PGIM
India Mutual Fund

Where stability leads and growth follows

Invest in

PGIM INDIA LARGE AND MID CAP FUND

(Large and Mid Cap Fund - An open ended equity scheme investing in both large cap and mid cap stocks)

May 2026

Registered as PGIM India Mutual Fund. Registration Number for Mutual Funds : MF/065/10/02

Fund Manager's View

The Market that was

May 2026 reflected a consolidation phase in Indian equities, with headline indices remaining rangebound due to global uncertainty and inflation concerns. However, strong domestic liquidity and ongoing risk appetite for broader markets helped sustain broader market strength in spite of continued FPI selling.

For the month, Nifty 50 Index declined -1.9% amid continued uncertainty around a potential US–Iran peace deal and a volatile global macro backdrop. In contrast, mid-cap and small-cap indices outperformed, delivering gains of +3.2% and +0.7%, respectively.

Sectoral performance was mixed. Defensives such as healthcare (+4.9%) outperformed alongside capital goods (+4.7%) and metals (+3.7%), driven by strong domestic demand trends and earnings visibility. In contrast, PSU (-4.3%), oil & gas (-3.4%) and FMCG (-3.3%) lagged, reflecting margin pressures from fuel price increases and softer consumption sentiment.

Overall, the month marked a shift from the strong risk-on rally seen in April 2026 to a more cautious, selective market environment, with investors rotating toward defensives and earnings-resilient sectors while maintaining exposure to domestic cyclicals. consumption trends. The Q4FY26 earnings season concluded with Nifty-50 Q4FY26 earnings growth of ~6.6% YoY, pointing to moderation in large-cap earnings momentum, while mid- and small-cap companies continued to exhibit relatively stronger growth, supporting their relative outperformance.

Key developments during the month included BJP's decisive victory in the West Bengal assembly elections and policy measures impacting foreign exchange, including an increase in customs duty on gold and silver and adjustments to petroleum export duties.

Retail fuel prices were also raised by ~Rs7.5/litre during the month. Additionally, the IMD maintained its forecast for a below-normal monsoon, highlighting potential risks from a developing El Niño pattern. On the macro front, inflation trends remained elevated, with April 2026 CPI at 3.5% YoY (vs. 3.4% in March) indicating building input cost pressures and April 2026 trade deficit widened sharply, led by a rise in oil and core (non-oil, non-gold) imports, reflecting higher costs amidst availability constraints.

For the month, FPIs were net sellers of equities with outflows at ~US$3.4bn, while Domestic Mutual Funds bought stocks worth ~US$4.6bn. Currency remained under pressure, with the INR continuing to depreciate versus the US dollar, reflecting global risk-off positioning and commodity-linked pressures.

Going forward

Recent months have tested Indian equities through a confluence of macro pressures like elevated crude, FPI outflows, currency weakness, and emerging uncertainties around AI-led disruption, leading to a meaningful correction and a reset in market expectations.

While these factors have weighed on sentiment and earnings visibility, many of these factors are likely cyclical and transient in nature, with domestic growth drivers such as capex, consumption and financial sector strength continuing to provide an underlying cushion.

The Q4FY26 earnings season indicated improving trends, though growth remains uneven and skewed, with large-cap earnings yet to meaningfully accelerate and forward estimates still seeing dispersion and moderation. Importantly, H1FY2027 is likely to reflect adverse impact on corporate earnings driven by geopolitical disruptions, higher input costs and lingering external uncertainties, creating near-term volatility.

That said, the recent correction has helped remove excess froth, especially in lower quality segments and brought valuations closer to more reasonable levels. In this backdrop, market timing remains less effective, and a more pragmatic approach is to gradually deploy capital as risk-reward becomes more balanced. We see a relatively stronger case for growth and quality businesses, where earnings visibility and valuation comfort are better aligned for long-term compounding.

Source: RBI, Bloomberg and other relevant sources.

What are Large and Mid Cap Funds?

Large and mid cap funds represent a dynamic investment strategy that combines the strengths of both large cap and mid cap companies. In financial markets, large cap companies, constituting the top 100 in terms of market capitalization come with a proven track record. On the other hand, mid cap companies, the subsequent 150 in the hierarchy, present opportunities for growth and innovation.

By investing in a diverse portfolio of both large and mid cap entities, these funds exhibit a balanced approach, harnessing the stability of established market leaders and the growth potential of emerging players.

This flexibility allows large and mid cap funds to capitalise on opportunities across different market scenarios. In essence, these funds provide investors with a well-rounded strategy, enabling them to navigate the ever-changing landscape of the stock market by strategically allocating resources between large cap and mid cap companies based on prevailing market conditions.

Why invest in PGIM India Large and Mid Cap Fund?

1. It lets you participate in themes beyond large caps.
2. Allows you to diversify into various sectors, themes and companies across the market cap spectrum.
3. You get the benefit of investing in India's leading brands through large caps as well as the potential of creating alpha through mid caps over the long run.

Who should invest in PGIM India Large and Mid Cap Fund?

- Investors looking to diversify into large and mid cap firms through a single fund.
- Investors who want to benefit from the growth of mid caps over the long run with lesser risk relative to pure mid cap funds.
- Investors with an investment horizon of 5 years or more.

PGIM India Large and Mid Cap Fund: Investment Approach

1. The scheme will be predominantly investing in equity and equity related securities primarily comprising large cap and mid cap stocks. The aim of the scheme is to seek long-term capital appreciation from an actively managed portfolio.
2. The scheme will endeavour to achieve this by allocating the investments into equity and equity related securities out of which at least 35% each will be towards large cap stocks and mid cap stocks.
3. The portfolio will be built by utilising a combination of the top-down and bottom-up portfolio construction process, focusing on the fundamentals of each stock, including quality of management. The fund managers will aim to build a diversified portfolio with exposure across sectors.
4. The scheme may also invest a certain portion of its corpus in debt and money market securities. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook.

Portfolio Positioning

Top Sectors Overweight	% Overweight	Top Sectors Underweight	% Underweight
Consumer Discretionary	4.25	Information Technology	3.60
Health Care	3.48	Utilities	2.12
Communication Services	1.68	Financials	1.64
Top 5 Stocks Overweight	**% Overweight**	**Top 5 Stocks Underweight**	**% Underweight**
Solar Industries India Limited	2.33	BSE Ltd.	2.13
Varun Beverages Ltd.	1.72	Infosys Limited	1.47
Mankind Pharma Ltd.	1.63	Axis Bank Limited	1.32
ICICI Prudential Asset Management Company Ltd.	1.59	ITC Limited	1.07
ICICI Bank Limited	1.47	Kotak Mahindra Bank Limited	1.02

The above weights are in comparison to the benchmark. Source: Bloomberg and Internal Research. The above data is as on May 31, 2026.

Portfolio Metrics

	Portfolio	NIFTY LargeMidcap 250 Index TRI
FY24-26E EPS CAGR	15.0%	15.0%
Debt / Equity (ex-financials)	0.70	0.74
FY 26E Price / Earning Ratio	31.9	95.9
Beta	1.00	1.00

Source: Bloomberg and Internal Research. The above data is as on May 31, 2026.

Portfolio Composition

	Portfolio	NIFTY LargeMidcap 250 TRI
Number of stocks	78	254
Active Share	56.39%	
Large caps (1st-100th stock)	54.24%	49.26%
Mid caps (101st-250th stock)	40.77%	48.85%
Small caps (251st stock onwards)	3.47%	1.89%
Cash, Current Assets & Gsec	1.51%	0.00%
Market Cap yet to be classified by AMFI	0.00%	0.00%
Top 10 holding	29.0%	21.9%
Weighted Avg Market Cap - Crore	3,43,337	3,14,290

Source: Bloomberg and Internal Research. The above data is as on May 31, 2026.

Portfolio (Top Ten Holdings) as on May 31, 2026

Issuer	% to Net Assets
ICICI Bank Ltd.	4.76
Reliance Industries Ltd.	3.80
HDFC Bank Ltd.	3.59
Larsen & Toubro Ltd.	3.14
Bharti Airtel Ltd.	2.66
Solar Industries India Ltd.	2.50
State Bank of India	2.26
Tata Consultancy Services Ltd.	2.21
Varun Beverages Limited	2.05
Bajaj Finance Ltd.	2.03

Please visit https://www.pgimindia.com/mutual-funds/disclosures/Portfolios/Monthly-Portfolio for complete details on portfolio holding of the Scheme.

Fund Facts

Investment Objective	The investment objective of the Scheme is to seek long term capital growth through investments in equity and equity related securities of predominantly large cap and mid cap stocks. However, there is no assurance that the investment objective of the Scheme will be achieved. The Scheme does not guarantee/indicate any returns.
Fund Managers	Vinay Paharia; Anandha Padmanabhan Anjeneyan; Utsav Mehta; Puneet Pal
Benchmark Index	NIFTY LargeMidcap 250 Index TRI
Minimum Application Amount	**Initial Purchase/ Switch-in -** Minimum of Rs. 5,000/- and in multiples of Re. 1/-thereafter. **For SIPs -** Minimum no. of 5 installments and Minimum amount per instalment - Rs. 1,000/- each and in multiples of Rs.1/- thereafter. **Additional Purchase -** Minimum of Rs. 1,000/- and in multiples of Re. 1/-thereafter
Exit Load	For Exits within 90 days from date of allotment of units : 0.50% For Exits beyond 90 days from date of allotment of units : NIL

About Us

PGIM India Mutual Fund is part of PGIM, the global investment management arm of Prudential Financial, Inc. (PFI), with over **$1.4 trillion** in assets under management. PGIM India Asset Management offers a comprehensive range of equity and fixed income solutions through mutual funds, alternatives, and portfolio management services. Leveraging PGIM's shared legacy of **150+** years and expertise across more than 30 market cycles, PGIM India combines global insights with local investment expertise to provide an enriching investment experience. Headquartered in Mumbai, the fund house operates across **25 cities** in India, managing 25 open-ended funds.

Source: www.pgim.com. As on 31/03/2026.

Return on Equity: Return on equity (ROE) is the amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **Debt/Equity (ex-financials):** Debt/Equity Ratio is a debt ratio used to measure a company's financial leverage, calculated by dividing a company's total liabilities by its stockholders' equity. The D/E ratio indicates how much debt a company is using to finance its assets relative to the amount of value represented in shareholders' equity. (Ex-Financials means excluding Banks and NBFCs). **Price/Earnings:** The price-earnings ratio (P/E Ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings. **Beta:** Beta is a measure of an investment's volatility vis-à-vis the market. Beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market.

www.pgimindia.com/mutual-funds 1800 209 7446 (Mon-Fri) (9:30 a.m. - 6:30 p.m.) Follow us on:

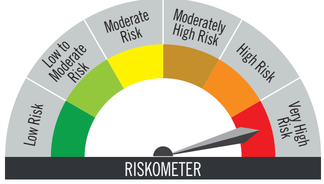
Riskometer

This product is suitable for investors who are seeking*

- Long term capital growth
- Investing in equity and equity related securities of predominantly large cap and mid cap stocks.
- Degree of Risk - VERY HIGH

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

Scheme Riskometer



The risk of the scheme is very high

Benchmark Riskometer

The risk of the benchmark is very high
AMFI Tier 1 Benchmark -
NIFTY LargeMidcap 250 Index TRI

The views of the Fund Manager should not be construed as an advice and investors must make their own investment decisions regarding suitability of the funds based on their specific investment objectives and financial positions and using such independent advisors as they believe necessary. Investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of the PGIM India Mutual Fund ("Fund").

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