14.3 of the SEBI Master Circular for Mutual Funds dated March 20, 2026., on Disclosure of Performance of Schemes post-merger using the weighted average performance of both transferor and transferee schemes. In other cases, performance is computed using the Applicable NAV of the surviving/continuing schemes
~~ Face value Rs 10
Returns for Debt schemes has been calculated as on last business day NAV provided as on 31 July 2026.
Source: HSBC Mutual Fund, data as on 31 July 2026
Click here to check other funds performance managed by the Fund Manager
Note : Please refer to Scheme Information Document for more details on Asset Allocation of the scheme.

Product Label

Scheme name and Type of scheme	*Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
HSBC Medium Duration Fund (An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years to 4 years (please refer to page no. 12 in the SID for details on Macaulay's Duration). Relatively high interest rate risk and moderate credit risk.) **This product is suitable for investors who are seeking*:** • Generation of income over medium term • Investment primarily in debt and money market securities		As per AMFI Tier 1. Benchmark Index: **NIFTY Medium Duration Debt Index A-III** 

* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Riskometer is as on 31 July 2026, Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme

Potential Risk Class (HSBC Medium Duration Fund)			
Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		B-III	
A Scheme with Relatively High interest rate risk and Moderate credit risk.			

Potential Risk Class ('PRC') matrix indicates the maximum interest rate risk (measured by Macaulay Duration of the scheme) and maximum credit risk (measured by Credit Risk Value of the scheme) the fund manager can take in the scheme. PRC matrix classification is done in accordance with and subject to the methodology/guidelines prescribed by SEBI to help investors take informed decision based on the maximum interest rate risk and maximum credit risk the fund manager can take in the scheme, as depicted in the PRC matrix.

Past performance may or may not be sustained in future and is not a guarantee of any future returns. Source: HSBC Mutual Fund, data as on 31 July 2026

Investors are requested to note that as per SEBI (Mutual Funds) Regulations, 2026 and guidelines issued thereunder, HSBC AMC, its employees and/or empaneled distributors/agents are forbidden from guaranteeing/promising/assuring/predicting any returns or future performances of the schemes of HSBC Mutual Fund. Hence please do not rely upon any such statements/commitments. If you come across any such practices, please register a complaint via email at investor.line@mutualfunds.hsbc.co.in.

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