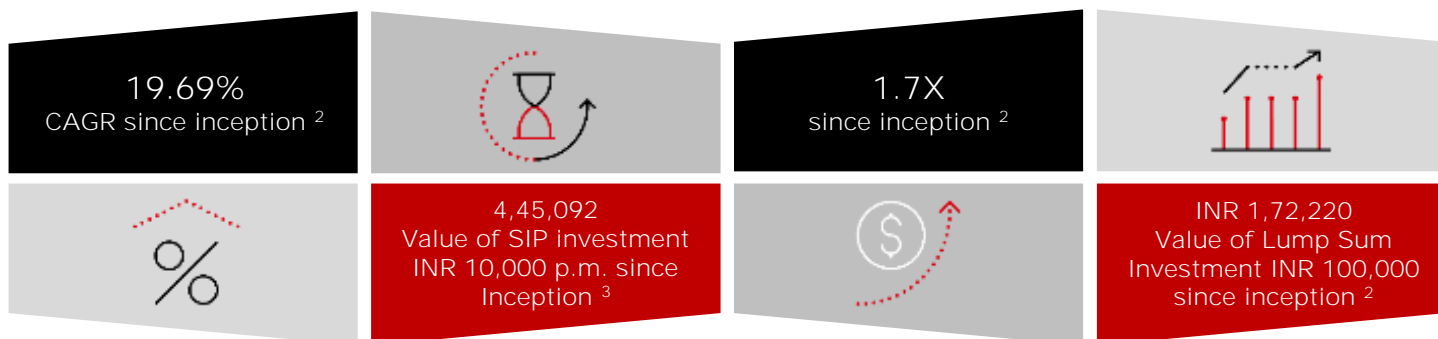


Product Note

HSBC Focused Fund (HFOF) (Formerly known as L&T Focused Equity Fund)

Focused Fund - An open ended equity scheme investing in maximum 30 stocks across market caps (i.e. Multi-Cap).
L&T Focused Equity Fund has merged into HSBC Focused Equity Fund and the surviving scheme has been renamed)
August 2023

Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM
Focused	Neelotpal Sahai and Cheenu Gupta	Nifty 500 TRI	22 July 2020	Rs. 1456.98 Cr



Portfolio	% of net assets
ICICI Bank Limited	9.59%
HDFC Bank Limited	9.18%
Reliance Industries Limited	5.25%
Infosys Limited	5.12%
ITC Limited	4.79%
Larsen & Toubro Limited	4.78%
Axis Bank Limited	4.58%
Hindustan Unilever Limited	3.95%
State Bank of India	3.83%
Power Mech Projects Limited	3.48%

Sector - Allocation	% of net assets
Banks	29.13%
IT - Software	10.29%
Diversified FMCG	8.74%
Construction	8.26%
Industrial Products	7.20%
Petroleum Products	5.25%
Consumer Durables	5.24%
Pharmaceuticals & Biotechnology	4.64%
Realty	3.38%
Finance	3.09%

Why HSBC Focused Fund?

- To seek growth from an actively managed portfolio comprising of up to 30 companies across market capitalization (i.e. Multi Caps)
- Top down and bottom up approach will be used to invest in equity and equity related instruments
- Investments will be based on the Investment Team's analysis of business cycles, regulatory reforms, competitive advantages and more

¹ As per clause 1.9 of the SEBI Master Circular dated May 19, 2023, on 'Guiding Principles for bringing uniformity in Benchmarks of 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 effective from 01 December 2021.

² As on 31 July 2023 of Growth option regular plan. During the same period, scheme benchmark (Nifty 500 TRI) has moved by 1.9X to Rs. 1,94,720 from Rs.100,000 and delivered return of 24.65%. Please refer page no. 3 for detailed performance of HSBC Focused Fund.

³ During the same period, value of scheme benchmark (Nifty 500 TRI) has moved to 4,67,513 Data as on 31 July 2023, HSBC Mutual Fund

Fund Philosophy

- The fund follows a flexi-cap strategy with a flexibility to invest across the market capitalization spectrum and sectors.
- Profit pool consolidation with dominant players to continue and disruption to accelerate this shift.
- Stock selection focuses on earnings growth trajectory and within that, the emphasis lies on earnings surprises.
- Since valuations are in line with its historical averages, earnings visibility and relative earnings growth are the key criteria of stock selection.

Key portfolio themes

- Our portfolio is a high-conviction portfolio which is positioned for stocks with earnings visibility in the near term and growth in medium to long term.
- Portfolio construction is through bottom-up stock selection and there is an emphasis on sustainable earnings growth, relative earnings and earnings surprises.
- The current set up of the market is that of moderating inflation, peaked interest rates, improving current account and balance of payment, and reviving growth. That means we are likely to witness improving macro data. However, we are not seeing its impact on corporate earnings that continues to have downward revision. Consensus earnings estimates of FY24 and FY25 look optimistic. The markets have been steady as the time-correction has led the valuations to be in line with historical averages. We have tamed our pro-cyclical bias and increased our exposure in the defensive sectors to de-risk our portfolio.

Investment Objective

To seek long term capital growth through investments in a concentrated portfolio of equity & equity related instruments of up to 30 companies across market capitalization. However, there is no assurance that the investment objective of the Scheme will be achieved.

Load / Month End Total Expenses Ratios (Annualized) ⁵	
Entry Load	NIL
Exit Load - NIL (after 1 year), 1% (before 1 year) ⁴	
Expense ratio (Other than Direct) ⁶	2.13%
Expense ratio (Direct)	0.93%

⁴ Exit Load - If the units redeemed or switched out are upto 10% of the units purchased or switched in ("the limit") within 1 year from the date of allotment – Nil

• If units redeemed or switched out are over and above the limit within 1 year from the date of allotment - 1% • If units are redeemed or switched out on or after 1 year from the date of allotment – Nil

⁵ TER Annualized TER including GST on Investment Management Fees

⁶ Continuing plans

HSBC Focused Fund (HFOF) | Product Note
[August 2023]

Fund Managers - Neelopal Sahal (No of Schemes Managed – 4) - Managing Fund Since July 29 2020 and Cheenu Gupta (No of Schemes Managed – 8) - Managing Fund Since June 01, 2023 and Sonal Gupta (No of Schemes Managed - 5, for investment in foreign securities)

Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		Since Inception		22-Jul-20
	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	
HSBC Focused Fund-Regular	11520	15.11	16970	19.28	17222	19.69	
Scheme Benchmark (Nifty 500 TRI)	11735	17.25	19490	24.91	19472	24.65	
Additional Benchmark (Nifty 50 TRI)	11628	16.18	18479	22.71	18388	22.31	

Performance of other funds managed by the Fund Manager									Inception Date
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		Since Inception		
	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	
HSBC Large Cap Fund – Regular ⁷	11523	15.14	17218	19.86	16819	10.95	376246	19.20	10-Dec-02
Scheme Benchmark (Nifty 100 TRI)	11416	14.08	18134	21.95	17908	12.35	NA	NA	
Additional Benchmark (Nifty 50 TRI)	11628	16.18	18479	22.71	18447	13.02	245306	16.76	
HSBC Large and Mid Cap Fund-Regular	12101	20.89	18637	23.06	NA	NA	17785	14.17	28-Mar-19
Scheme Benchmark (NIFTY Large Midcap 250 TRI)	12061	20.49	21235	28.53	NA	NA	20156	17.50	
Additional Benchmark (Nifty 50 TRI)	11628	16.18	18479	22.71	NA	NA	17989	14.47	
HSBC Balanced Advantage Fund-Regular	11155	11.49	12962	9.03	14411	7.58	34183	10.35	07-Feb-11
Scheme Benchmark (Nifty 50 Hybrid composite debt 50:50 Index)	11201	11.94	14699	13.70	16845	10.99	35004	10.56	
Additional Benchmark (S&P BSE Sensex TRI)	11703	16.93	18329	22.38	18773	13.42	43762	12.55	
HSBC Mid Cap Fund-Regular ⁸	12051	20.38	19385	24.69	17110	11.33	241503	18.26	09-Aug-04
Scheme Benchmark (NIFTY Midcap 150 TRI)	12715	26.98	24713	35.20	22157	17.24	NA	NA	
Additional Benchmark (Nifty 50 TRI)	11628	16.18	18479	22.71	18447	13.02	152923	15.45	
HSBC ELSS Fund-Regular	11853	18.42	17989	21.62	15845	9.64	89900	13.43	27-Feb-06
Scheme Benchmark (Nifty 500 TRI)	11735	17.25	19490	24.91	18666	13.29	78796	12.57	
Additional Benchmark (Nifty 50 TRI)	11628	16.18	18479	22.71	18447	13.02	79624	12.64	
HSBC Tax Saver Equity Fund-Regular	11322	13.14	18261	22.23	16629	10.70	62425	11.68	05-Jan-07
Scheme Benchmark (Nifty 500 TRI)	11735	17.25	19490	24.91	18666	13.29	62161	11.65	
Additional Benchmark (Nifty 50 TRI)	11628	16.18	18479	22.71	18447	13.02	60495	11.47	
HSBC Aggressive Hybrid Fund-Regular	11534	15.25	15836	16.56	15453	9.09	41203	12.01	07-Feb-11
Scheme Benchmark (NIFTY 50 Hybrid Composite Debt 65:35 Index)	11330	13.23	15768	16.39	17415	11.73	37535	11.18	
Additional Benchmark (Nifty 50 TRI)	11628	16.18	18479	22.71	18447	13.02	42678	12.33	
HSBC Equity Savings Fund-Regular	11118	11.12	14639	13.55	14599	7.86	25581	8.29	18-Oct-11
Scheme Benchmark (NIFTY Equity Savings Index)	11013	10.07	13726	11.13	15295	8.87	29645	9.65	
Additional Benchmark (CRISIL 10 year Gilt Index)	10793	7.89	10891	2.89	13686	6.47	21601	6.75	
HSBC Conservative Hybrid Fund - Regular	10786	7.82	12423	7.50	14008	6.97	47788	8.38	24-Feb-04
Scheme Benchmark (NIFTY Large Midcap 250 TRI)	10893	8.88	12412	7.47	15292	8.86	47775	8.38	
Additional Benchmark (CRISIL 10 year Gilt Index)	10793	7.89	10891	2.89	13686	6.47	28630	5.56	

PTP returns – Point to Point returns. As per clause 5.9.1 of the SEBI Master Circular dated May 19, 2023 the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units. | IDCW are assumed to be reinvested and Bonus is adjusted. | The performance details provided herein is of Regular 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 2023 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. Considering the varying maturities of the close ended schemes, the performance of close-ended schemes is not provided as it is strictly not comparable with that of open-ended schemes. Post merger performance of the surviving scheme, arising out of merger of schemes with similar features, is computed as per the provisions of clause 13.4 of the SEBI Master Circular dated May 19, 2023 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.

⁷ HSBC Large Cap Fund: The launch date of the Nifty 100 TRI is Jan 01, 2003 whereas the inception date of the scheme is Dec 10, 2002. The corresponding benchmark returns since inception of the scheme not available.

⁸ HSBC Mid Cap Fund: The launch date of the S&P BSE 150 Mid Cap TRI is November 30, 2017 whereas the inception date of the scheme is August 09, 2004. The corresponding benchmark returns since inception of the scheme is not available.

Note - Sonal Gupta shall be dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund. Past performance may or may not be sustained in the future. Source: HSBC Mutual Fund, data as on 31 July 2023

HSBC Focused Fund (HFOF) | Product Note
[August 2023]

Past performance may or may not be sustained in the future. Refer note below.

Name of Scheme	Fund Manager	No. of funds managed and Co-managed
HSBC Focused Fund	Neelotpal Sahai- Since July 29, 2020 Cheenu Gupta- Since June 01, 2023	Neelotpal Sahai-4 Cheenu Gupta-8
HSBC Large Cap Fund	Neelotpal Sahai- Since May 27, 2013 Gautam Bhupal- Since June 01, 2023	Neelotpal Sahai-4 Gautam Bhupal-8
HSBC Large & Mid Cap Fund	Cheenu Gupta- Since Nov 26, 2022 Neelotpal Sahai- Since Mar 28, 2019	Cheenu Gupta-8 Neelotpal Sahai-4
HSBC Balanced Advantage Fund	Neelotpal Sahai (Equity)- Since Nov 26, 2022 Mahesh Chhabria (Fixed Income)- Since July 15, 2023	Neelotpal Sahai-4 Mahesh Chhabria-10
HSBC Midcap Fund	Vihang Shankar Naik- Since June 28 2016 Cheenu Gupta- Since Nov 26 2022	Vihang Shankar Naik-4 Cheenu Gupta-8
HSBC ELSS Fund	Cheenu Gupta- Since Jul 02, 2021 Gautam Bhupal- Since Nov 26, 2022	Cheenu Gupta-8 Gautam Bhupal-8
HSBC Tax Saver Fund	Gautam Bhupal- Since July 23, 2019 Cheenu Gupta- Since Nov 26, 2022	Gautam Bhupal-8 Cheenu Gupta-8
HSBC Aggressive Hybrid Fund	Cheenu Gupta (Equity)- Since July 02, 2021 Shriram Ramanathan (Fixed Income)- Since May 30, 2016	Cheenu Gupta-8 Shriram Ramanathan-11
HSBC Equity Savings Fund	Cheenu Gupta (Equity) - Since Jul 02, 2021 Mahesh Chhabria (Fixed Income) - Since July 15, 2023	Cheenu Gupta-8 Mahesh Chhabria-10
HSBC Conservative Hybrid Fund	Mahesh Chhabria (Fixed Income) Since July 15, 2023 Cheenu Gupta (Equity) Since Nov 26, 2022	Mahesh Chhabria-10 Cheenu Gupta-8

SIP Performance - HSBC Focused Fund - Regular					Inception Date: 22-Jul-20
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (₹)	120000	360000	NA	360000	
Market Value as on July 31, 2023 (₹)	135,598	445,092	NA	445,092	
Scheme Returns (%)	25.08	14.30	NA	14.30	
Nifty 500 TRI - Scheme Benchmark (₹)	134,779	467,513	NA	467,513	
Nifty 500 TRI - Scheme Benchmark Returns (%)	23.73	17.76	NA	17.76	
Nifty 50 TRI - Additional Benchmark (₹)	133,069	458,661	NA	458,661	
Nifty 50 TRI - Additional Benchmark Returns (%)	20.90	16.41	NA	16.41	

For SIP returns, monthly investment of Rs.10,000 invested on the 1st day of every month has been considered. SIP Return are calculated on XIRR basis.

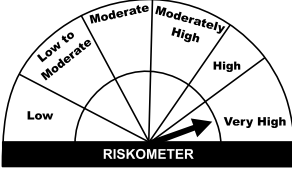
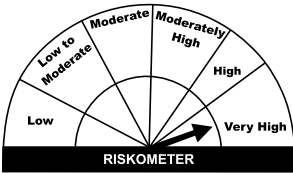
As per clause 5.9.1 of the SEBI Master Circular dated May 19, 2023 the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units.

The performance details provided herein is of Regular 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 2023 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. Considering the varying maturities of the close ended schemes, the performance of close-ended schemes is not provided as it is strictly not comparable with that of open-ended schemes.



Post merger performance of the surviving scheme, arising out of merger of schemes with similar features, is computed as per the provisions of clause 13.4 of the SEBI Master Circular dated May 19, 2023 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.

Data as on 31 July 2023, HSBC Mutual Fund



Product Label

Scheme name and Type of scheme	Riskometer of the Scheme	Riskometer of the benchmark
<p>This product is suitable for investors who are seeking*:</p> <p>HSBC Focused Fund (Erstwhile HSBC Focused Equity Fund) - Focused Fund – An open ended equity scheme investing in maximum 30 stocks across market caps (i.e. Multi-Cap).</p> <ul style="list-style-type: none"> • Long term wealth creation • Investment in equity and equity related securities across market capitalization in maximum 30 stocks. (Benchmark : NIFTY 500 TRI Index) <p>HSBC Large Cap Fund (Erstwhile HSBC Large Cap Equity Fund) - Large Cap Fund – An open ended equity scheme predominantly investing in large cap stocks.</p> <ul style="list-style-type: none"> • To create wealth over long term. • Investment in predominantly large cap equity and equity related securities. (Benchmark : NIFTY 100 TRI Index) <p>HSBC Large and Mid Cap Fund (Erstwhile HSBC Large & Mid Cap Equity Fund) - Large and Mid Cap Fund – An open ended equity scheme investing in both large cap and mid cap stocks.</p> <ul style="list-style-type: none"> • Long term wealth creation and income • Investment predominantly in equity and equity related securities of Large and Mid cap companies (Benchmark : NIFTY Large Midcap 250 TRI) <p>HSBC Midcap Fund (Erstwhile L&T Midcap Fund) - Midcap Fund – An open ended equity scheme predominantly investing in mid cap stocks.</p> <ul style="list-style-type: none"> • Long term wealth creation • Investment in equity and equity related securities of mid cap companies. (Benchmark : NIFTY Midcap 150 TRI) <p>HSBC Tax Saver Equity Fund - Equity Linked Savings Scheme - An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit</p> <ul style="list-style-type: none"> • Long term capital growth • Investment predominantly in equity and equity-related securities. (Benchmark : NIFTY 500 TRI Index) <p>HSBC ELSS Fund (Erstwhile L&T Tax Advantage Fund) - Equity Linked Savings Scheme - An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit</p> <ul style="list-style-type: none"> • Long term capital growth • Investment predominantly in equity and equity-related securities. (Benchmark : NIFTY 500 TRI Index) 	 <p>RISKOMETER</p> <p>Investors understand that their principal will be at Very High risk</p>	 <p>RISKOMETER</p>

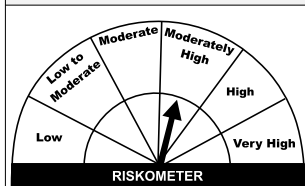
HSBC Balanced Advantage Fund (Erstwhile L&T Balanced Advantage Fund)

 <p>RISKOMETER</p> <p>Investors understand that their principal will be at High risk</p>	<p>HSBC Balanced Advantage Fund – An open ended dynamic asset allocation fund.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Long term capital appreciation and generation of reasonable returns • Investment in equity and equity related instruments, derivatives and debt and money market instruments 	<p>Benchmark Index: NIFTY 50 Composite Hybrid Debt 50:50 Index</p>  <p>RISKOMETER</p>
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HSBC Conservative Hybrid Fund (Erstwhile HSBC Regular Savings Fund)

 <p>RISKOMETER</p> <p>Investors understand that their principal will be at Moderately High risk</p>	<p>Conservative Hybrid Fund – An open ended hybrid scheme investing predominantly in debt instruments.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Investment in fixed income (debt and money market instruments) as well as equity and equity related securities • Capital appreciation over medium to long term 	<p>Benchmark Index: NIFTY 50 Hybrid Composite Debt 15:85 Index</p>  <p>RISKOMETER</p>
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HSBC Equity Savings Fund (Erstwhile L&T Equity Savings Fund)



Investors understand that their principal will be at Moderately High risk

Equity Savings Fund – An open ended scheme investing in equity, arbitrage and debt.

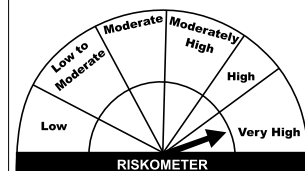
This product is suitable for investors who are seeking*:

- Investment in fixed income (debt and money market instruments) as well as equity and equity related securities
- Capital appreciation over medium to long term

Benchmark Index: NIFTY Equity Savings Index



HSBC Aggressive Hybrid Fund (Erstwhile L&T Hybrid Equity Fund)



Investors understand that their principal will be at Very High risk

Aggressive Hybrid Fund - An open ended hybrid scheme investing predominantly in equity and equity related instruments..

This product is suitable for investors who are seeking*:

- Long term wealth creation and income
- Investment in equity and equity related securities and fixed income instruments

Benchmark Index: Nifty 50 Hybrid composite debt 65:35 Index



* 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 2023, 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

Past performance may or may not be sustained in the future. Source: HSBC Mutual Fund, Data as on 31 July 2023

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