

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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Table of Contents

1	Why Flexi Cap Funds?	4
2	Samco Flexi Cap Fund Strategy	6
3	Portfolio Update	16
4	Sectoral Positioning	25
5	Fund Management Team	33

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

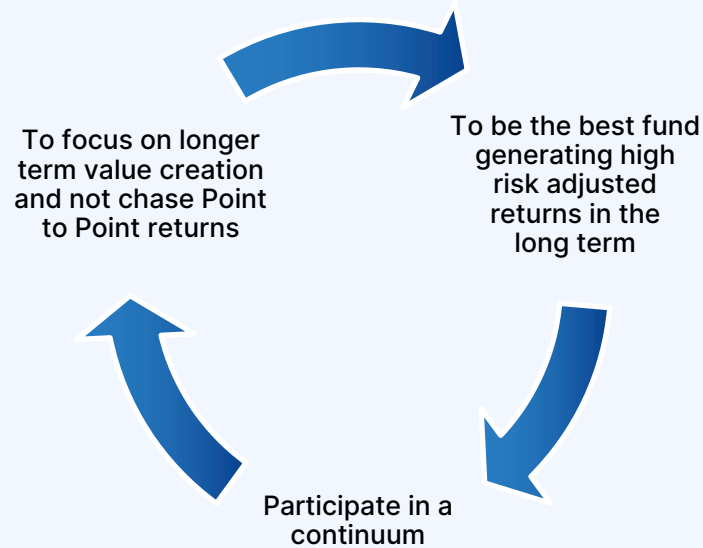
Flexi Cap Fund Features



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

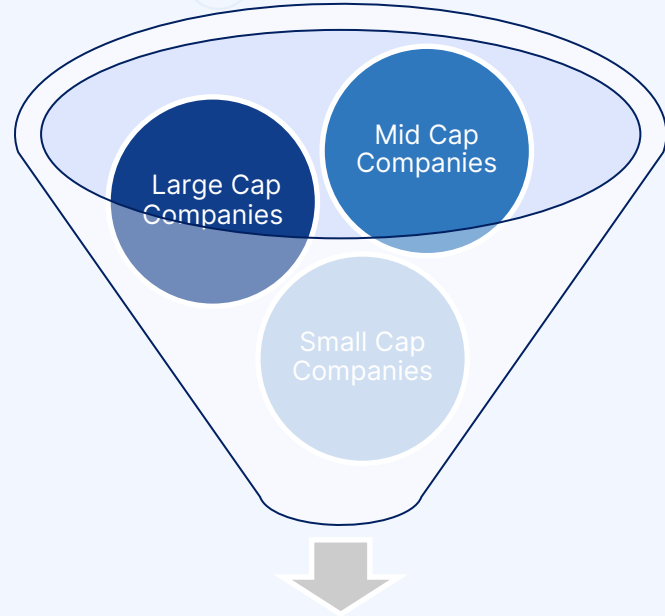
A focused **India only domestic portfolio** comprising of **~25** qualitatively superior companies with strong underlying fundamentals and industry tailwinds.

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

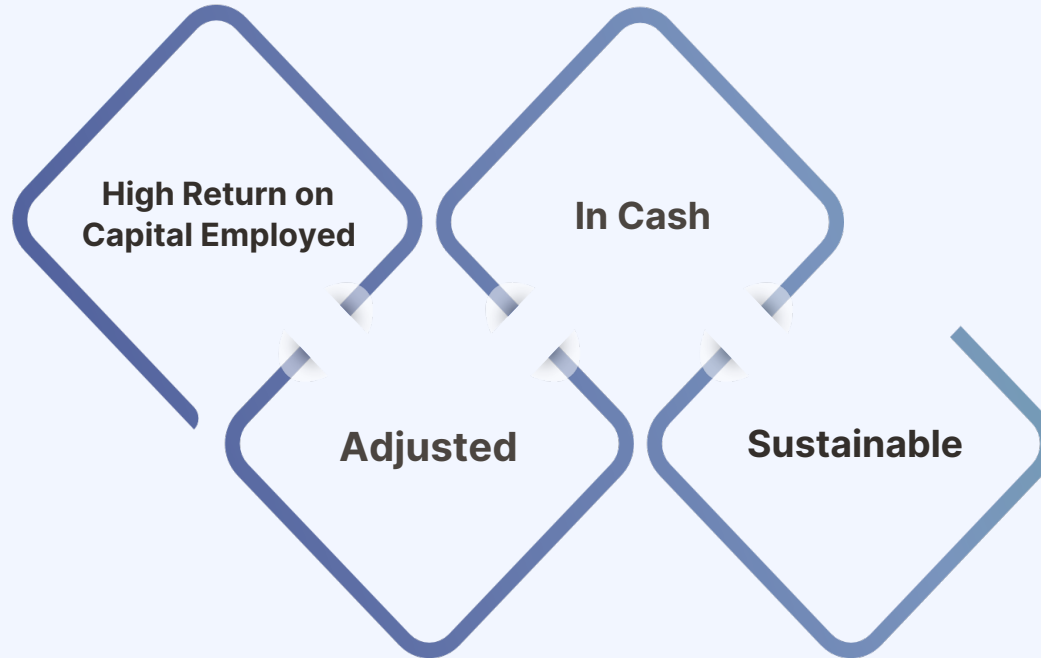
A prudent portfolio construction process backed by **internal screening models** to ensure effective risk management of the capital deployed.



Our Investible Universe

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

HexaShield Tested Efficient Companies



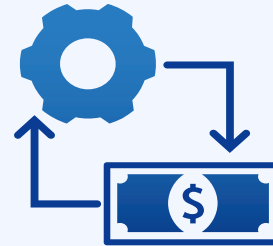
Characteristics of HexaShield Companies



**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



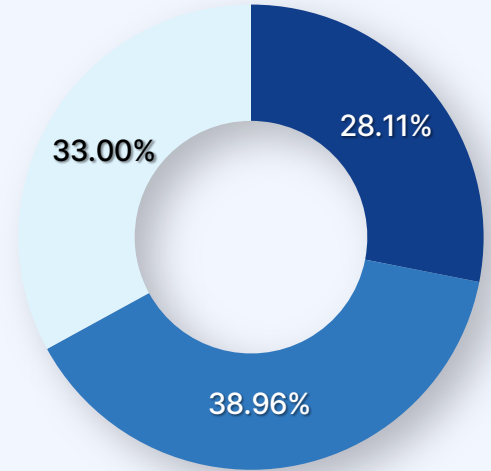
Samco Flexi Cap Fund Portfolio Update

as of November 2024, Factsheet

Samco Flexi Cap Fund Portfolio

Samco Flexi Cap Fund	% to Net Assets	Samco Flexi Cap Fund	% to Net Assets
Motilal Oswal Financial Services Ltd	7.44%	National Aluminium Company Ltd	3.22%
Emami Ltd	6.33%	Central Depository Services (India) Ltd	3.20%
Bharat Electronics Ltd	6.00%	Amara Raja Energy & Mobility Ltd	3.16%
Nippon Life India Asset Management Ltd	5.52%	Ajanta Pharma Ltd	3.13%
Divi's Laboratories Ltd	4.90%	Suven Pharmaceuticals Ltd	3.08%
Hindustan Aeronautics Ltd	4.76%	Persistent Systems Ltd	2.94%
Coforge Ltd	4.72%	PCBL Ltd	2.93%
Swan Energy Ltd	4.67%	Infosys Ltd	2.88%
HCL Technologies Ltd	4.61%	Gillette India Ltd	2.82%
Voltas Ltd	3.51%	Cummins India Ltd	2.75%
360 One WAM Ltd	3.49%	Bajaj Auto Ltd	2.65%
Godfrey Phillips India Ltd	3.32%	Coromandel International Ltd	2.41%
Oracle Financial Services Software Ltd	3.32%	Tech Mahindra Ltd	2.31%

Market Capitalization (% of Allocation)



■ Large cap ■ Mid cap ■ Small cap

Portfolio Sectoral Construction

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

IT - Software - 20.78%	Capital Markets - 19.65%	Pharmaceuticals & Biotechnology - 11.11%	Personal Products - 9.15%	Consumer Durables - 3.51%		Cigarettes & Tobacco Products - 3.32%
				Non - Ferrous Metals - 3.22%	Chemicals & Petrochemicals - 2.93%	Industrial Products - 2.75%
		Auto Components - 3.16%			Automobiles - 2.65%	Fertilizers & Agrochemicals - 2.41%
Aerospace & Defense - 10.76%		Diversified - 4.67%				

Robust Fundamentals

Company Name	Weight	ROE (%) ¹	PE (x) ²	OPM (%) ³	ROCE (%) ⁴	Debt/ Equity ⁵
Motilal Oswal Financial Services Ltd	7.44%	32.59	16.19	60.91	20.69	1.41
Emami Ltd	6.33%	29.95	37.15	26.70	31.72	0.03
Bharat Electronics Ltd	6.00%	26.27	48.88	26.46	34.61	0.00
Nippon Life India Asset Management Limited	5.52%	29.54	33.28	63.05	36.24	0.00
Divis Laboratories Ltd	4.90%	12.17	90.07	29.70	16.48	0.00
Hindustan Aeronautics Limited	4.76%	28.89	35.14	31.95	38.88	0.00
Coforge Limited	4.72%	24.09	73.99	14.65	28.60	0.18
Swan Energy Limited	4.67%	7.01	58.67	16.93	8.25	0.36
HCL Technologies Ltd	4.61%	23.30	29.97	22.01	29.60	0.08
Voltas Ltd	3.51%	4.40	102.38	4.66	8.51	0.14
360 One WAM Limited	3.49%	24.47	43.70	56.71	14.47	2.79
Godfrey Phillips India Ltd	3.32%	18.97	31.68	19.99	22.17	0.05
Oracle Financial Services Software Ltd	3.32%	28.98	41.58	46.51	39.54	0.00
National Aluminium Company Ltd	3.22%	12.58	15.52	31.66	16.95	0.01
Central Depository Services (India) Limited	3.20%	31.31	65.79	61.12	40.18	0.00

Robust Fundamentals

Company Name	Weight	ROE (%) ¹	PE (x) ²	OPM (%) ³	ROCE (%) ⁴	Debt/ Equity ⁵
Amara Raja Energy & Mobility Ltd	3.16%	14.02	24.46	14.35	18.74	0.05
Ajanta Pharma Ltd	3.13%	23.23	43.58	27.48	31.60	0.01
Suven Pharmaceuticals Limited	3.08%	14.11	138.47	33.64	18.78	0.02
Persistent Systems Ltd	2.94%	23.99	75.15	17.09	29.17	0.10
PCBL Limited	2.93%	16.15	32.83	16.60	14.16	1.29
Infosys Ltd	2.88%	31.83	28.82	23.67	39.99	0.10
Gillette India Ltd	2.82%	42.49	71.01	24.83	58.91	0.00
Cummins India Ltd	2.75%	28.11	50.21	21.05	35.23	0.00
Bajaj Auto Ltd	2.65%	26.48	34.47	18.70	33.53	0.17
Coromandel International Ltd	2.41%	18.89	38.75	9.58	25.98	0.06
Tech Mahindra Ltd	2.31%	8.63	51.76	10.63	11.88	0.08
	Wtd. Avg.	23.07	49.01	30.36	27.07	0.29

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.

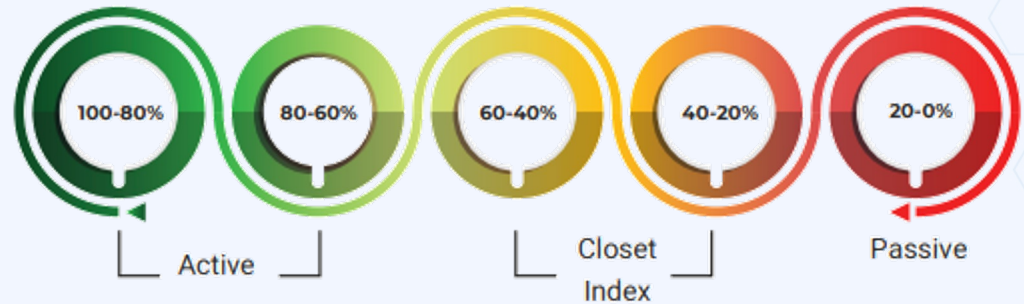
⁵**Debt to Equity Ratio:** The debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage and is calculated by dividing a company's total liabilities by its shareholder equity.

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 **91.16%** active share and top 10 holdings entirely distinct from the benchmark

Samco Flexi Cap Fund - Top 10	Weightage	Nifty500 - Top 10	Weightage
Motilal Oswal Financial Services Ltd	7.44%	HDFC Bank Ltd.	7.34%
Emami Ltd	6.33%	ICICI Bank Ltd.	4.93%
Bharat Electronics Ltd	6.00%	Reliance Industries Ltd.	4.72%
Nippon Life India Asset Management Limited	5.52%	Infosys Ltd.	3.60%
Divis Laboratories Ltd	4.90%	ITC Ltd.	2.39%
Hindustan Aeronautics Limited	4.76%	Larsen & Toubro Ltd	2.36%
Coforge Limited	4.72%	Tata Consultancy Services Ltd.	2.35%
Swan Energy Limited	4.67%	Bharti Airtel Ltd.	2.35%
HCL Technologies Ltd	4.61%	Axis Bank Ltd.	1.74%
Voltas Ltd	3.51%	State Bank of India	1.74%

Portfolio Liquidity

The percentage of portfolio which can be liquidated in a day is **100%**

Samco Flexi Cap Fund	Liquidity	Samco Flexi Cap Fund	Liquidity
Ajanta Pharma Ltd	0.321	Infosys Ltd	0.012
Amara Raja Energy & Mobility Ltd	0.086	Gillette India Ltd	0.351
Bajaj Auto Ltd	0.036	Cummins India Ltd	0.060
Bharat Electronics Ltd	0.030	Motilal Oswal Financial Services Ltd	0.269
Central Depository Services (India) Limited	0.029	National Aluminium Company Ltd	0.041
Coromandel International Ltd	0.171	Coforge Limited	0.051
Divis Laboratories Ltd	0.072	PCBL Limited	0.076
Emami Ltd	0.456	Persistent Systems Ltd	0.054
Godfrey Phillips India Ltd	0.161	Nippon Life India Asset Management Limited	0.445
Hindustan Aeronautics Limited	0.021	Suven Pharmaceuticals Limited	0.302
HCL Technologies Ltd	0.044	Swan Energy Limited	0.244
Oracle Financial Services Software Ltd	0.053	Tech Mahindra Ltd	0.036
360 One WAM Limited	0.250	Voltas Ltd	0.072

Sectoral Positioning

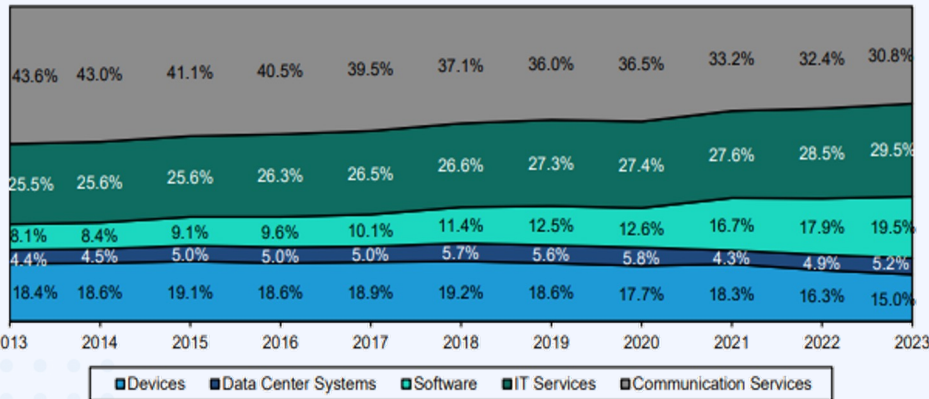
The Top 4 themes towards which the portfolio has the highest allocation are as follows:

1. IT - Software
2. Capital Markets
3. Pharmaceuticals & Biotechnology
4. Aerospace & Defense

IT Software

Increased IT software players to benefit significantly in the next few years backed by strong adoption and evolving applications of products.

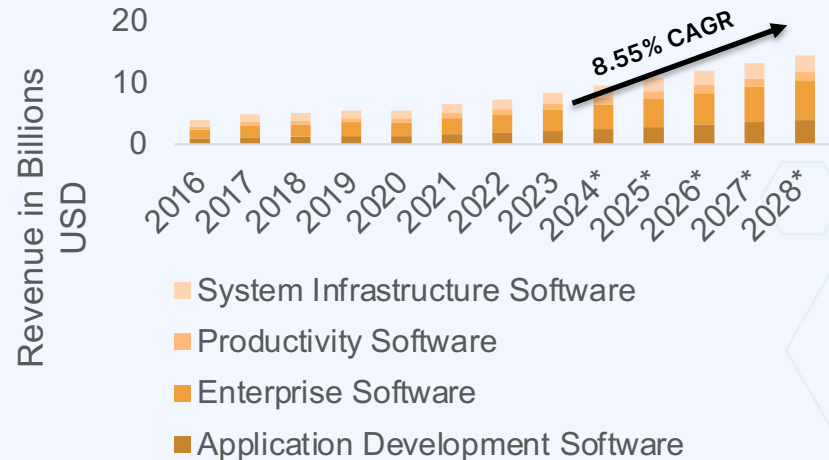
The share of spending on Software has increased significantly in the last decade.



Across multiple technology cycles, Software contribution has expanded ~3x from 8% in 2013 to ~20% in 2023.

Source: Gartner, Bernstein analysis

Software spending in India is expected to increase in the next few years



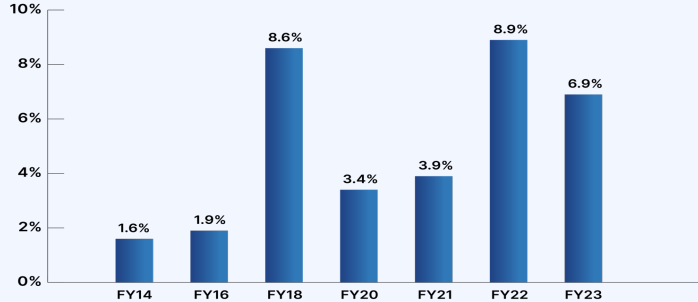
Software Revenue is expected to grow at 8.55% CAGR from FY24-28

Source: Statista

Capital Markets

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

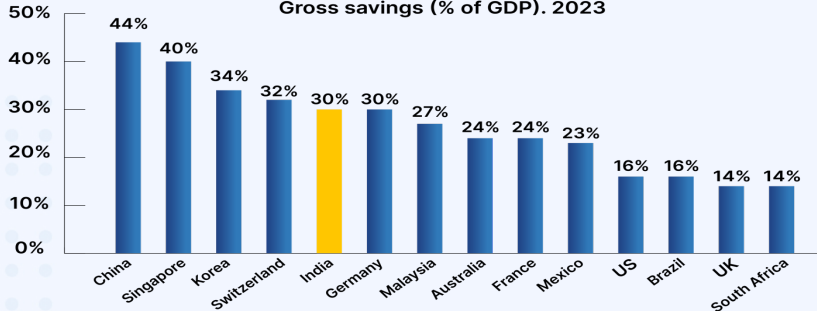
Share of shares & debentures (incl. MFs) in financial savings



Source: RBI

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

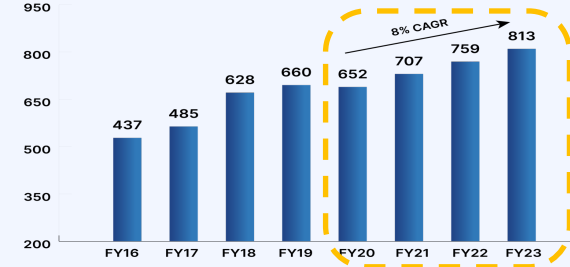
Gross savings (% of GDP). 2023



Source: International Monetary Fund

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

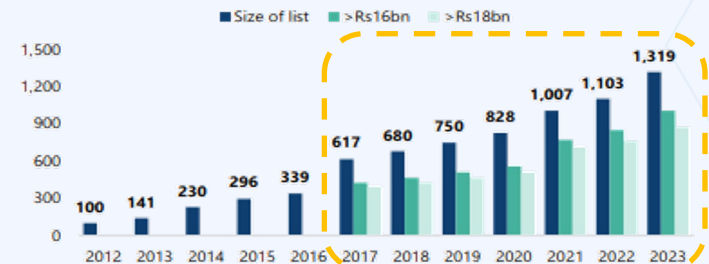
India HH savings trend (US\$bn)



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)

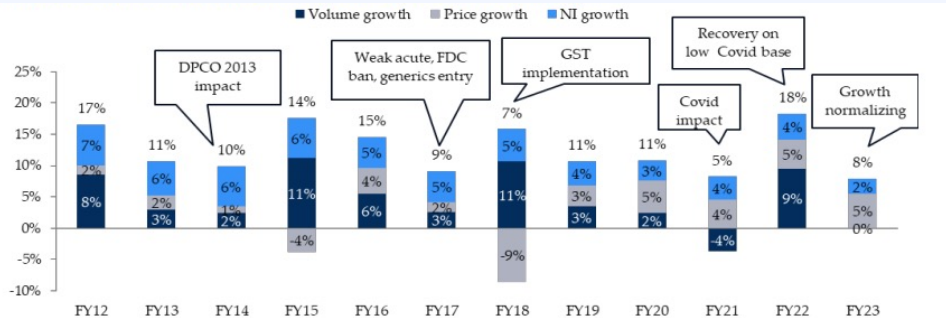


Source: 360One Wealth Harun India Rich List 2023

Pharmaceuticals & Biotechnology

Strong volume and earnings growth momentum across market cycles

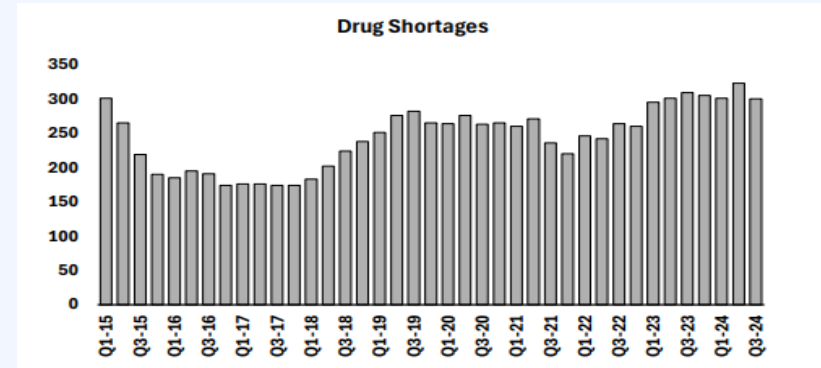
The domestic formulation segment in the Indian Pharmaceutical space has exhibited strong performance despite various instances leading to temporary slowdowns



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

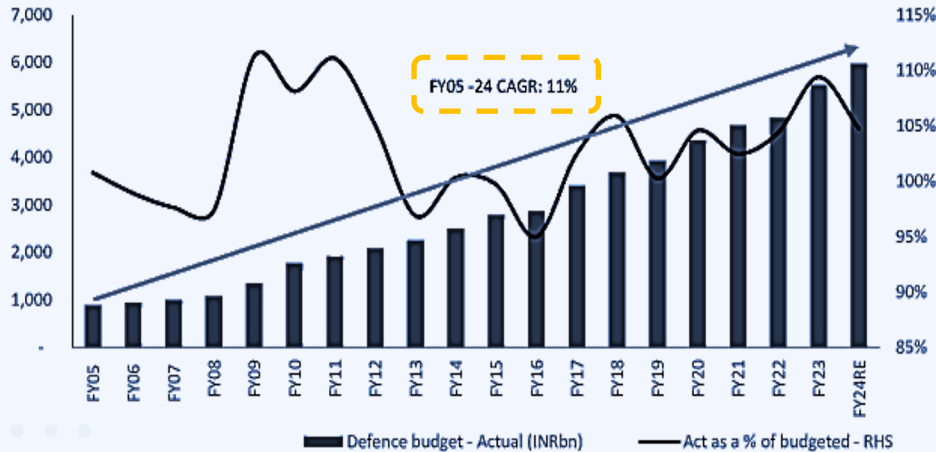


Note: UBS India Research

Aerospace & Defence

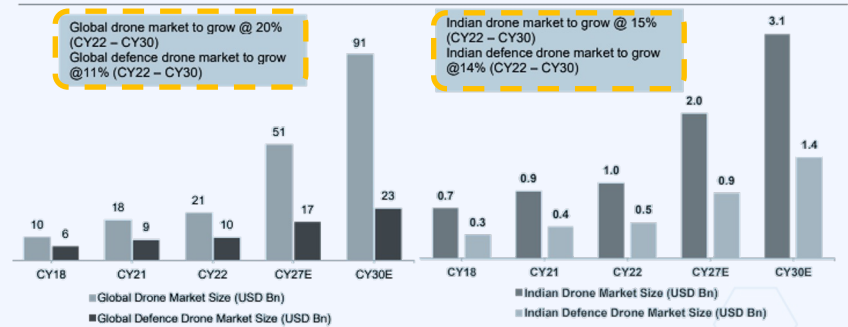
The sustained increase in Defence Budget expenditure backed by government policy has led to robust growth for India's Defence Space

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



Source: Nomura Research

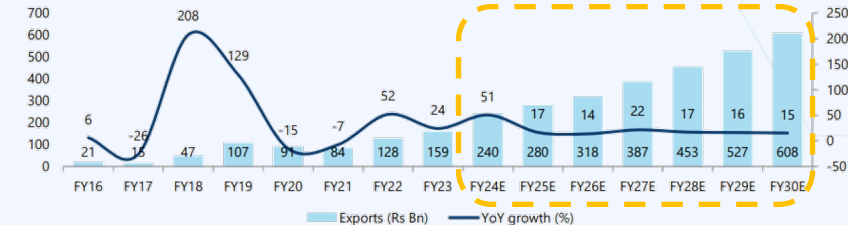
The tailwinds in the defence drone market is expected to benefit the leaders in the Indian Defence industry



Source: Nirmal Bang Securities

Defence Ministry's focus on expanding defence footprint globally and international geopolitical tensions provide good growth runway for Indian defence 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

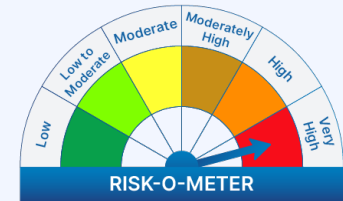
(An open-ended dynamic equity scheme investing across large cap, mid cap & small cap stocks)

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



The risk of the scheme is Very High

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