

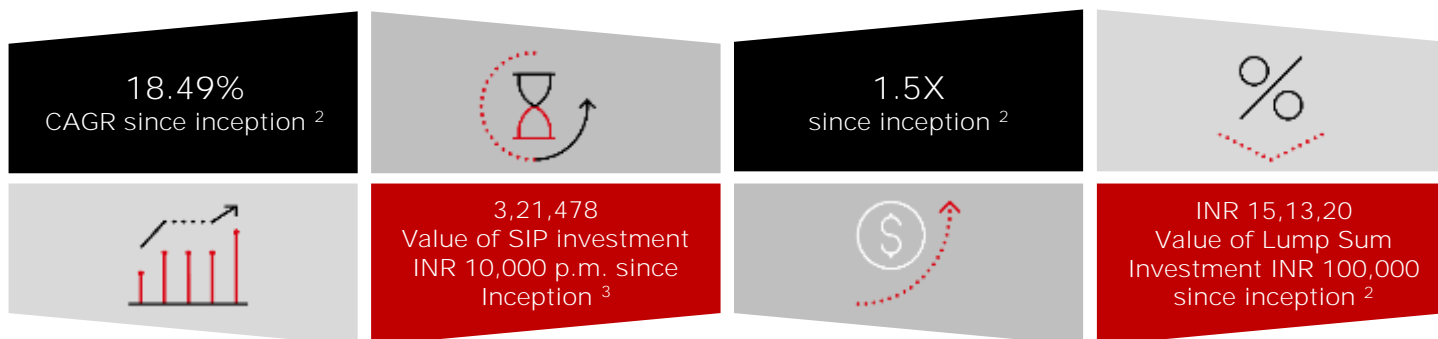
Product Note

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)

January 2023

Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM
Focused	Neelotpal Sahai and Ankur Arora	Nifty 500 TRI	22 July 2020	Rs. 1440.03 Cr



Portfolio	% of net assets
HDFC Bank Limited	9.89
ICICI Bank Limited	9.28
Reliance Industries Limited	7.08
Infosys Limited	6.28
Larsen & Toubro Limited	5.79
Axis Bank Limited	5.19
Hindustan Unilever Limited	5.09
State Bank of India	4.26
ITC Limited	3.99
Sun Pharmaceutical Industries Limited	3.65

Sector - Allocation	% of net assets
Banks	28.62
IT - Software	11.13
Diversified FMCG	9.08
Petroleum Products	7.08
Construction	5.79
Automobiles	5.34
Consumer Durables	4.74
Pharmaceuticals & Biotechnology	3.71
Industrial Products	3.55
Telecom - Services	2.80

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 SEBI vide its circular no. SEBI/HO/IMD/IMD-II/DF3/P/ CIR/2021/652 dated October 27, 2021, 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. Furthermore, the same is effective from 01 December 2021

² As on 31 December 2022 of Growth option. During the same period, scheme benchmark (Nifty 500 TRI) has moved by 1.7X to Rs. 17,53,70 from Rs. 100,000 and delivered return of 25.8%. 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 3,50,433.

Data as on 31st December, 2022 unless otherwise given)

Fund Philosophy

- HFOF has a flexibility to invest across the market capitalization spectrum and sectors.
- Prefer dominant and scalable businesses available at reasonable valuations.
- 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.
- Valuations are as much a driver of stock selection as earnings growth.

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 / Expenses	
Entry Load	NIL
Exit Load - NIL (after 1 year), 1% (before 1 year) ⁴	
Expense ratio (Other than Direct) ⁵	2.18%
Expense ratio (Direct)	0.82%

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 Continuing plans

HSBC Focused Fund (HFOF) | Product Note
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Fund Managers - Neelotpal Sahai (No of Schemes Managed – 4) - Managing Fund Since 26 Nov 26 2022 and Ankur Arora (No of Schemes Managed – 3) - Managing Fund Since 29 July 2020 and Sonal Gupta (No of Schemes Managed - 4, for investment in foreign securities)

Fund / Benchmark (Value of Rs 10,000 Invested)	1 Year		Since Inception		22-Jul-20
	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	
HSBC Focused Fund-Regular	9656	-3.45	15132	18.49	
Scheme Benchmark (Nifty 500 TRI)	10425	4.26	17537	25.87	
Additional Benchmark (Nifty 50 TRI)	10569	5.71	16744	23.51	

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 ⁶	10106	1.07	14303	12.67	15918	9.73	340666	19.22	10-Dec-02
Scheme Benchmark (Nifty 100 TRI)	10494	4.95	15402	15.48	17666	12.04	NA	NA	
Additional Benchmark (Nifty 50 TRI)	10569	5.71	15416	15.52	18305	12.84	223379	16.74	
HSBC Large and Mid Cap Fund-Regular	9797	-2.04	14843	14.07	NA	NA	15404	12.17	28-Mar-19
Scheme Benchmark (NIFTY Large Midcap 250 TRI)	10448	4.50	17307	20.06	NA	NA	17698	16.39	
Additional Benchmark (Nifty 50 TRI)	10569	5.71	15416	15.52	NA	NA	16381	14.02	
HSBC Business Cycles Fund-Regular	10533	5.34	15489	15.70	13458	6.11	24107	11.09	20-Aug-14
Scheme Benchmark (Nifty 50 TRI)	10425	4.26	16173	17.38	17247	11.50	26849	12.53	
Additional Benchmark (Nifty 50 TRI)	10569	5.71	15416	15.52	18305	12.84	25435	11.80	
HSBC Balanced Advantage Fund-Regular	10181	1.81	12444	7.56	13919	6.83	31525	10.13	07-Feb-11
Scheme Benchmark (Nifty 50 Hybrid composite debt 50:50 Index)	10451	4.53	13951	11.74	16528	10.56	32645	10.45	
Additional Benchmark (S&P BSE Sensex TRI)	10580	5.82	15274	15.17	18943	13.61	39660	12.27	

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 Nov 26, 2022 Ankur Arora- Since July 29, 2020	Neelotpal Sahai-4 Ankur Arora-3
HSBC Large Cap Fund	Neelotpal Sahai- Since May 27, 2013 Ankur Arora- Since Nov 26, 2022	Neelotpal Sahai-4 Ankur Arora-3
HSBC Large & Mid Cap Fund	Cheenu Gupta- Since Nov 26, 2022 Neelotpal Sahai-Since Mar 28, 2019	Cheenu Gupta-7 Neelotpal Sahai-4
HSBC Business Cycles Fund	Ankur Arora- Since Nov 26 2022 Venugopal Manghat- Since Aug 20 2014	Ankur Arora-3 Venugopal Manghat-5
HSBC Balanced Advantage Fund	Neelotpal Sahai (Equity)- Since Nov 26,2022 Ritesh Jain (Fixed Income) -Since Nov 26,2022	Neelotpal Sahai-4 Ritesh Jain-5

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	NA	NA	290000	
Market Value as on December 31, 2022 (₹)	1,20,912	NA	NA	3,21,478	
Scheme Returns (%)	1.42	NA	NA	8.49	
Nifty 500 TRI - Scheme Benchmark (₹)	1,25,930	NA	NA	3,50,433	
Nifty 500 TRI - Scheme Benchmark Returns (%)	9.33	NA	NA	15.92	
Nifty 50 TRI - Additional Benchmark (₹)	1,26,680	NA	NA	3,47,645	
Nifty 50 TRI - Additional Benchmark Returns (%)	10.53	NA	NA	15.22	

⁶ 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.

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 Asset Management India, data as at 31 Dec 2022

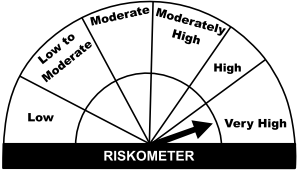
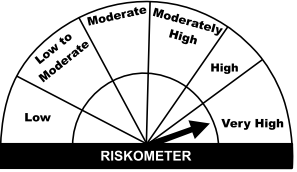

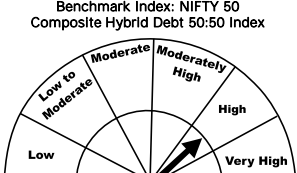
Since Inception returns are provided from the date of allotment of units. PTP returns – Point to Point returns.

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.

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 December 2022 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.

Pursuant to the transfer of schemes of L&T Mutual Fund to HSBC Mutual Fund, which was effective from the close of business hours of November 25, 2022, the performance of the Scheme (which is the surviving scheme out of the merger of schemes with similar features) provided above is computed as per the provisions of SEBI Circular No- SEBI/HO/IMD/DF3/CIR/P/2018/69 dated April 12, 2018 using the weighted average performance of both transferor and transferee schemes. The details of the transferor and transferee schemes please refer to our notice dated October 14, 2022 available on www.assetmanagement.hsbc.co.in.

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 Business Cycles Fund (Erstwhile L&T Business Cycles Fund) - Thematic Fund - An open ended equity scheme following business cycles based investing theme.</p> <ul style="list-style-type: none"> • Long term capital appreciation • Investment predominantly in equity and equity-related securities, including equity derivatives in Indian markets with focus on riding business cycles through dynamic allocation between various sectors and stocks at different stages of business cycles in the economy. (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 Moderately 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>

* 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 Dec 2022, 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 Asset Management India, data as at 31 Dec 2022

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