

Fund Pitch

Go for potential.



Go for growth.

HSBC Midcap Fund

(An open ended equity scheme predominantly investing in mid cap stocks)



Reasons to discuss Mid Caps

Midcaps Forever: Mid Cap Funds hold a well diversified portfolio with wide representation of sectors. Midcaps (mid-cap stocks) are shares of medium-sized companies - bigger and generally more established than small-cap companies, but smaller than large-cap companies - with higher growth potential. Many mid-cap companies are still scaling up (new markets, products, capacity) but often have a more proven business model than smaller firms. Midcaps can be more volatile than large caps but may offer higher growth potential than mature large companies and that's what can make them a part of a long-term portfolio.

HSBC Midcap Fund: Facts & Features

- ◆ HSBC Midcap Fund aims to build well diversified portfolio with wide representation of sectors
- ◆ The fund follows bottom-up stock selection with top-down view
- ◆ No benchmark hugging with high active weights
- ◆ Keeps blend style with bias towards growth
- ◆ Portfolio's sizing of bets is based on conviction and opportunity
- ◆ The fund aims to have exposure to Large/ Small cap stocks that have traits similar to Mid Caps

Why HSBC Midcap Fund?



HSBC Midcap Fund follows bottom-up stock selection with a top-down view



The Fund doesn't follow benchmark hugging, with high active weights



It has a blended style with a bias towards growth



The fund's sizing of bets is based on conviction and opportunity

Source: HSBC Mutual Fund, Data as on 31 Aug 2026.

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

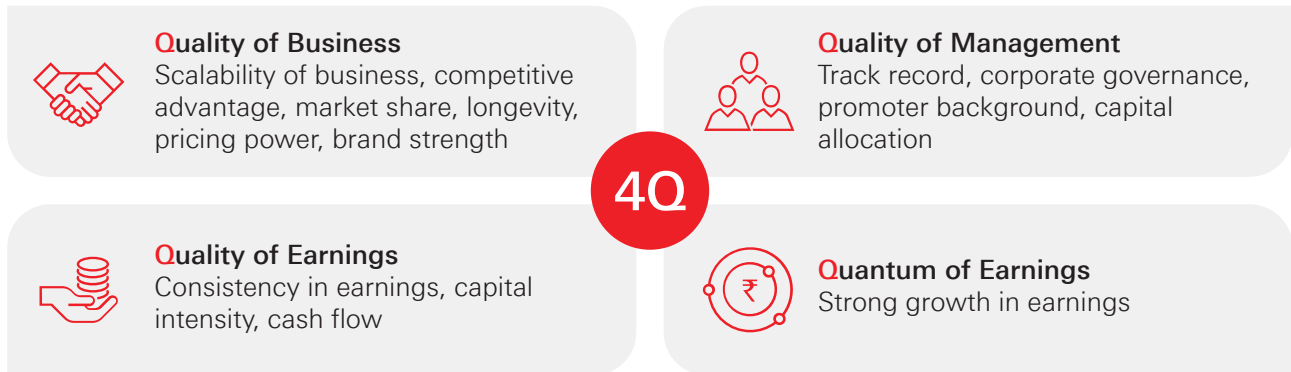
Click here to know more about HSBC Midcap Fund:

<https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investment-expertise/equity-funds/hsbc-midcap-fund#openTab=0>

PUBLIC

Document remediated as per WCAG 2.2 Level AA standards

HSBC Midcap Fund follows a bottom-up and 4Q investment approach



The 4Q approach supports the fund's investment journey by identifying investment opportunities and avoiding mistakes. The Fund's portfolio construction approach revolves around three major pillars, i.e. **Stable/Leaders, High Growth/Challengers, and Themes/Turnarounds.**

Fund Track record: HSBC Midcap Fund

In the past, HSBC Midcap Fund (Regular Plan) delivered a 19.2% CAGR and has multiplied investors' wealth by about 48 times since inception, where ₹1,00,000 invested in Aug 2004 has become more than ₹48 lakhs. A monthly SIP of ₹10,000 has grown to ₹2.6 crore.

Lumpsum performance commentary

HSBC Midcap Fund-Regular plan has given 26.83% CAGR vs 14.05% Scheme Benchmark (NIFTY Midcap 150 TRI) for 1 year. In 3 years, the fund has given 25.11% CAGR vs 17.67% of benchmark. Over the long term (10 years) the fund has given 16.92% CAGR vs 17.50% of benchmark.

HSBC Midcap Fund-Direct plan has given 28.18% CAGR vs 14.05% Scheme Benchmark (NIFTY Midcap 150 TRI) for 1 year. In 3 years, the fund has given 26.45% CAGR vs 17.67% of benchmark. Over the long term (10 years) the fund has given 18.24% CAGR vs 17.50% of benchmark.

SIP Performance commentary

HSBC Midcap Fund-Regular has given 36.03% XIRR through SIP investment in 1 year and 17.70% XIRR since inception. The fund has given 21.23% XIRR through SIP investment in 3 years and 22.62% XIRR in 5 years.

HSBC Midcap Fund-Direct has given 37.46% XIRR through SIP investment in 1 year and 20.35% XIRR since inception. The fund has given 22.50% XIRR through SIP investment in 3 years and 24.00% XIRR in 5 years.

Investor Q&A

1 Why invest in Mid Caps now?

- ◆ Midcap valuations trade at 26.4x in August 2026, above long-term averages (>25% correction in valuation multiples from peak)
- ◆ Midcap Index PAT is expected to grow 21% in FY27 on a base of mid-teens earnings growth in FY26
- ◆ Return on Equity is expected to rise sharply to 14.1% in CY26 with better earnings growth in coming years

2 Which sectors fund is overweight on?

- ♦ **Electrical Equipment:** Prefer T&D segment companies, especially those connecting power from generation sources to grid or supply chain companies
- ♦ **Retailing:** Prefer Platforms over brick-and-mortar companies targeting customers, who prefer convenience and multiple choices
- ♦ **Industrial Manufacturing:** Companies benefiting from 'Make in India' theme in defence or niche segments
- ♦ **Finance:** Exposure through NBFCs benefitting from strong credit growth, healthy asset quality and stable NIMs
- ♦ **Automobiles:** Electrification within 2Ws is at inflection point with double-digit penetration; overweight select players in this segment.

3 Which sectors fund is underweight on?

- ♦ **Consumer Durables:** Rising commodity costs, higher inventory and possible slowdown in discretionary consumption
- ♦ **Insurance:** Within Financials, prefer exposure through Banks, NBFCs and Capital Markets; distributors in Insurance
- ♦ **Industrial Products:** Rich sector valuations and entry of new player in cables & wires segment results in underweight stance
- ♦ **IT-Software:** AI-related risks and terminal growth rate concerns
- ♦ **Telecom - Services:** Tariff hikes may not come through in FY27 leading to cut in earnings estimates

Q&A: Objection & Risk Management perspective

1. How has HSBC Mid Cap Fund managed portfolio to avoid volatility and reduce risk over the last few months.

- ♦ Basis valuations and runup in stocks investment decisions have been made to manage portfolio effectively.
- ♦ **Reduction in Industrials** over past few months, however, continue to **remain overweight**. We have booked profits in some capital goods companies for portfolio optimization and reduced exposure to cable companies.
- ♦ Within the **Consumer Discretionary segment**, increased weight in platform and select auto and auto components companies
- ♦ **Increased exposure to Healthcare** in 2026 through select generic players on attractive valuations

2. What is the HSBC Mid Cap Fund portfolio construction approach to create a balanced growth portfolio which may help create wealth over a long term.

- ♦ The fund focuses on three themes Stable / Leaders, High growth/ Challengers and Themes/ turnarounds.
- ♦ The fund focusses Stable / Leaders i.e. on companies having good consistent track record, cash generating businesses and which have demonstrated better return ratios across various cycles. This part lends stability to portfolio where fund aims to be equal weight to slightly underweight and subject to low risk

- ◆ The second theme where fund focuses are High growth/ Challengers
- ◆ Here the fund follows companies having good execution, gaining market share better products/operating metrics and agile management which is a key driver for portfolio
- ◆ From this theme's perspective the fund aims to prefer to be overweight and it subject to Moderate risk
- ◆ The third theme where fund focuses on Turnaround stories having cyclical, change in management
- ◆ The fund follows themes such as Import substitution / Manufacturing (Engineering companies), Digital, Fintech, etc. Here the role in portfolio is to help in looking out for new ideas with limited weights. This part of portfolio subject to relatively higher risk with high growth potential.

3. Does HSBC Midcap Fund keep quality portfolio?

The fund follows 4Q investment approach as below

- ◆ **Quality of Business:** Scalability of business, Competitive advantage, Market share, Longevity, Pricing power, Brand strength
- ◆ **Quality of Management:** Track record, Corporate governance, Promoter background, Capital allocation
- ◆ **Quality of Earnings:** Consistency in earnings, Capital intensity, Cashflow
- ◆ **Quantum of Earning:** Strong growth in earnings



Cheenu Gupta

Senior Vice President & Fund Manager - Equity, HSBC Mutual Fund

Investment Experience - 20 years

Cheenu Gupta is Equity Fund Manager at HSBC Asset Management India and brings with her around 20 years of rich experience. She joined HSBC as part of the L&T Investment Management team. Prior to that Cheenu, worked with Canara Robeco AMC, where she worked as Equity Fund Manager. She was also associated with Tata AIA Life Insurance as Equity Fund Manager, ING Investment Management as Senior Research Analyst and UTI Mutual Fund as Analyst.

Cheenu is a CFA charter holder (USA) and has completed her PGDBM from S.P. Jain, Mumbai, where she was a gold medallist in her Finance specialization. She is also a B.E. (Information Technology) from VESIT, Mumbai University.

We have also enclosed the link to download the latest edition of '**Fund Lens - HSBC Midcap Fund**' for more details. This covers important updates such as portfolio construction approach, market valuations, and active portfolio trends to take more informed investment decisions.

Fund Lens Coverage

1. Fund snapshot

2. Portfolio Construction Approach

3. 4Q Approach

4. Midcap Valuation & Earnings signs

5. Sector – Active weights & allocation trend

6. Stocks - Active weights

7. Portfolio metrics

8. Market cap allocation trend

9. Performance

Click [here](#) to download Fund Lens - HSBC Midcap Fund - Sep 2026

Click [here](#) to check Fund Lens of other Funds

Annexure

Fund Manager - Cheenu Gupta Effective 26 Nov 2022. Total Schemes Managed – 5, Fund Manager - Mayank Chaturvedi Effective 01 Oct 2025. Total Schemes Managed – 19, Fund Manager - Dipan S. Parikh Effective 26 Aug 2026. Total Schemes Managed - 22

Lumpsum Performance - Regular Plan						Inception Date: 09 Aug '04				
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		10 Years		Since Inception	
	Amount (Rs)	Returns (%)	Amount (Rs)	Returns (%)	Amount (Rs)	Returns (%)	Amount (Rs)	Returns (%)	Amount (Rs)	Returns (%)
HSBC Mid cap Fund	12,699	26.83	19,596	25.11	23,751	18.88	47,779	16.92	4,82,086	19.19
Scheme Benchmark (Nifty Midcap 150 TRI)	11,413	14.05	16,301	17.67	22,716	17.82	50,208	17.50	NA	NA
Additional Benchmark (Nifty 50 TRI)	9,965	-0.35	12,951	8.99	14,915	8.32	30,930	11.95	1,93,487	14.36

Lumpsum Performance - Direct Plan						Inception Date: 01 Jan '13				
HSBC Mid cap Fund	12,836	28.18	20,229	26.45	25,226	20.32	53,443	18.24	1,29,412	20.60
Scheme Benchmark (Nifty Midcap 150 TRI)	11,413	14.05	16,301	17.67	22,716	17.82	50,208	17.50	99,424	18.29
Additional Benchmark (Nifty 50 TRI)	9,965	-0.35	12,951	8.99	14,915	8.32	30,930	11.95	47,811	12.13

PTP returns - Point to Point returns. | Past performance may or may not be sustained in the future and is not indicative of future results. The performance details provided herein are of Regular Plan - Growth Option. Returns on Rs. 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 31 August 2026 for the respective schemes. Returns for 1 year and above are Compounded Annualised. Returns for less than 1 year is Simple Annualised. 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 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.

SIP Performance Equity - Regular Plan				Inception Date: 09 Aug '04	
Scheme Name & Benchmarks		1 Year	3 Years	5 Years	Since Inception
Total amount invested (₹)		1,20,000	3,60,000	6,00,000	26,40,000
Market Value as on August 31, 2026 (₹)		1,42,166	4,90,865	10,51,488	2,60,12,881
Scheme Returns (%)		36.03	21.23	22.62	17.70
NIFTY Midcap 150 TRI - Scheme Benchmark (₹)		1,29,823	4,32,658	9,32,775	NA
NIFTY Midcap 150 TRI - Scheme Benchmark Returns (%)		15.56	12.32	17.69	NA
Nifty 50 TRI - Additional Benchmark (₹)		1,18,048	3,77,601	7,22,179	1,19,74,443
Nifty 50 TRI - Additional Benchmark Returns (%)		-3.01	3.13	7.35	12.10

SIP Performance Equity - Direct Plan				Inception Date: 01 Jan '13	
Scheme Name & Benchmarks		1 Year	3 Years	5 Years	Since Inception
Total amount invested (₹)		1,20,000	3,60,000	6,00,000	16,30,000
Market Value as on August 31, 2026 (₹)		1,43,003	4,99,566	10,86,962	74,32,282
Scheme Returns (%)		37.46	22.50	24.00	20.35
NIFTY Midcap 150 TRI - Scheme Benchmark (₹)		1,29,823	4,32,658	9,32,775	67,20,323
NIFTY Midcap 150 TRI - Scheme Benchmark Returns (%)		15.56	12.32	17.69	19.06
Nifty 50 TRI - Additional Benchmark (₹)		1,18,048	3,77,601	7,22,179	38,59,900
Nifty 50 TRI - Additional Benchmark Returns (%)		-3.01	3.13	7.35	11.88

Past performance may or may not be sustained in the future and is not indicative of future results. The performance details provided herein are of Regular Plan - Growth Option. For SIP returns, monthly investment of Rs. 10,000/- invested on the 1st day of every month has been considered. SIP Returns are calculated on XIRR basis. IDCW are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration. Mayank Chaturvedi shall be the fund manager for investments in foreign securities (wherever applicable) for all the schemes of HSBC Mutual Fund.

Source: HSBC Mutual Fund, data as on 31 Aug 2026

Click here to check other funds performance managed by the Fund Manager

Scan to know more



Product Labelling

This product is suitable for investors who are seeking*:

HSBC Midcap Fund - (An open ended equity scheme predominantly investing in mid cap stocks)

- Long term wealth creation.
 - Investment in equity and equity related securities of mid-cap companies.
- As per AMFI Tier I Benchmark Index: NIFTY Midcap 150 TRI

Riskometer of the Scheme



Riskometer of the benchmark



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

Source: HSBC Mutual Fund, Data as on 31 Aug 2026. As on 9 Aug 2004 of Growth option regular plan. During the same period, value of scheme benchmark (NIFTY Midcap 150 TRI) is not available. Please refer page detailed performance of HSBC Mid Cap Fund. 3 During the same period, value of scheme benchmark (NIFTY Midcap 150 TRI) is not available.

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).

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.

Disclaimer: This document has been prepared by HSBC Mutual Fund for information purposes only and should not be construed as i) an offer or recommendation to buy or sell securities, commodities, currencies or other investments referred to herein, or ii) an offer to sell or a solicitation or an offer for purchase of any of the funds of HSBC Mutual Fund, or iii) an investment research or investment advice. It does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Investors should seek personal and independent advice regarding the appropriateness of investing in any of the funds, securities, other investment or investment strategies that may have been discussed or referred herein and should understand that the views regarding future prospects may or may not be realized. In no event shall HSBC Mutual Fund/HSBC Asset management (India) Private Limited and / or its affiliates or any of their directors, trustees, officers and employees be liable for any direct, indirect, special, incidental or consequential damages arising out of the use of information / opinion herein.

This document is intended only for those who access it from within India and approved for distribution in Indian jurisdiction only. Distribution of this document to anyone (including investors, prospective investors or distributors) who are located outside India or foreign nationals residing in India, is strictly prohibited. Neither this document nor the units of HSBC Mutual Fund have been registered under Securities law/Regulations in any foreign jurisdiction. The distribution of this document in certain jurisdictions may be unlawful or restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions. If any person chooses to access this document from a jurisdiction other than India, then such person do so at his/her own risk and HSBC and its group companies will not be liable for any breach of local law or regulation that such person commits as a result of doing so.

© Copyright. HSBC Asset Management (India) Private Limited 2026, ALL RIGHTS RESERVED.

HSBC Mutual Fund, 9-11th Floor, NESCO - IT Park Bldg. 3, Nesco Complex, Western Express Highway, Goregaon East, Mumbai 400063. Maharashtra.

GST - 27AABCH0007N1ZS, Email: investor.line@mutualfunds.hsbc.co.in | Website: www.assetmanagement.hsbc.co.in

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

CL4491