FUND FACTS

HDFC Defence Fund

(An open-ended equity scheme investing in Defence & allied sector companies)

HDFC MUTUAL FUND BHAROSA APNO KA

September 2025

Note: Purchase/ Switch-ins and Additional Purchase:

Not Applicable Currently, the Scheme does not accept fresh lumpsum investments (including Switch-ins). Further, 1. Fresh SIP registrations (including SIP Top Up) only under Monthly frequency shall be registered for upto Rs. 10,000/- per investor (Aggregated at First holder PAN Level). 2. No new Systematic Transfers (STPs) into the Scheme shall be registered

Please note, vide addendum dated July 08 2024, the scheme shall not accept Fresh Systematic Investment Plan (SIP) registrations from July 22, 2024. Systematic transactions already registered will continue to be processed

AUM

August 2025
INR 6,532.01 Cr.

Investment Objective

To provide long-term capital appreciation by investing predominantly in equity and equity related securities of Defence & allied sector companies. There is no assurance that the investment objective of the Scheme will be achieved.

Why invest in HDFC Defence Fund?

- The fund predominantly invests in companies operating in the Defence & allied sector.
- India's strong economic growth and geopolitical considerations support long runway for growth in defence expenditure.
- Indian defence players are well positioned to benefit from Government's focus on (a) indigenization as well as, (b) capitalize on large export opportunity.
- A large increase in Research and Development (R&D) expenditure and strong manufacturing capabilities positions defence companies to tap into domestic as well as export opportunities.
- Indian defence companies display strong order book and growth potential, with healthy balance sheets
- The fund seeks to invest with a focus on growth and quality at reasonable valuations, with a diversified approach across market capitalizations.

Top 10 Equity Holdings (as on 31st August, 2025)

Company	Industry*	% to NAV
Bharat Electronics Ltd.	Aerospace & Defense	18.57
Hindustan Aeronautics Limited	Aerospace & Defense	14.93
Solar Industries India Ltd.	Chemicals & Petrochemicals	13.77
BEML Limited	Agricultural, Commercial & Construction Vehicles	9.17
Astra Microwave Products Ltd.	Aerospace & Defense	6.34
Bharat Dynamics Limited	Aerospace & Defense	4.50
Bharat Forge Ltd.	Auto Components	3.90
Cyient DLM Limited	Aerospace & Defense	3.57
Premier Explosives Ltd.	Chemicals & Petrochemicals	2.81
MTAR Technologies Limited	Aerospace & Defense	2.27

* Industry classification as recommended by AMFI. For complete portfolio details please refer to the website www.hdfcfund.com

Portfolio Turnover Ratio

Equity Turnover 12.73%

Total Turnover 12.73%

Total Turnover = Equity + Debt + Derivative

Sectoral Trend (as on 31st August, 2025)

Industry	% to NAV					
	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25
Capital Goods	70.3	68.7	67.3	65.8	69.1	70.2
Chemicals	15.3	17.3	18.8	19.1	16.7	16.6
Automobile and Auto Components	0.0	0.0	2.9	2.9	3.1	3.9
Construction	6.7	5.9	4.3	3.3	3.3	3.3
Services	2.7	2.5	2.1	2.2	2.4	0.0
Power	0.9	0.8	0.3	0.0	0.0	0.0

Quantitative Data (Risk Ratios)

Standard Deviation	32.243%
Beta	0.831
Sharpe Ratio*	1.136

Computed for the 3 - year period ended August 31, 2025. Based on month end NAV.* Risk free Rate: 5.54% (Source: FIMMDA MIBOR)

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September 2025

Market Cap Segment wise Exposure

	Mar 2025	Apr 2025	May 2025	June 2025	July 2025	Aug 2025
Large Cap	47.4%	46.1%	40.2%	37.7%	52.0%	49.4%
Mid Cap	12.8%	14.5%	20.5%	20.8%	8.1%	9.2%
Small Cap	35.6%	34.6%	35.2%	34.8%	34.5%	35.3%

% of Net Assets (As per AMFI classification as on December 2024)

Fund Facts

Category of Scheme	SECTORAL FUND
Fund Manager*	Rahul Baijal & Priya Ranjan (w.e.f April 18,2025)
Inception Date	June 02, 2023
Benchmark	Nifty India Defence Index TRI (Total Returns Index)
Investment Plans / Options	Regular Plan, Direct Plan. Under Each Plan: Growth & IDCW Option. The IDCW Option offers following Sub-Options: Payout of IDCW Option; and Reinvestment of IDCW Option.
$$ Exit Load	• In respect of each purchase/switch-in of units, an Exit load of 1% is payable if units are redeemed/switched-out within 1 year from the date of allotment. • No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment. (i) No Exit Load shall be levied for switching between Plans / Options within the Scheme. However, exit load will be applicable if the units are switched-out / redeemed from the Scheme within the exit load period from the initial date of purchase. (ii) Switch of investments between Plans under a Scheme having separate portfolios, will be subject to applicable exit load. (iii) No exit load will be levied on Bonus Units and Units allotted on IDCW Re-investment. (iv) The exit load levied on redemption/switch-out will be the load prevailing 1. In case of lumpsum transactions, on the date of allotment of units 2. In case of Systematic Transactions such as SIP, STP etc., on the date of registration / enrolment.

*Dedicated fund manager for overseas investments : Mr. Dhruv Muchhal (since June 22, 2023)

What's In What's Out (31st August 2025 vs 31st July 2025)

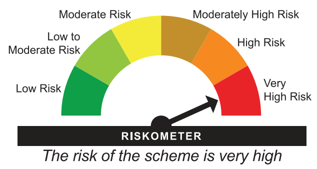
Entry	
Company Name	**Industry**
Mazagon Dock Shipbuilders Ltd.	Industrial Manufacturing

Exit	
Company Name	**Industry**
Interglobe Aviation Ltd.	Transport Services

Increased Exposure	
Company Name	**Industry**
Bharat Forge Ltd.	Auto Components
Centum Electronics Ltd.	Industrial Manufacturing
Bharat Dynamics Ltd.	Aerospace & Defense
Data Patterns (India) Ltd.	Aerospace & Defense
Solar Industries India Ltd.	Chemicals & Petrochemicals

Decreased Exposure	
Company Name	**Industry**
Cyient DLM Ltd.	Aerospace & Defense
Avalon Technologies Ltd.	Electrical Equipment
Techno Electric & Engineering Company Ltd.	Construction
JNK India Ltd.	Industrial Manufacturing

Product labelling and Riskometer

This product is suitable for investors who are seeking*	Riskometer#
• To generate long term capital appreciation/income • Investment predominantly in equity & equity related instruments of defence and allied sector companies. *Investors should consult their financial advisers, if in doubt about whether the product is suitable for them.	

For latest Riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. www.hdfcfund.com

Scheme riskometer as of August 31, 2025

The Scheme being sectoral in nature carries higher risks versus diversified equity mutual funds on account of concentration and sector specific risks.

Stocks/Sectors/Themes referred should not be construed as an investment advice or a recommendation by HDFC Mutual Fund ("the Fund") / HDFC AMC to buy or sell the stock or any other security covered under the respective sector/stocks/themes. The Fund may or may not have any present or future positions in these stocks/sectors/themes.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

Mission: To be the wealth creator for every Indian

Vision: To be the most respected asset manager in the world