

HSBC EVOLVE Portfolio

Grow with Micro themes under Macro trends

PMS Product Note

September 2026

Investment Approach: HSBC Evolve Portfolio

Investment Objective

The aim of the Portfolio is long term wealth creation from an actively managed portfolio of equity and equity related securities optimizing opportunities across the market capitalization spectrum without any sector bias. However, there can be no assurance or guarantee that the investment objective of the Approach would be achieved.

Description of types of securities

- Equity and equity related securities including convertible bonds and debentures and warrants carrying the right to obtain equity shares.
- Derivative instruments as may be permitted by SEBI / RBI.
- Units of overnight funds /liquid funds of HSBC Mutual Fund.
- Cash and cash equivalents
- Any other instruments as may be permitted by RBI / SEBI / such other Regulatory Authorities from time to time.

Basis of selection of types of securities

- The investment approach seeks to invest in companies across the entire market capitalization spectrum without any sector bias. The portfolio manager intends to do the same by buying equities of these companies and hence, equity and equity related securities are chosen for investment. The portfolio manager will focus on companies which have potential to deliver high growth.

Allocation of portfolio across types of securities

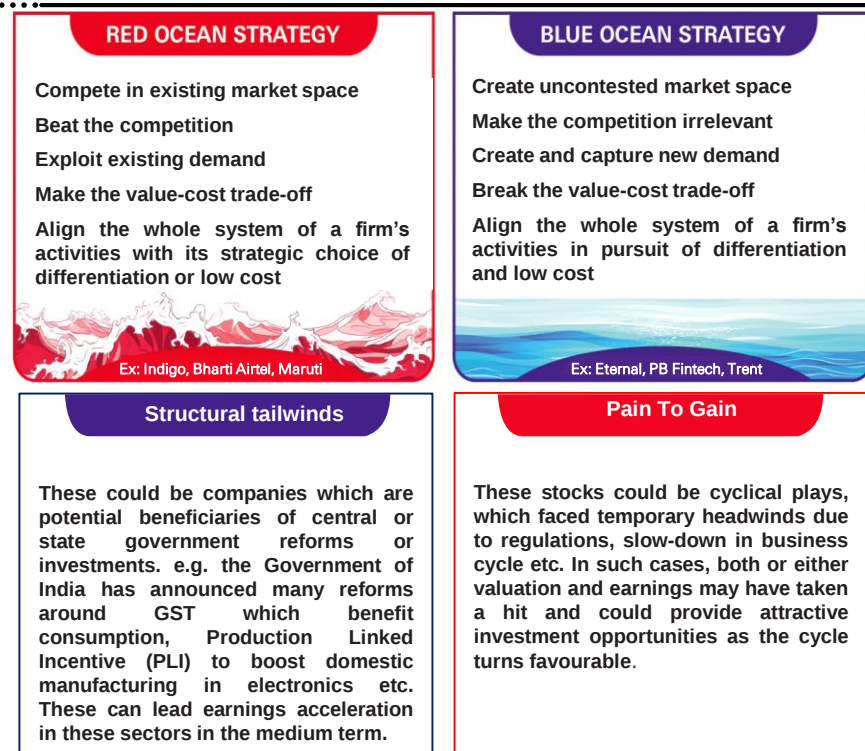
The investment approach has the mandate to invest in Equity and Equity related instruments of Large, Mid and Small cap companies without any sector bias.

Benchmark index for comparison of performance

- Regulatory Benchmark/ Strategy Benchmark: BSE 500 TRI

Investors should note that pursuant to Clause 2.3 of SEBI Master Circular for Portfolio Managers dated July 16, 2025, an option to invest directly. i.e. without intermediation of persons engaged in distribution services, is available to the investors.

Investment approach & Red Ocean Blue Ocean* (ROBO) Analogy



Top 10 Holdings

Name	Weight%
ICICI BANK LTD	4.63
SHRIRAM FINANCE LTD	4.47
MULTI COMMODITY EXCH INDIA	3.92
STATE BANK OF INDIA	3.82
AU SMALL FINANCE BANK LTD	3.43
RR KABEL LTD	3.43
BHARTI AIRTEL LTD	3.41
SAI LIFE SCIENCES LTD	3.05
SJS ENTERPRISES LTD	3.03
BAJAJ FINANCE LTD	2.99

Performance*	1 Month	3 Months	6 Months	Since inception (09/09/25)
Portfolio	3.69 %	10.86 %	10.46 %	8.97 %
BSE 500 TRI ^	-0.09 %	3.86 %	1.43 %	2.86 %

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Rationale for selection of benchmark:

- This Investment approach is designed to offer broad based exposure across market capitalization and sectors in the Indian listed equity universe. BSE 500 TRI is suitably aligned with this investment approach.

Indicative tenure or investment horizon

- Medium to Long Term (3-5 years+)

Risk associated with investment approach

- The portfolio may perform differently from the broader stock markets/benchmark, in view of the limited number of stocks invested in by the fund manager. At times, Portfolios of individual clients may be concentrated in certain companies / industries. The performance of the Portfolios would depend on the performance of such companies / industries / sectors of the economy.
- Deployment of monies under the investment strategy will be oriented towards equity and equity related securities of companies belonging to various market capitalization which include large, mid and small cap. Stocks of mid and small cap companies usually have lower trading volumes on the exchanges, which may result into higher impact costs and longer execution time compared to large cap stocks.
- Also, in case the portfolio becomes more skewed towards the mid-small caps, this may increase volatility of the portfolio.

Sector Allocation

Sector Name	% of Net Assets
Financials	36.21
Consumer Discretionary	15.35
Industrials	13.86
Health Care	10.80
Information Technology	6.72
Materials	5.84
Communication Services	3.41
Real Estate	2.96

Market Capitalisation

Large Cap:	42.81%
Mid Cap:	31.14%
Small Cap:	21.20%
Avg. Weighted Market Capitalisation Rs. 2,39,260 Cr	
Median Market Capitalisation Rs. 86,697 Cr	
Large Cap:1st 100 company in terms of full market capitalization. Mid Cap: 101st to 250th company in terms of full market capitalization. Small Cap: 251st company onwards in terms of full market capitalisation.	

*W. Chan Kim and Renée Mauborgne, both INSEAD professors and leading thinkers in strategic management, introduced the Blue Ocean Strategy framework in their 2005 book, "Blue Ocean Strategy: How to Create Uncontested Market Space and Make the Competition Irrelevant."

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

The performance related information provided herein is not verified by SEBI.

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