

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. 25,000/- per investor (Aggregated at First holder PAN Level). 2. Fresh STP registrations only under the monthly frequency for up to ₹25,000/- per Investor at first holder PAN level with effect from May 04, 2026

Please note, The limit of ₹25,000/- is applicable to SIP and STP both separately which is in addition to any ongoing SIP / STP by the Investor.

AUM

June 2026

INR 10,529.25 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 30th June, 2026)

Company	Industry*	% to NAV
Bharat Electronics Ltd.	Aerospace & Defense	14.86
Bharat Forge Ltd.	Auto Components	14.56
Hindustan Aeronautics Limited	Aerospace & Defense	11.34
Solar Industries India Ltd.	Chemicals & Petrochemicals	11.33
Astra Microwave Products Ltd.	Aerospace & Defense	6.89
MTAR Technologies Limited	Electrical Equipment	5.43
BEML Limited	Agricultural, Commercial & Construction Vehicles	4.85
Bharat Dynamics Limited	Aerospace & Defense	4.22
Eicher Motors Ltd.	Automobiles	3.70
Premier Explosives Ltd.	Chemicals & Petrochemicals	3.57

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

Portfolio Turnover Ratio

Equity Turnover 10.98%
 Total Turnover 10.98%
 Total Turnover = Equity + Debt + Derivative

Sectoral Trend (as on 30th June, 2026)

Industry	% to NAV					
	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26
Capital Goods	65.7	60.1	59.9	61.8	60.6	59.9
Automobile and Auto Components	17.8	22.1	22.5	21.8	21.6	22.2
Chemicals	13.7	13.3	12.9	13.7	15.3	14.9
Construction	0.8	0.8	0.7	0.8	0.8	0.8

Quantitative Data (Risk Ratios)

Standard Deviation	31.277%
Beta	0.825
Sharpe Ratio*	1.122

Computed for the 3 - year period ended June 30, 2026.
 Based on month end NAV.* Risk free Rate: 5.52%
 (Source: FIMMDA MIBOR)

Market Cap Segment wise Exposure

	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026
Large Cap	48.8%	52.9%	49.8%	50.4%	49.0%	47.6%
Mid Cap	19.3%	18.2%	20.4%	19.8%	18.4%	18.8%
Small Cap	30.2%	26.8%	26.1%	26.0%	30.8%	31.5%

% of Net Assets (As per AMFI classification as on December 2025)

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.

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

What's In What's Out (30th June 2026 vs 31st May 2026)

Entry	
Company Name	Industry
Nil	Nil

Increased Exposure	
Company Name	Industry
Bharat Electronics Ltd.	Aerospace & Defense
Bosch Ltd.	Auto Components
Mazagon Dock Shipbuilders Ltd.	Industrial Manufacturing
TML Commercial Vehicles Ltd.	Agricultural, Commercial & Construction Vehicles
BEML Ltd.	Agricultural, Commercial & Construction Vehicles

Exit	
Company Name	Industry
Rishabh Instruments Ltd.	Electrical Equipment

Decreased Exposure	
Company Name	Industry
Nil	Nil

Product labelling and Riskometer

HDFC Defence Fund

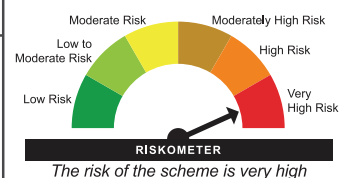
(An open-ended equity scheme investing in Defence & allied sector companies)

This product is suitable for investors who are seeking*

- 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.

Riskometer#



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 June 30, 2026

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.

\$\$ Exit Load: (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) No Exit load will be levied on bonus Units and on units allotted on Re-investment of Income Distribution cum Capital Withdrawal. (iii) No Exit load will be levied on Units allotted in the Target Scheme under the Transfer of Income Distribution cum Capital Withdrawal (IDCW) Plan Facility (TIP Facility). (iv) In case of Systematic Transactions such as Systematic Investment Plan (SIP), Flex Systematic Investment Plan (Flex SIP), Systematic Transfer Plan (STP), HDFC Flex Systematic Transfer Plan (Flex STP), HDFC Swing Systematic Transfer Plan (Swing STP), HDFC Flexindex Plan (Flexindex) etc., Exit Load, if any, prevailing on the date of registration / enrolment shall be levied.

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