

INDIA POWERED BY INNOVATION

HDFC INNOVATION FUND

Investing in the future today

NFO Period: June 27 - July 11, 2025



Why invest in HDFC Innovation Fund?



Exposure to companies that are adopting innovative strategies through the development of new products, processes or business models



Opportunity to participate in India's next leg of economic growth led by companies who are innovators or early adopters of new technologies / strategies



Exposure to good quality companies with medium to long-term growth drivers across multiple market caps and sectors



Well-defined Methodology for selecting companies to form a part of the portfolio

Investment Strategy

Core Portfolio

- Aims to invest at least 80% of its net assets in equity and equity related instruments, which focuses on companies that are adopting innovative themes and strategies
- Fund Manager will endeavour broadly identify innovating companies based on:
 - Product / Service Innovation
 - Process Innovation
 - Business Model Innovation

Portfolio Construction

- Bottom-up approach to stock selection
- Diversified across different sectors and market capitalizations
- Companies who are innovators or early adopters of new technologies / strategies with focus on growth and longer-term profitability
- Companies who are part of value chain of emerging themes / trends globally

Focus on Quality Companies

- Companies who are targeting to grow higher than the industry with market share gains
- Focusing on emerging market leaders and profit pool leaders
- Consider stage and trajectory of industry cycle and take a risk-adjusted view
- Strong Management with an ability to capitalize on opportunities while managing risks
- Good corporate governance, ESG sensitivity and transparency

Valuation Discipline and Strategic Approach

- Valuation looking from a medium to long-term perspective with focus on unit economics
- Holistic approach to valuations without relying solely on traditional parameters like P/E or P/B
- Considering the long term nature of investments in the Scheme, stock selection will be strategic and long term in nature, instead of tactical



Eligible Universe for HDFC Innovation Fund

Universe 2,596 companies

Scores assigned to Each Company from 1 to 5 based on a Comprehensive Internal Assessment

Scores 4 and 5 → Highest scores (Pure Play of Innovation)

Score 3 → Minimum Cut-off for a Company to be part of the "Eligible Universe"

Scores 1 and 2 → Low scores

Eligible Universe (Score 3 and higher) 235 companies

Number of Companies with a Scores 4 and 5 104 companies

Source: Industry Classification by AMFI (April 29, 2025), SEBI Categorization of Large Cap, Mid Cap and Small Cap Stocks as of December 2024; As per SEBI Circular dated October 6, 2017 and December 4, 2017. Large Cap companies means 1st - 100th company in terms of full market capitalization, mid cap companies mean 101st - 250th company in terms of full market capitalization and Small Cap companies mean 251st company onwards in terms of full market capitalization or such other companies as may be specified by SEBI from time to time.

Particulars	HDFC Innovation Fund
Type of Scheme	An open-ended equity-oriented scheme following the innovation theme
Investment Objective	To generate long-term capital appreciation / income by investing in companies that are adopting innovative themes and strategies. There is no assurance that the investment objective of the Scheme will be achieved.
Benchmark Index	NIFTY 500 Index (Total Returns Index)
Fund Manager(s) \$	Mr. Amit Sinha
Investment Plans	Direct Plan Regular Plan
Investment Option	Under Each Plan: Growth, Income Distribution cum Capital Withdrawal – Payout and Reinvestment of IDCW
Minimum Application Amount	During NFO Period Purchase / Switches: ₹100/- and any amount thereafter (in multiples of ₹1) During continuous offer period (after scheme re-opens for repurchase and sale): Purchase / Additional Purchase / Switch: ₹100/- and any amount thereafter
Load Structure	 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 month from the date of allotment. No Exit Load is payable if units are redeemed / switched-out after 1 month from the date of allotment. In respect of Systematic Transactions such as SIP, Flex SIP, STP, Flex STP, Swing STP, Exit Load, if any, prevailing on the date of registration / enrolment shall be levied.

Fund Manager Overseas investment – Mr. Dhruv Muchhal For further details, refer SID and KIM available on www.hdfcfund.com and at Investor Service Centres of HDFC Mutual Fund

HDFC Innovation Fund (An open-ended equity-oriented scheme following the innovation theme) is suitable for investors who are seeking*:

- · Capital appreciation over long term
- · to invest in equity and equity related instruments of companies that are adopting innovative themes and strategies

*Investors should consult their financial advisers, if in doubt about whether the

product is suitable for them. #The product labeling assigned during the NFO is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made. For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. www.hdfcfund.com



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

Date of Release: 17th June 2025

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