

Get the missing piece in your core asset allocation.

RedHex Hybrid Long-Short Fund

(An interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives)

NFO Period: 2-16 June 2026

Significant gap currently exists when considering the risk-return matrix of fixed income investments. RedHex Hybrid Long-Short Fund offers an intermediate investment that combines the regulatory transparency of MFs with portfolio flexibility.

RedHex Hybrid Long Short Fund Portfolio Construct

Indicative Asset Allocation

Debt / INVIT units (Upto 65%)

Bonds:
Rated Median 'A' (45-50%)*

Robust credit selection

Capturing opportunities offering healthy yield pick-up over AAA securities

Locked-in yields provide a hedge against market volatility

Accrual product, Capital gains opportunity, stable yield

Liquid Securities:
AAA/Sov (15-20%)

Provides liquidity and stable accruals

Margin needs

Equity Arbitrage/ REIT units (Minimum 35%)

Fully Hedged Equity Exposure, No directional calls (except REITs)

Arbitrage allocation aims to add relatively stable income

Accrual product, stable yield

Source – HSBC Asset Management India, * Securities purchased can be lower or higher than 'A' rating. The aforesaid details indicates the tentative portfolio construct of the strategy post the launch of the same. The portfolio positioning would be based on prevailing market conditions and would be subject to changes depending on the fund managers views. For details on the strategy and asset allocation refer ISID.

Refer to the INVESTMENT STRATEGY INFORMATION DOCUMENT (ISID) for more details on asset allocation. SEBI Registered

Name/Number-HSBC Mutual Fund/MF/046/02/5

Portfolio Construction – target allocation

Diversification across segments, sectors, issuers

Segments	Equity exposure		Debt exposure			
	Arbitrage	REIT units	AAA / Gsec / SDL	Financial Services	Non-Financials	INVIT units
Targeted allocation	25-35%	0-10%	10-15%	20-25%	15-20%	0-10%
Instrument	-	Units	Bonds	Bonds (10-15%) PTCs (10-15%)	Bonds	Units
Average tenor	-	-	3-5 years	1-2 years	1-2 years	-

- Utilizing multiple yield enhancement opportunities across segments
- Diversified across multiple sectors and issuers
- Controlled duration risk given the overall maturity of the fund likely to remain in 1-2 years

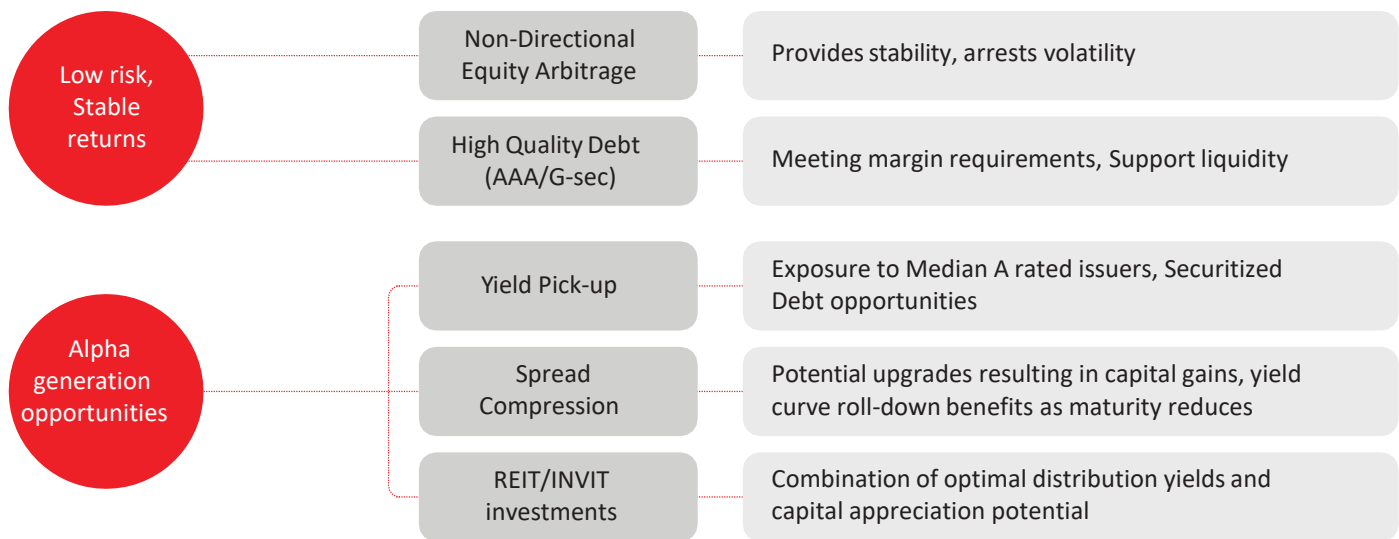
Portfolio Construction

A 50:50 mix of stability and alpha generation opportunities

Portfolio Intent

Strategy

Implications/Expected outcome



Alpha Generation opportunities
~50% exposure to include -

Issuer exposure:
Total 8-12 issuers with an aim to target 4-5% each, Median rating of 'A'

Sector exposure:
25% Financial Sector
25% Non-Financial Sector

Duration:
1-3 years

Source: HSBC Asset Management India. The aforesaid details indicates the tentative portfolio construct of the strategy post the launch of the same. The portfolio positioning would be based on prevailing market conditions and would be subject to changes depending on the fund managers views. For details on the strategy and asset allocation refer ISID.

Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Refer to the INVESTMENT STRATEGY INFORMATION DOCUMENT (ISID) for more details on asset allocation

Positioning SIFs in the Investment Landscape

Feature	Specialized Investment Fund (SIF)
Strategy	Long-Short
Target investors	Affluent / HNIs
Investor Taxation	Equity/Hybrid (listed): LTCG @12.5% (>12m) Debt-Slab rate
Fund-level taxation	Nil
Leverage	Not allowed
Issuer and Sector Limit for Debt instruments (% of AUM)	Upto 20% / 25%

Source: SEBI circulars/regulation, Data as on 30 April 2026, Investors should consult their tax consultant if in doubt about whether the product is suitable for them. NA – Not applicable

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Fund details

Investment Strategy name	RedHex Hybrid Long-Short Fund
Category of Investment Strategy	Hybrid Long-Short Fund
Investment Objective	The investment objective of the Investment Strategy is to generate regular returns and capital appreciation by investing in fixed income securities and equity and equity related securities including limited short exposure in equity and debt through derivatives. There is no assurance that the investment objective of the Investment Strategy will be achieved.
Type of Investment Strategy	An interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives
Benchmark	NIFTY 50 Hybrid Composite Debt 50:50 Index
Fund Manager	Debt portion, InvITs and REITs: Shriram Ramanathan Equity: Venugopal Manghat, Arbitrage: Praveen Ayathan, Foreign Securities: Mayank Chaturvedi
Exit Load	If the units are redeemed/ switched out on or before 1 years from the date of allotment - 2% of the applicable NAV. If the units are redeemed/switched out after 1 years from the date of allotment - Nil
Subscription frequency	Daily (all business days)
Redemption frequency [^]	Every Monday of the week
Min application amount	Rs. 10,00,000/- and in multiple of Rs. 1/- thereafter. For Accredited Investors - Rs. 1,00,000/- and in multiple of Rs. 1/- thereafter
Notice Period	10 working days (Investors placing requests for redemption/Switch Out /STP OUT shall receive/transfer the value of units based on the fund's NAV at the end of the notice period.)

Source: HSBC Asset Management India

[^] Redemption requests will be subject to Notice Period (defined below) and will be processed once a week (Every Monday*) as under: a. Redemption application received up to Monday* (before 3.00 pm cut-off time) will be processed at the NAV applicable at the end of the Notice Period. b. Redemption application received on or after Monday* (after 3.00 pm cut-off time on Monday*) will be processed on next Monday* at the NAV applicable at the end of the Notice Period. *Next business day in case Monday is a non-business day.

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Refer to the INVESTMENT STRATEGY INFORMATION DOCUMENT (ISID) for more details on minimum investment amount and other details

Why add RedHex Hybrid Long-Short Fund to your portfolio...

<p>Targeting high accrual benefits and low volatility</p>	<p>Fit for all seasons</p>	<p>Tax and risk-return efficiency</p>	<p>Robust risk management</p>	<p>Experienced investment team</p>
<p>Core allocation to arbitrage and fixed income ensures fixed income like returns. Alpha generation by way of steady accruals driven by participation in credit opportunities</p>	<p>Consistent credit exposure aims to generate healthy absolute income levels, irrespective of overall market direction in the medium term, liquidity sleeve and arbitrage provide sufficient liquidity management to meet any short-term liquidity needs</p>	<p>Investors benefit from long-term capital gains taxed over 1-year for listed and 2-years period for unlisted at 12.5%, making post-tax returns highly competitive compared to Cat II AIFs with higher credit risk strategies and nil liquidity (closed ended)</p>	<p>Active management and strict strategy level risk controls help reduce portfolio volatility, provide downside protection, and deliver more stable outcomes</p>	<p>Managed by a highly experienced specialized team with experience across strategies including derivatives and special situations</p>

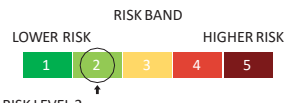

Source: Bloomberg, HSBC Asset Management India, Data as on 30 April 2026

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To provide investors an easy understanding of the kind of product / investment strategy they are investing in and its suitability to them, the product labeling is as under:

RedHex Hybrid Long-Short Fund

(An interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives)

This product is suitable for investors who are seeking*:	Investment strategy Risk band	Benchmark Risk band
<ul style="list-style-type: none"> Income and capital appreciation over medium to long term Investment in fixed income as well as equity and equity related securities 	<p style="text-align: center;">RISK BAND</p> <p style="text-align: center;">LOWER RISK HIGHER RISK</p>  <p style="text-align: center;">RISK LEVEL 2</p>	<p style="text-align: center;">As per AMFI Tier I Benchmark Index: NIFTY 50 Hybrid Composite Debt 50:50 Index</p> <p style="text-align: center;">RISK BAND</p> <p style="text-align: center;">LOWER RISK HIGHER RISK</p>  <p style="text-align: center;">RISK LEVEL 3</p>

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

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

Source: HSBC Asset Management India, Data as on 30 April 2026

Disclaimers: Past performance may or may not be sustained in future and is not a guarantee of any future returns

Note – Views provided above are based on information available in public domain and subject to change. Investors should not consider the same as investment advice and requested to consult their financial advisor for any investment decision applicable to their investment appetite.

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Website: <https://www.assetmanagement.hsbc.co.in/en/redhex-sif>

Investments in Specialized Investment Fund involves relatively higher risk including potential loss of capital, liquidity risk and market volatility. Please read all investment strategy related documents carefully before making the investment decision.