

Samco Flexi Cap Fund

(An open-ended dynamic equity scheme investing across large cap, mid cap & small cap stocks)

Invest in HexaShield Tested efficiently managed High Quality, Growth companies

Disclaimer

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

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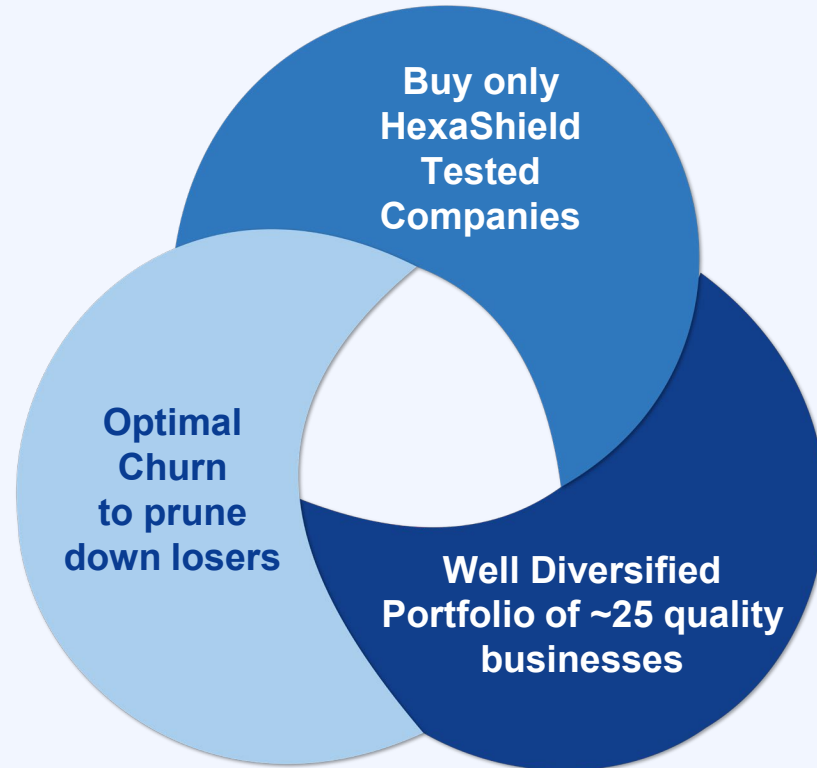
Why Flexi Cap Funds?

- 1 Invest across market capitalizations – Large, Mid and Small Cap stocks
- 2 Diversified exposure to various companies in a single fund
- 3 Appropriate management of risks by spreading investments across market cap segments
- 4 Dynamic allocation based on market conditions and economic trends
- 5 Flexibility to allocate assets in stocks offering a balanced growth potential

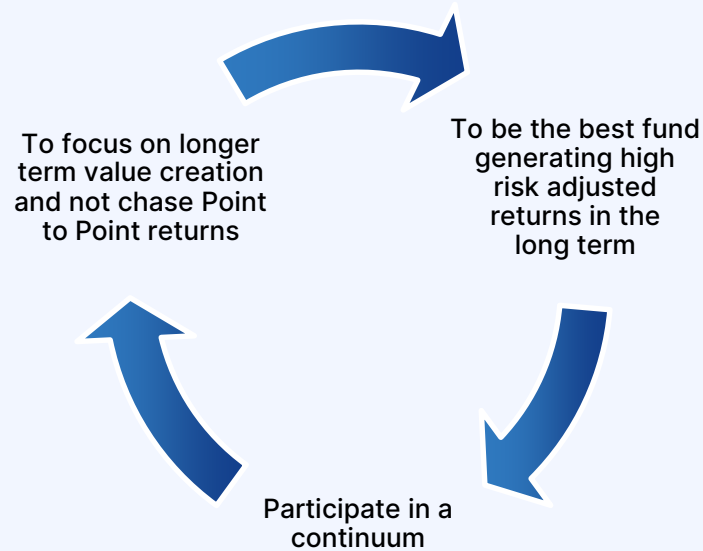
Flexi Cap Fund Features



Our Strategy



Samco Flexi Cap Fund's Goal



HexaShield Framework

A proprietary investment screening framework to build a universe of stocks that pass six rigorous tests

Competitive Strength and
Pricing Power Tests



Corporate Governance
and Leadership Tests



Balance Sheet and
Insolvency Tests



Cash Flow Tests



Reinvestment and Growth
Tests



Regulatory
Tests



HexaShield Highlights

Diverse Universe

A diverse universe set with companies from **different market capitalizations** and **industry segments** from the Indian equity markets

Robust Screening Framework

A comprehensive screening process backed by inhouse developed **HexaShield Framework** which asses every company in the target universe on six parameters to ensure robust businesses are included in the portfolio.

Concentrated Portfolio

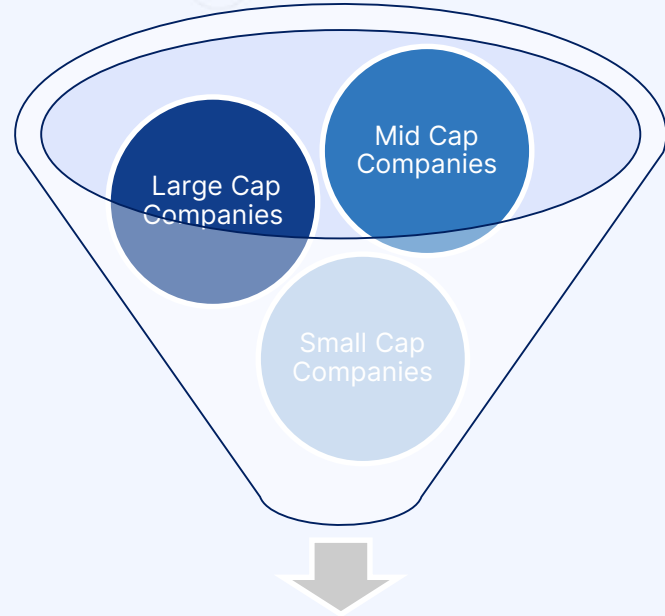
A focused **India only domestic portfolio** comprising of **~25** qualitatively superior companies with strong underlying fundamentals and industry tailwinds.

Optimal Churn

An **agile allocation strategy** with an approach to align the portfolio with winners and prune down the losers on a periodic basis as per evolving market dynamics

Risk Management

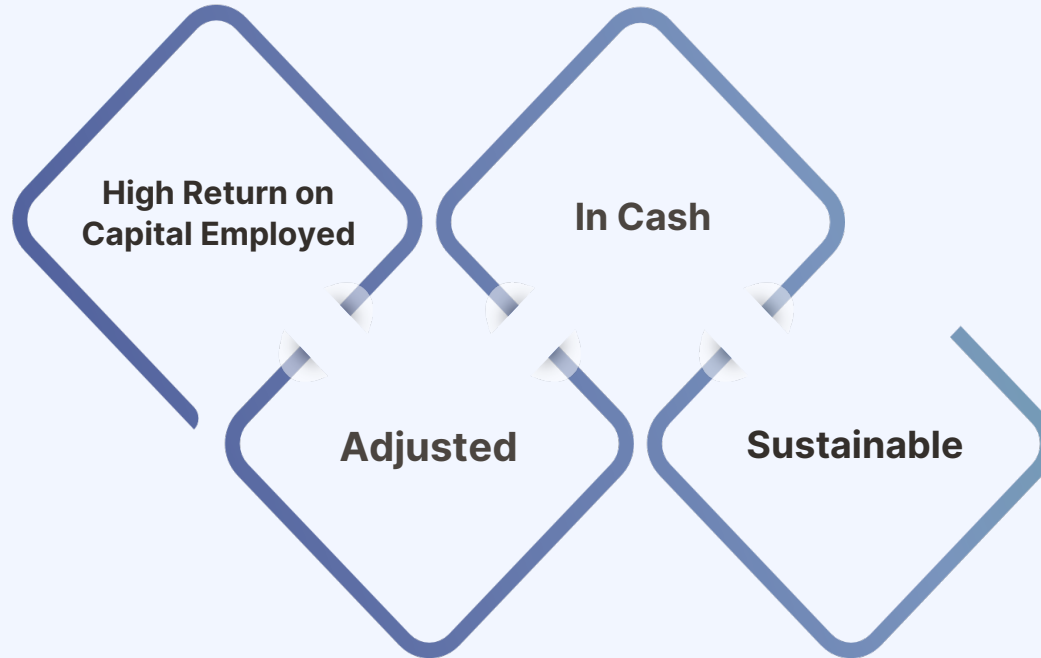
A prudent portfolio construction process backed by **internal screening models** to ensure effective risk management of the capital deployed.



Our Investible Universe

**Universe of 125+ HexaShield Tested
companies out of 5000+ Indian
Listed Companies**

HexaShield Tested Efficient Companies



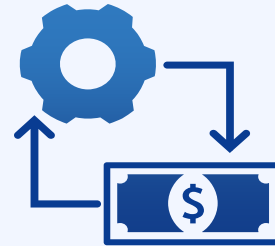
Characteristics of HexaShield Companies



**Dominant franchises
which are Price Setters**



**Strong cash flow
generators with large
market opportunity**



**Fast growing businesses
with high rate of re-
investment**



**Institutions backed by
experienced leaders and
management**

Let winners ride & Cut losers

Peter Lynch: Not Cutting the Flowers and Watering the Weeds

- **Not Cutting the Flowers:**
 - ❖ **Hold on to Winners:** Retain stocks that are performing well.
 - ❖ **Long-Term Growth:** Allow successful investments to grow and compound over time.

- **Not Watering the Weeds:**
 - ❖ **Avoid Holding Losers:** Don't keep investing in underperforming stocks hoping they will recover.
 - ❖ **Recognize Mistakes:** Be willing to cut losses and reallocate resources.

Exit Strategy



Stock subsequently fails
HexaShield Test



More compelling opportunity



Winners hit the 10% SEBI
prescribed ceiling



Significant relative
underperformance

Portfolio Strategy Summary

Around 25 Stock Portfolio



Efficient HexaShield Tested Companies



Optimal Diversification - Market Cap Agnostic



Dynamic Monitoring





Holding Winners and Cutting Losers



Samco Flexi Cap Fund Portfolio Update

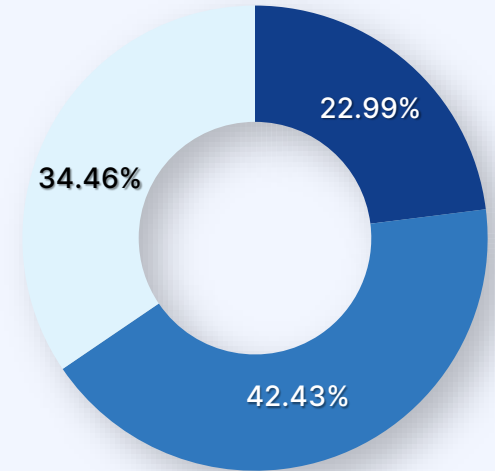
as of September 2024, Factsheet



Samco Flexi Cap Fund Portfolio

Samco Flexi Cap Fund	% to Net Assets	Samco Flexi Cap Fund	% to Net Assets
Emami Limited	7.00%	Amara Raja Energy & Mobility Ltd	3.51%
Motilal Oswal Financial Services Limited	6.08%	Bajaj Auto Limited	3.46%
Colgate Palmolive (India) Limited	5.63%	360 One WAM Limited	3.25%
Bharat Electronics Limited	5.34%	Oracle Financial Services Software Limited	3.22%
Nippon Life India Asset Management Limited	5.06%	Ajanta Pharma Limited	3.20%
Dr. Lal Path Labs Limited	4.58%	Apar Industries Limited	3.01%
Hindustan Aeronautics Limited	4.57%	GlaxoSmithKline Pharmaceuticals Limited	2.94%
Swan Energy Limited	4.40%	Cummins India Limited	2.87%
Solar Industries India Limited	4.34%	Hindustan Zinc Limited	2.83%
Divi's Laboratories Limited	4.13%	Suven Pharmaceuticals Limited	2.77%
Godfrey Phillips India Limited	4.05%	Hero MotoCorp Limited	2.66%
Voltas Limited	3.83%	Coromandel International Limited	2.25%
PCBL Limited	3.58%	Central Depository Services (India) Limited	1.32%

Market Capitalization (% of Allocation)



■ Large cap ■ Mid cap ■ Small cap

Portfolio Sectoral Construction

Industry Allocation of Equity Holding (As a % of Net Assets)

Capital Markets - 15.71%	Pharmaceuticals & Biotechnology - 13.04%	Aerospace & Defense - 9.91%	Automobiles - 6.12%	Diversified - 4.4%	Cigarettes & Tobacco Products - 4.05%	Consumer Durables - 3.83%
	Personal Products - 12.63%			Chemicals & Petrochemicals - 7.92%	Healthcare Services - 4.58%	Auto Components - 3.51%
		IT - Software - 3.22%	Non - Ferrous Metals - 2.83%			Fertilizers & Agrochemi... - 2.25%

Robust Fundamentals

Company Name	Weight	ROE (%) ¹	PE (x) ²	OPM (%) ³	ROCE (%) ⁴	Debt/ Equity ⁵
Emami Ltd	7.00%	29.95	44.65	26.53	31.72	0.04
Motilal Oswal Financial Services Ltd	6.08%	32.59	15.85	58.65	20.69	1.58
Colgate Palmolive India Ltd	5.63%	74.52	72.64	34.01	96.80	0.04
Bharat Electronics Ltd	5.34%	26.27	49.14	25.37	34.61	0.00
Nippon Life India Asset Management Limited	5.06%	29.54	34.72	61.74	36.24	0.00
Dr. Lal Pathlabs Limited	4.58%	20.36	73.19	27.68	25.17	0.13
Hindustan Aeronautics Limited	4.57%	28.89	35.96	31.98	38.88	0.00
Swan Energy Limited	4.40%	7.01	49.63	18.89	8.25	0.55
Solar Industries (I) Ltd	4.34%	30.90	111.83	24.55	32.47	0.34
Divis Laboratories Ltd	4.13%	12.17	85.18	28.36	16.48	0.00
Godfrey Phillips India Ltd	4.05%	18.97	39.82	19.92	22.17	0.08
Voltas Ltd	3.83%	4.40	135.23	4.10	8.51	0.13
PCBL Limited	3.58%	16.15	43.50	16.42	14.16	1.53
Amara Raja Energy & Mobility Ltd	3.51%	14.02	27.66	14.28	18.74	0.02
Bajaj Auto Ltd	3.46%	26.48	42.43	19.79	33.53	0.07

Robust Fundamentals

Company Name	Weight	ROE (%) ¹	PE (x) ²	OPM (%) ³	ROCE (%) ⁴	Debt/ Equity ⁵
360 One WAM Limited	3.25%	24.47	40.04	55.18	14.47	2.75
Oracle Financial Services Software Ltd	3.22%	28.98	42.25	45.22	39.54	0.01
Ajanta Pharma Ltd	3.20%	23.23	46.78	28.01	31.60	0.01
Apar Industries Ltd	3.01%	26.83	46.33	9.49	43.96	0.12
Glaxosmithkline Pharmaceuticals Ltd	2.94%	37.32	59.98	28.38	51.33	0.01
Cummins India Ltd	2.87%	28.11	60.25	20.85	35.23	0.02
Hindustan Zinc Ltd	2.83%	55.19	26.89	47.89	46.25	0.57
Suven Pharmaceuticals Limited	2.77%	14.11	125.53	33.96	18.78	0.03
Hero MotoCorp Ltd	2.66%	21.95	28.16	13.97	29.09	0.03
Coromandel International Ltd	2.25%	18.89	34.95	10.23	25.98	0.05
Central Depository Services (India) Limited	1.32%	31.31	62.71	61.01	40.18	0.00
	Average	27.06	54.55	29.92	31.86	0.33

Source – Internal Research. The above financial analysis ratio do not constitute any research report/recommendation of the same. The fund manager(s) may or may not choose to hold the stock mentioned from time to time.

¹**Return on Average Equity (ROE):** Return on average equity is a profitability ratio that measures the amount of net income compared to the average shareholders' equity of a company.

²**Price-to-Earnings (P/E):** The price-to-earnings (P/E) ratio is the proportion of a company's share price to its earnings per share.

³**Operating Profit Margin (OPM):** Operating Profit Margin is a profitability or performance ratio that reflects the percentage of profit a company produces from its operations before subtracting taxes and interest charges.

⁴**Return on Average Capital Employed (ROCE):** The return on average capital employed (ROCE) is a financial ratio that shows profitability versus the investments a company has made in itself.

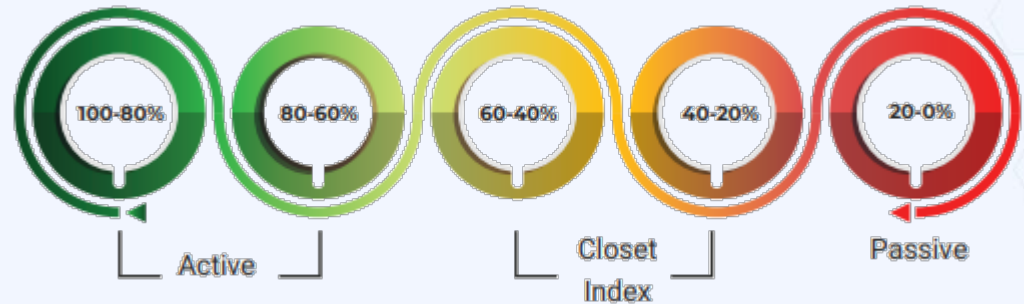
⁵**Debt to Equity Ratio:** The debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage and is calculated by dividing a company's total liabilities by its shareholder equity.

Active Share

What is Active Share?

Active Share measures the fraction of a portfolio (based on position weights) that differs from the benchmark index. The Active Share measure was developed by Martijn Cremers and Antti Petajisto, both Yale professors.

A highly active strategy with
no index hugging + **distinct portfolio vs benchmark** + **optimal churn as per evolving market dynamics**



Samco Flexi Cap Fund Active Share

A truly actively managed scheme with a **95.51%** active share and top 10 holdings entirely distinct from the benchmark

Samco Flexi Cap Fund - Top 10	Weightage	Nifty500 - Top 10	Weightage
Emami Ltd	7.00%	HDFC Bank Ltd.	6.62%
Motilal Oswal Financial Services Ltd	6.08%	Reliance Industries Ltd.	5.05%
Colgate Palmolive India Ltd	5.63%	ICICI Bank Ltd.	4.52%
Bharat Electronics Ltd	5.34%	Infosys Ltd.	3.40%
Nippon Life India Asset Management Limited	5.06%	ITC Ltd.	2.43%
Dr. Lal Pathlabs Limited	4.58%	Bharti Airtel Ltd.	2.31%
Hindustan Aeronautics Limited	4.57%	Tata Consultancy Services Ltd.	2.20%
Swan Energy Limited	4.40%	Larsen & Toubro Ltd	2.18%
Solar Industries (I) Ltd	4.34%	Axis Bank Ltd.	1.77%
Divis Laboratories Ltd	4.13%	State Bank of India	1.53%

Portfolio Liquidity

The percentage of portfolio which can be liquidated in a day is **99.88%**

Samco Flexi Cap Fund	Liquidity	Samco Flexi Cap Fund	Liquidity
Ajanta Pharma Ltd	0.348	Hindustan Aeronautics Limited	0.022
Amara Raja Energy & Mobility Ltd	0.073	Hero MotoCorp Ltd	0.039
Bajaj Auto Ltd	0.042	Hindustan Zinc Ltd	0.084
Bharat Electronics Ltd	0.030	Oracle Financial Services Software Ltd	0.053
Central Depository Services (India) Limited	0.015	360 One WAM Limited	0.246
Coromandel International Ltd	0.175	Cummins India Ltd	0.062
Colgate Palmolive India Ltd	0.195	Motilal Oswal Financial Services Ltd	0.383
Divis Laboratories Ltd	0.076	PCBL Limited	0.077
Dr. Lal Pathlabs Limited	0.336	Nippon Life India Asset Management Limited	0.464
Emami Ltd	0.453	Solar Industries (I) Ltd	0.156
Apar Industries Ltd	0.142	Suven Pharmaceuticals Limited	0.345
Glaxosmithkline Pharmaceuticals Ltd	0.431	Swan Energy Limited	0.263
Godfrey Phillips India Ltd	0.166	Voltas Ltd	0.069

Sectoral Positioning

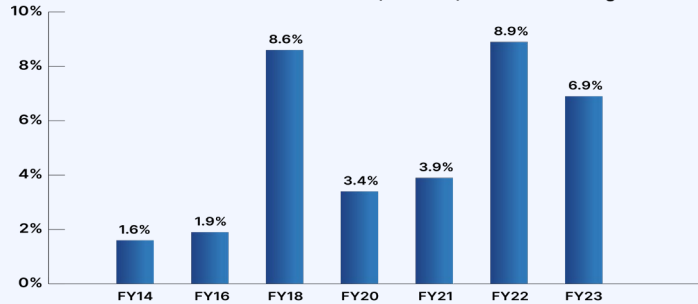
The Top 4 themes towards which the portfolio has the highest allocation are as follows:

1. Capital Markets
2. Pharmaceuticals & Biotechnology
3. Personal Products
4. Aerospace & Defense

Capital Markets

Incremental share of other financial products (excluding Fixed Deposits) to increase the asset ownership pie

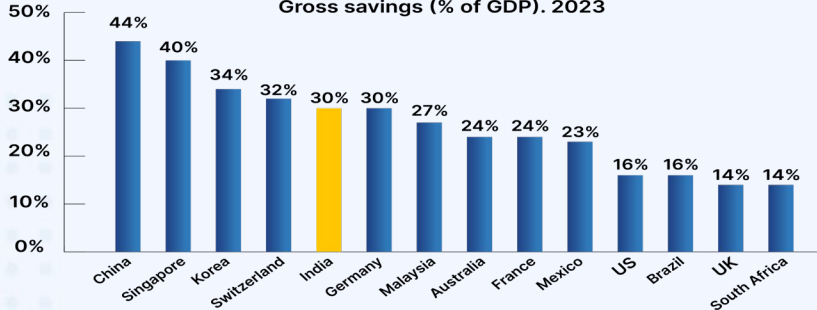
Share of shares & debentures (incl. MFs) in financial savings



Source: RBI

A strong savings rate as a percentage of GDP is indicative of higher traction towards financial products

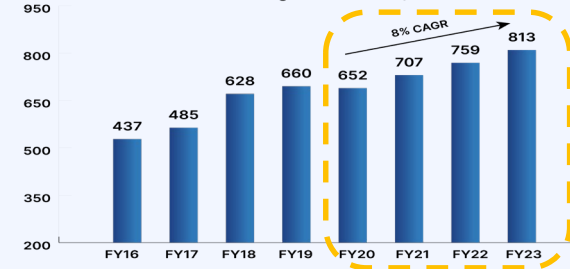
Gross savings (% of GDP). 2023



Source: International Monetary Fund

Indian savings have seen a strong trend and is expected to sustain over the years

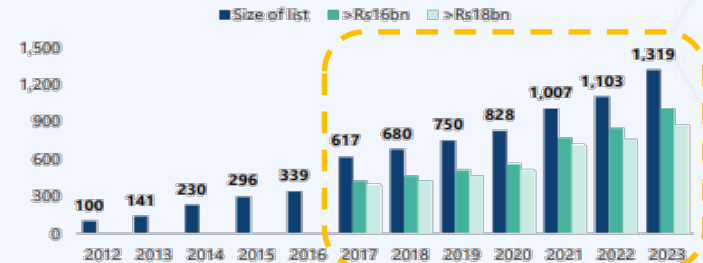
India HH savings trend (US\$bn)



Source: Jefferies

The sustained increase in the number of UHNIs in the country would provide strong tailwinds for Wealth & Asset Managers

No. of UHNIs on Rich List 2023 (>Rs10bn)

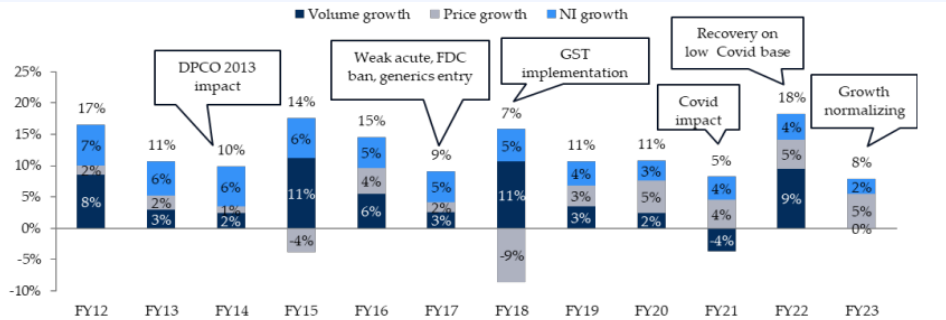


Source: 360One Wealth Harun India Rich List 2023

Pharmaceuticals & Biotechnology

Strong volume and earnings growth momentum across market cycles

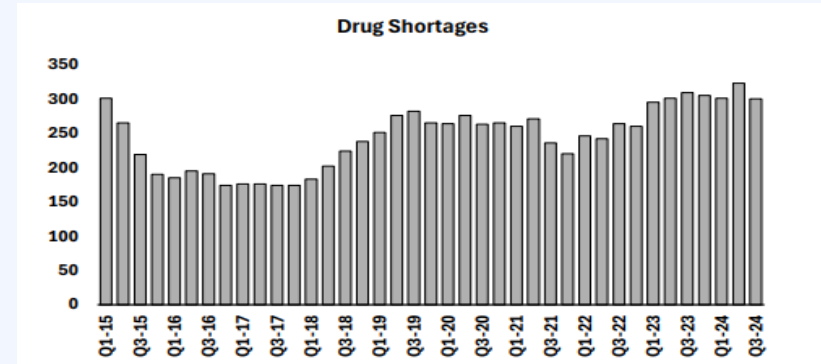
The domestic formulation segment in the Indian Pharmaceutical space has exhibited strong performance despite various instances leading to temporary slowdowns



Source: HDFC Securities

U.S facing generic players to benefit from the drug shortage phase

The drug shortage in the US Market continues to sustain which would help the US facing generic players, backed by volume growth and margin expansion



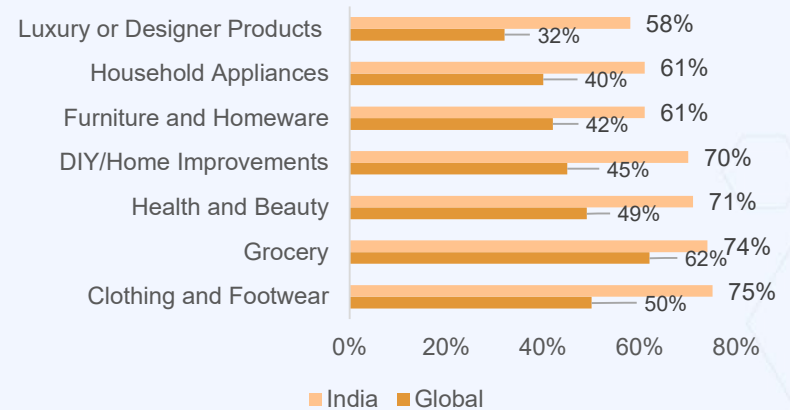
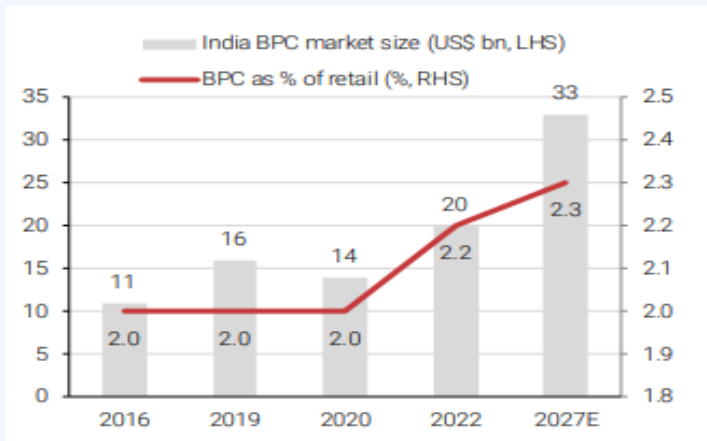
Note: UBS India Research

Personal Products

In India, the key growth drivers going forward for this category include premiumization, an evolving category mix and increased penetration of products backed by growth in personal disposable income.

Indian beauty and personal care market is expected to grow at 11% CAGR from 2022-27

Expected increase in personal spending in the next few years



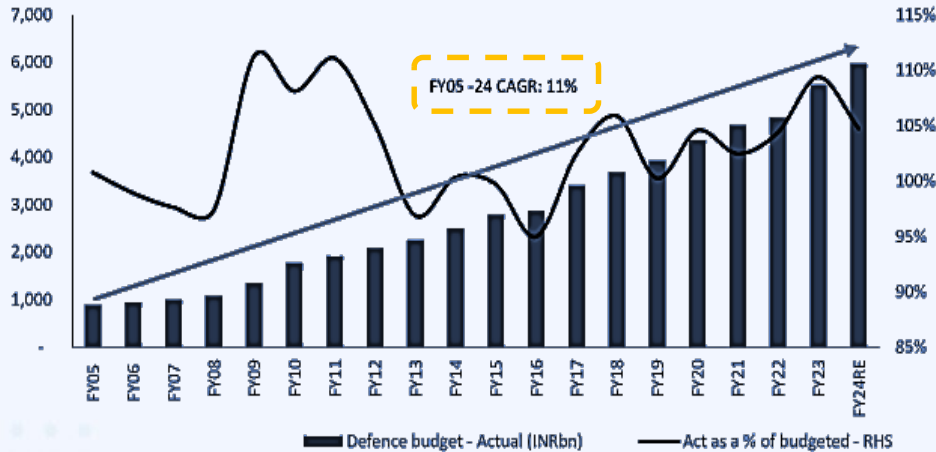
The Indian BPC market is underpenetrated in comparison to larger (US & China) and smaller economies (Indonesia)

75% of consumers expect an increase in spending on clothing and footwear, followed by grocery.

Aerospace & Defense

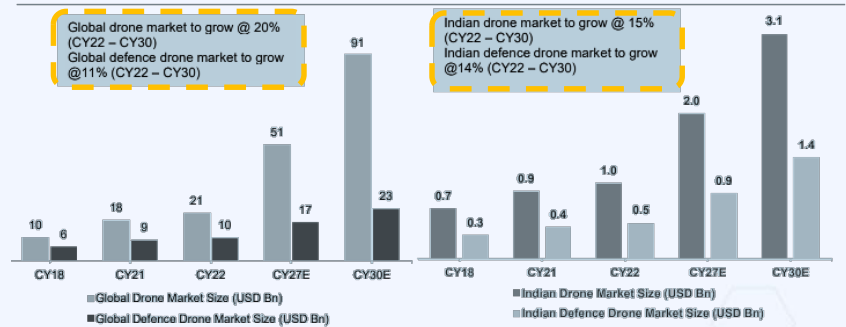
The sustained increase in Defense Budget expenditure backed by government policy has led to robust growth for India's Defense Space

Fig. 13: India's defence budget (actual as a % of budget)



Source: Nomura Research

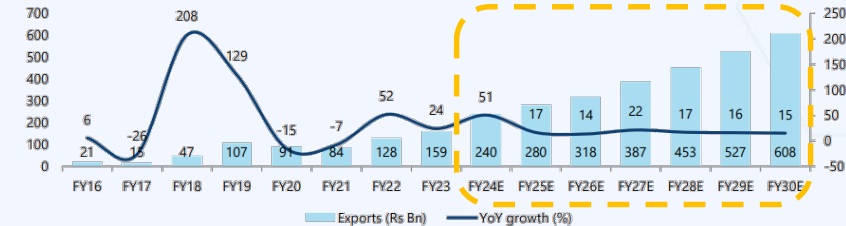
The tailwinds in the defense drone market is expected to benefit the leaders in the Indian Defense industry



Source: Nirmal Bang Securities

Defense Ministry's focus on expanding defense footprint globally and international geopolitical tensions provide good growth runway for Indian defense exporters

Exhibit 48 - Government focus to see exports rise 2.5x by FY30E



Source: Jefferies India Limited

Scheme Details

Frequency

Normal STP: Daily, Weekly, Fortnightly, Monthly, Quarterly

Timer STP: Weekly, Monthly, Quarterly

Minimum Amount

Rs. 5000/- and in multiples of Re. 1/- thereafter

Minimal Additional Purchase Amount / Minimum SIP Amount

Rs 500/- and in multiples of Re.1/- thereafter

Exit Load

On or before 12 months – 10% of units without any exit load. Excess of such limit is 1%
After 12 months – Nil
(Effective 1st June, 2024)

Why is Samco Flexi Cap Fund different from others?

<p>Deep Research Selection</p>	<p>Built on proprietary HexaShield Tested investing framework that combines top-down and bottom-up research to identify companies that are innovative, efficient and resilient across markets and geographies. Companies are strictly selected from a universe of ~125 HexaShield Tested companies.</p>
<p>Domestic Only Portfolio</p>	<p>Stock selection from a diverse universe of over 5000 stocks from NSE and BSE.</p>
<p>Growth Quality Strategy</p>	<p>The fund aims to only invest in companies with great growth potential and hence investors will get exposure to companies aggressively investing for growth.</p>
<p>Truly Active Fund</p>	<p>Fund shall be a truly active fund with an active share of over 80%-85%, highest in the category. This shall ensure that investors get a truly differentiated fund and not an index hugging fund when they pay for asset management fees.</p>
<p>Around 25 Stock Portfolio</p>	<p>The fund shall run an ~25 stock portfolio and hence investors get the benefits of diversification and reasonable concentration</p>
<p>Predominantly Equity Fund with substantial equity exposure</p>	<p>The Funds will not undertake any debt exposure/derivative/hedging and will remain true to label of being an equity fund.</p>

Product Label & Risk-o-meter

Samco Flexi Cap Fund

(An open-ended dynamic equity scheme investing across large cap, mid cap & small cap stocks)

This product is suitable for investors who are seeking* :

- To generate long-term capital growth;
- Investment in Indian & foreign equity instruments across market capitalization;

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

Risk-o-meter



Investors understand that their principal will be at very high risk

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

Fund Management Team

Executive Director, CIO & Fund Manager

Umeshkumar Mehta

Qualification: B.Com, CA, PGDBA

Brief Experience: Mr. Umeshkumar Mehta has over 25 years of experience in Indian Capital Markets. His role involves overseeing investment strategies and managing assets across diverse portfolios. He has profound knowledge of financial markets, believes in data driven approach to investments and draws lessons from financial markets histories. He used to lead the Samco group's Research team. He has been associated with the group for the last fifteen years. He is an CA and MBA by qualification.



Fund Manager

Nirali Bhansali

Qualification: B.E., MBA (Finance)

Brief Experience: Nirali Bhansali (B.E.,MBA Finance, pursuing CFA - US certification at final level) has nearly 9 years of experience with over 7 in capital markets & investment research. Her deep understanding of fundamental analysis has enabled her to provide cutting edge insights in conceptualising and developing Samco's flagship research and Investment products like HexaShield Framework, Stock Rating , StockBasket etc. She is a regular panelist on media & business news channels such as Bloomberg Quint, Money9 Live, CNBC TV18 etc.





Fund Manager

Dhawal G. Dhanani

Qualification: B.Com, CA

Brief Experience: Mr. Dhawal Ghanshyam Dhanani started out as an equity research analyst at Samco Securities Ltd. He has around 8 years of work experience with more than 2 years spanning capital markets and investment research and has been known for in-depth examination into the business models and computational crux of varied Indian companies. His multidisciplinary approach and working knowledge of fundamentals have aided the prime objective of guiding investors through insightful ideas for the long term.

Thank You