Motilal Oswal Quality Fund

(An open-ended equity scheme following the Quality Factor Theme)

Investing in businesses built on stronger fundamentals - not just faster growth.

NFO PERIOD

28th Aug - 11th Sep 2026

motilal oswal | mutual fund

Entity Name: Motilal Oswal Mutual Fund | **SEBI Registration Number:** MF/063/09/04

What Is Quality - In Plain Terms?

No jargon. If you understand this in one sentence, you already understand the fund.

A Quality business is one that earns well, owes little, and keeps delivering — year after year, cycle after cycle.

Earns Well

It makes attractive profits on the money invested in it — not just big revenue, real returns.

Owes Little

It doesn't depend on heavy borrowing to grow — so it isn't fragile when credit gets expensive.

Keeps Delivering

Its earnings don't swing wildly — good years and tough years look more alike than most businesses.

Think of it less like a formula, and more like a character trait a business either has — or doesn't.

Why Quality, Why Now?

- Trump Tariff Uncertainty on Global Trade and Exports from India
- Conflict in Middle East – Global Supply Chains Impacted including for Oil & Gas
- Concerns from stretched valuations for AI (Compute) globally
- Global Investment flows heavily dominated by AI led themes and countries
- Upward pressure on JPY Bond yields and stressed JPY Currency – Concerns of Carry trade unwind
- Elevated Bond Yields in the USA – Mounting Pressure on cost of Borrowing
- Continued Russia – Ukraine Conflict

Elevated Global Uncertainty - Quality Thrives in Uncertain Times

Source: MOAMC Internal Research, Reuters. For only; not to be construed as investment advice or a guarantee of future market conditions,

You Already Know How to Spot Quality

Think of coffee, diamonds, or rice — you already judge quality by what lies underneath. You just haven't applied it to businesses yet.

Rice: What defines quality?

Regular Rice
Inconsistent grain, dull, mixed quality

Sona Masoori
Better texture, more consistent

Jeera Samba
Aromatic, finer grain, better feel

Basmati
Long grain, aromatic, visibly premium

Purity · Grain Quality · Consistency · Aroma

Look Beneath The Surface

Business: What defines quality?

01 Return on Investment
ROE / ROCE

02 Corporate Governance
Transparent management, low turnover in leadership. Vision & Execution Capabilities

03 Balance Sheet & Quality of Earnings
Debt to Equity Ratio. Capital Allocation Decisions

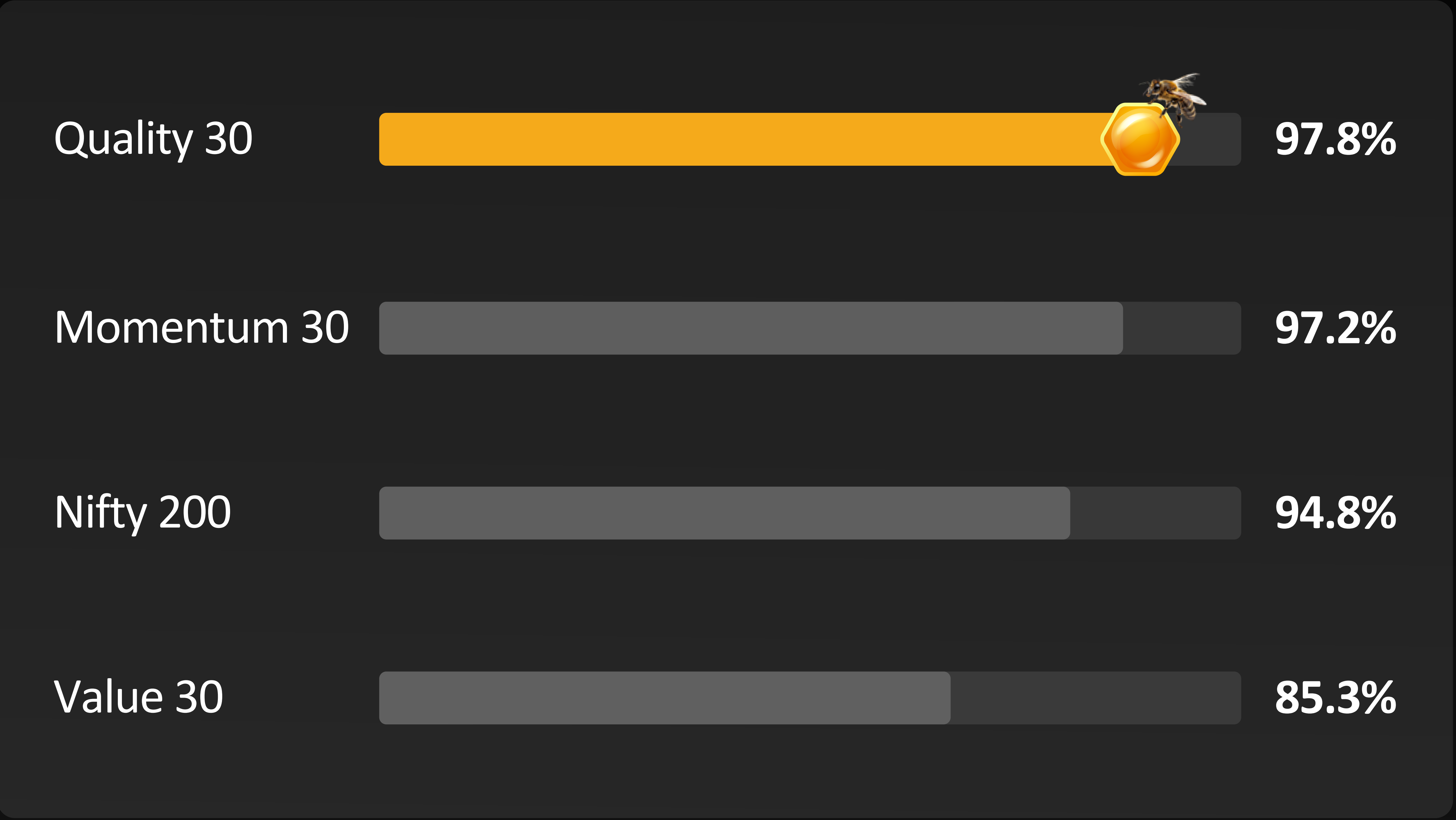
Quality isn't one characteristic. It's the combination that sets something apart.

The above table is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy

Why Quality? Because Consistency Compounds

Rolling returns — not single-point returns — show what actually happens to an investor's experience over time.

3-Year Rolling Returns: % Of Periods With Positive Returns



Fewer Bad Surprises

Stable earnings mean fewer shocks to a portfolio, and fewer moments that test an investor's patience.

Compounding Needs Time

The longer a return stream stays uninterrupted, the more compounding does the work — Quality is built to stay uninterrupted.

Works Across Cycles

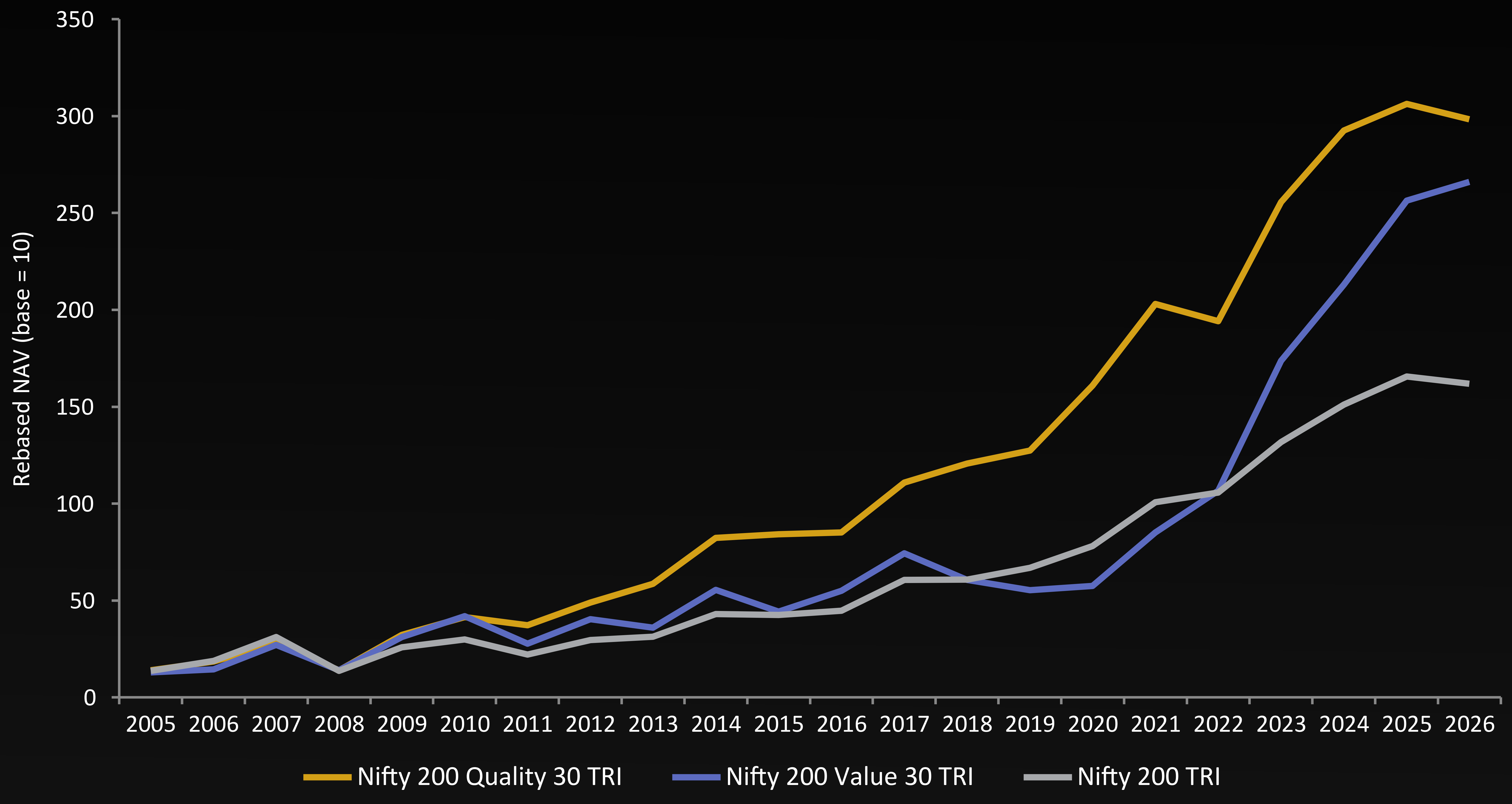
A business that doesn't rely on a booming environment to perform is a business you can hold through more environments.

Source: NSE Indices. 3-year rolling CAGR, daily, April 2006 – July 2026 (n = 4,524 rolling periods).

Quality investing isn't about avoiding risk. It's about avoiding unnecessary risk.

Quality Has Shown Consistent Compounding Over the Long Term

NAV rebased to 10 as of April 2005 — the Nifty 200 Quality 30 TRI grew to 298 by July 2026, outpacing both the broader market and the Value factor.



Cagr Since Inception (21+ Years)

Nifty 200 Quality 30 TRI
17.3%

Nifty 200 Value 30 TRI
16.6%

Nifty 200 TRI
13.9%

REBASED NAV VALUE AS OF (31st July 2026)

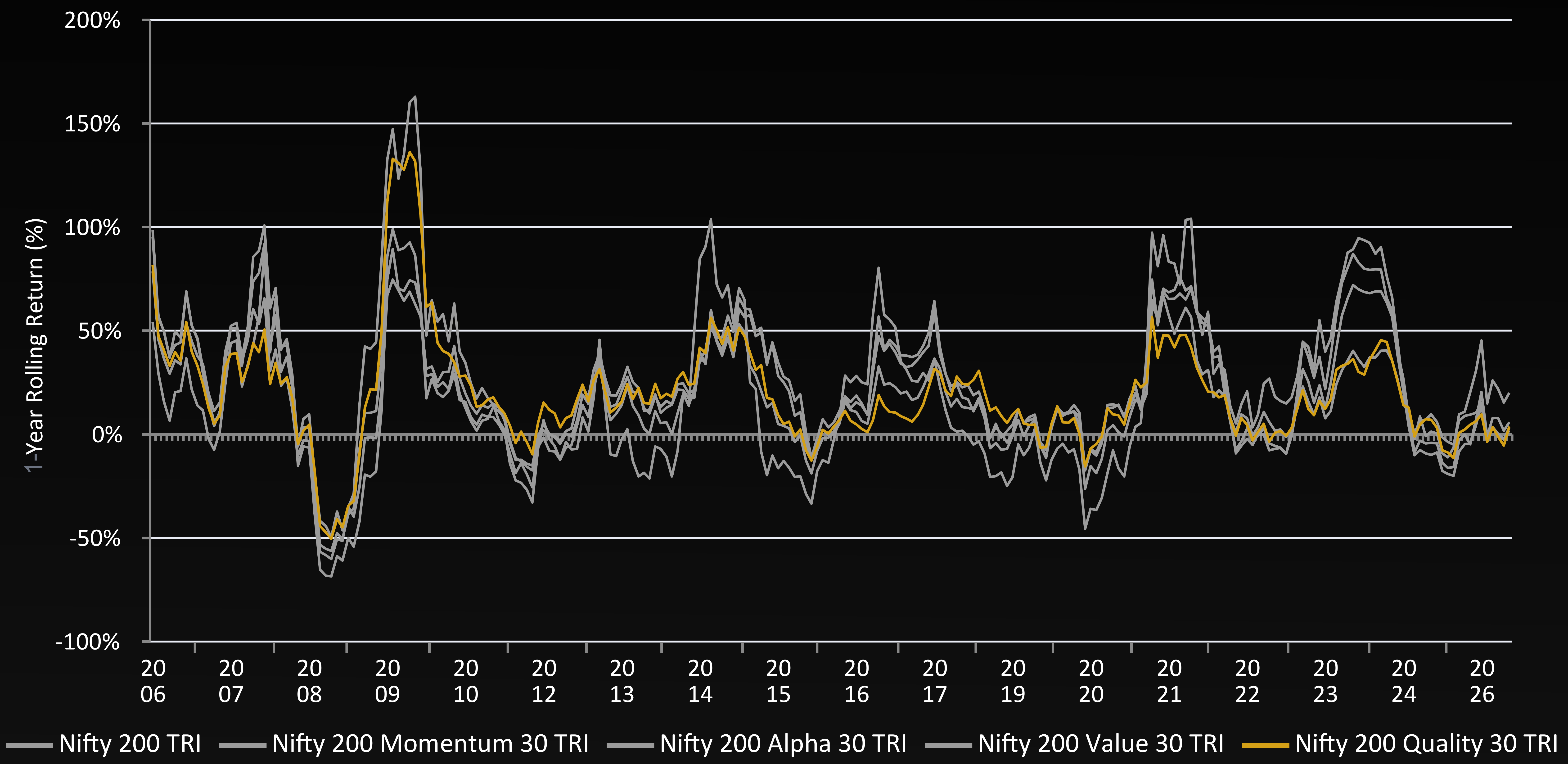
298	**266**	**162**
Quality 30	Value 30	Nifty 200

Note: Relative performance between Quality 30 and Value 30 has varied across market phases and time horizons; shorter 3–5-year windows do not necessarily reflect the pattern seen over the full period shown above

Source: NSE Indices, Past performance may or may not be sustained in future and future returns are not guaranteed and a loss of original capital may occur. NAV is of Indices

Fewer Bad Years: Quality Wins More Often Than It Loses

Across 20 years of rolling 1-year windows, Quality 30 posted a positive return more consistently than the broader market or any other factor.



Why Quality 30 Stands Out

84.8%

of all rolling 1-year periods delivered a positive return - the highest of any index shown

–51.3%

worst-ever 1-year return — a milder worst case than Momentum, Alpha, or Value

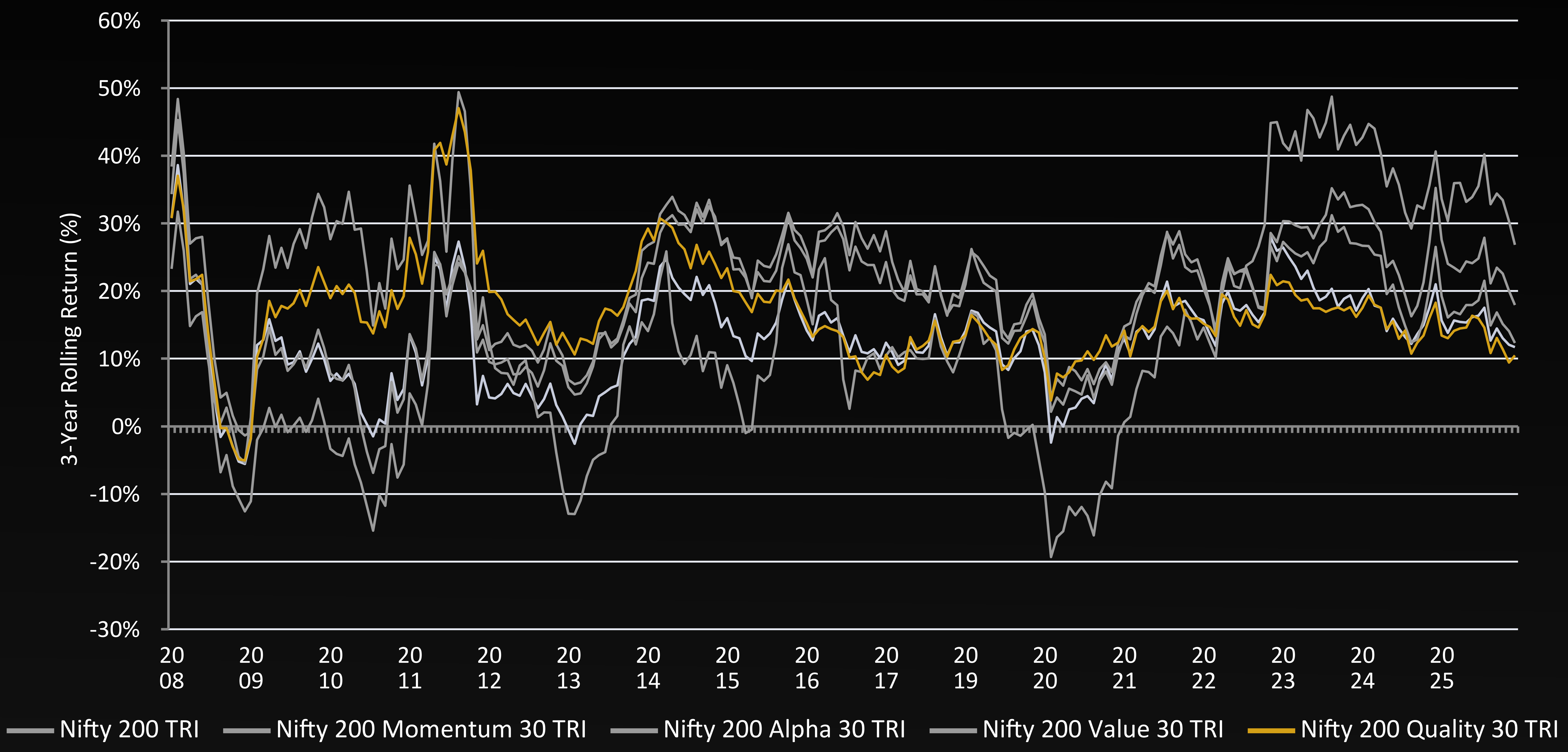
26.7%

return volatility (std. dev.) — second-lowest of the five, behind only the broad Nifty 200

Note: 1-year rolling returns are inherently volatile for every index shown; Quality 30's advantage here is in consistency of direction (win-rate), not magnitude of return.
Source: NSE Indices, rolling daily returns resampled monthly. Past performance may or may not be sustained in future and future returns are not guaranteed and a loss of original capital may occur.

Rolling 3-Year Analysis: Quality Has Held Up Across Market Cycles

The longer the holding period, the more Quality 30's consistency separates it from higher-volatility factors



Why Quality 30 Stands Out

97.8%

of all rolling 3-year periods delivered a positive return - the highest of any index shown

–7.6%

worst-ever 3-year CAGR - the mildest worst case of all five indices (Value 30's worst was –20.8%)

7.5%

return volatility (std. dev.) — nearly matching the broad Nifty 200, far tighter than Value or Alpha

Note: Past 3-year rolling CAGR shown for illustration; an investor's actual holding-period return depends on their specific entry and exit dates.

Source: NSE Indices, rolling daily returns resampled monthly. Past performance may or may not be sustained in future and future returns are not guaranteed and a loss of original capital may occur.

Competent In Good Times. Lower Drawdown during Bad Times

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Bull Phases

Phase	Nifty 200 Quality 30 TRI	Nifty 200 Value 30 TRI	Nifty 200 Momentum 30 TRI	Nifty 200 Alpha 30 TRI	Nifty 200 TRI
Mar07-Jan08	52%	100%	115%	103%	69%
Mar09-May09	56%	95%	34%	36%	65%
Feb14-Feb15	49%	56%	54%	50%	48%
Dec16-Aug18	31%	14%	41%	40%	28%
Mar20-Oct21	56%	95%	78%	83%	69%
Jun22-Sep24	31%	61%	47%	56%	31%

Bear Phases

Phase	Nifty 200 Quality 30 TRI	Nifty 200 Value 30 TRI	Nifty 200 Momentum 30 TRI	Nifty 200 Alpha 30 TRI	Nifty 200 TRI
Nov10-Dec11	-5%	-35%	-19%	-21%	-23%
Jan13-Sep13	3%	-35%	-5%	-3%	-12%
Aug15-Feb16	-12%	-27%	-20%	-22%	-18%
Sep18-Oct18	-11%	-12%	-14%	-15%	-13%
Jun19-Mar20	-24%	-46%	-27%	-29%	-34%
Oct21-Jun22	-17%	-19%	-28%	-31%	-17%

Absolute returns. Nifty 200 Quality 30 TRI | Nifty 200 Value 30 TRI | Nifty 200 Momentum 30 TRI | Nifty 200 Alpha 30 TRI |Nifty 200 TRI. Past performance may or may not be sustained in future and future returns are not guaranteed and a loss of original capital may occur.

Valuations reasonable post underperformance

Post Covid sharp recovery led to quality theme underperforming (Absolute Returns %)

Themes	Nifty 200 Quality 30 Index TRI	Nifty 200 TRI	Nifty 200 Momentum 30 Index TRI	Nifty 200 Alpha 30 TRI	Nifty200 Value 30 TRI
FY07	5.10%	11.00%	4.70%	2.50%	-8.40%
FY08	24.30%	23.50%	40.90%	30.20%	42.60%
FY09	-34.50%	-38.50%	-34.90%	-50.00%	-35.20%
FY10	131.80%	86.40%	62.90%	73.20%	162.80%
FY11	14.10%	9.50%	14.10%	6.60%	22.30%
FY12	11.80%	-7.90%	-0.30%	0.20%	-2.10%
FY13	10.80%	7.60%	16.40%	11.70%	-13.10%
FY14	30.20%	19.30%	21.40%	24.50%	19.80%
FY15	39.40%	33.10%	60.20%	57.60%	25.10%
FY16	-5.40%	-6.90%	-4.40%	-0.70%	-16.20%
FY17	13.60%	24.00%	40.20%	41.00%	57.70%
FY18	17.60%	12.40%	21.60%	20.40%	1.60%
FY19	12.30%	11.90%	11.60%	7.00%	-4.80%
FY20	-15.30%	-26.10%	-16.40%	-17.20%	-45.70%
FY21	56.70%	74.60%	62.40%	64.80%	97.20%
FY22	17.80%	21.40%	37.70%	42.40%	33.90%
FY23	-0.70%	-1.10%	-9.20%	-9.40%	15.00%
FY24	34.70%	38.30%	70.00%	85.00%	87.70%
FY25	4.90%	6.40%	-7.60%	-3.00%	8.70%
FY26	-3.60%	-2.80%	-3.40%	-1.00%	14.90%
FYTD	14.10%	13.50%	13.40%	19.20%	8.20%

Data as on July 31, 2026. Absolute returns. Quality: Nifty 200 Quality 30 TRI | Value: Nifty 200 Value 30 TRI | Momentum: Nifty 200 Momentum 30 TRI | Alpha: Nifty 200 Alpha 30 TRI | Broader: Nifty 200 TRI. Past performance may or may not be sustained in future and future returns are not guaranteed and a loss of original capital may occur.

Our
Active Approach

The Quality–Growth Matrix

Two axes, four outcomes. The strategy lives in one quadrant and says no to the other three.

Quality Trap

Durable Quality but Challenged Growth

The Hunting Ground

HI-Quality Hi-Growth Durable and Compounding Growth - Core of the portfolio

↓ Quality ↑

Growth Trap

Growth below cost of capital

Avoid

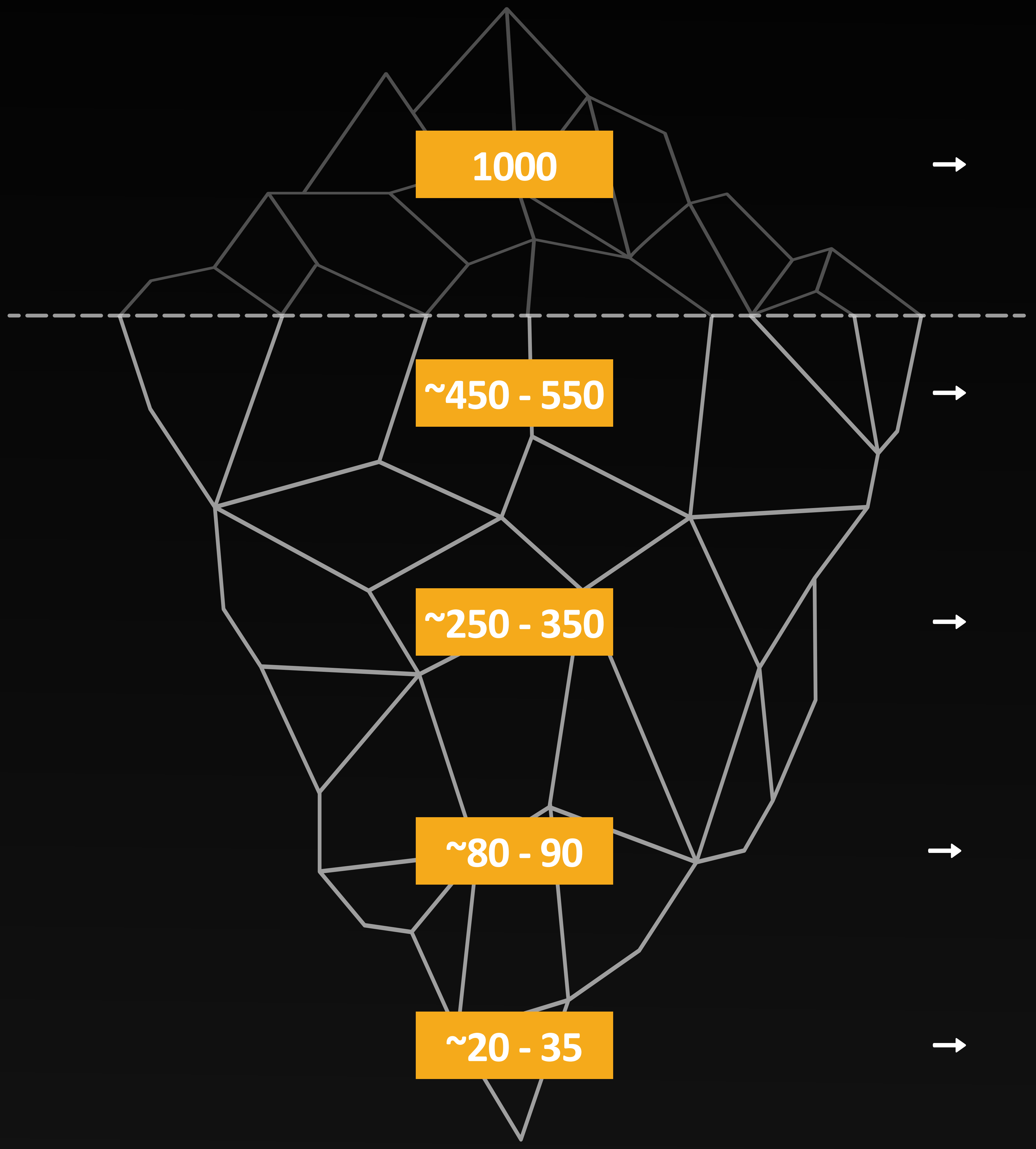
Low Quality Weak franchise, weak growth

Low ← Earnings Growth → High

THE RULE

- Quality is the Gate.
- Growth is the Engine.
- Longevity is the Compounder
- Price is the discipline

Portfolio Construction Framework



Every position must survive every stage. No exceptions. No shortcuts. The funnel is the discipline.

Universse

Universe

Top 1000 Companies by Market Cap

Neglect Screen

Low Institutional Ownership, Management Integrity, Corporate Governance, Liquidity / Free Float, Analyst Coverage, Non-Growth Segments

Quality Gate

ROE/ROCE, OCF, Debt to Equity Ratio, OCF/EBITDA, Balance Sheet Strength

Growth Overlay

Assessment of Projected Earnings Growth.

Final Portfolio

Actively Managed, High-Conviction Hi-Growth Portfolio. High Active share > ~65%

By the time a stock reaches the final portfolio, it has been interrogated from every angle.

Risk Management Framework for Sustainability

Stock Weightage & Stock Sizing

Minimum and maximum exposure limits set

Sector Sizing

Limits on Sector deviations relative to benchmark

Diversification Strategy

Portfolio size capped up to 35 stocks~

Portfolio Review Framework / Exit Discipline Framework

Proprietary Framework for measuring triggers

Stringent Liquidity Framework

Ensuring efficient management for ability to take necessary actions

Source: MOAMC Internal. Past Performance may or may not be sustained in the future. The above data is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. ~As per current FM strategy. Stock weighting, Stock Sizing and Sector sizing are as per applicable regulatory guidelines.

Beyond the Benchmark : How We Define Quality

We start with the same rigour as the index - and go further.

Quality Factor	Benchmark Methodology	Our Active Approach
Profitability	ROE - higher profitability preferred	We evaluate ROCE as a major factor, for a fuller picture of capital efficiency
Financial Strength	Debt-to-Equity ratio (ex. Financial Services) - lower is better	We favour companies with lower leverage across the portfolio, compared to industry standard (ex. Financial Services)
Earnings Consistency	5-year EPS growth variability - stable, continuous earnings preferred	We assess forward earnings potential - identifying high-growth companies that meet our quality bar, not just stable ones
Rebalancing	Semi-annually, on a fixed calendar	Actively Managed Fund

The index tells us where to look. Our research tells us what to own.

Note :- Our Active Approach is based on Current FM View. Benchmark: Nifty 200 Quality 30 Total Return Index.

QGLP: One Discipline, Four Tests

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Motilal Oswal has applied this four-part filter to Indian equities since the 13th Wealth Creation Study, 2008.

Q

Quality

Quality of business × quality of management

G

Growth

Growth in earnings above the cost of capital

L

Longevity

How long both can be sustained

P

Price

Favourable valuation - paid last, never skipped

Read as one sentence: a quality business, growing earnings above its cost of capital, able to sustain both for years, bought at a price that leaves room to be wrong.

Guided by Veterans and Driven by Experienced Team

Raamdeo Agrawal
Chairman

Prateek Agrawal
MD & CEO

Vaibhav Agrawal
CIO Alternates

Akhil Chaturvedi
CBO

Core Mutual Funds Management Team

Ajay Khandelwal
Head of Equities

Atul Mehra

Bhalchandra Shinde

Varun Sharma

Vishal Ashar

Ankit Agrawal

Sandeep Jain

Aliasgar Shakir

Swapnil Mayekar

Rakesh Shetty
Head of Debt

Fund Managers

Mr. Ajay Khandelwal
Head of Equities
Fund Manager, For Equity Component

- Rich Experience: around 19 years of experience.
- Earlier he was associated with Canara Robeco Asset Management Company as Fund Manager, where he used to take active part in fund management activity of Small Cap Fund.
- Qualification: CFA Level 3, PGDM - MBA - TAPMI, Manipal, B.E. - Electrical Engineer - MITS, Gwalior
- Fund Manager: Motilal Oswal Large and Midcap Fund, Motilal Oswal ELSS Tax Saver Fund, Motilal Oswal Small Cap Fund, Motilal Oswal Large Cap Fund, Motilal Oswal Flexi Cap Fund, Motilal Oswal Quant Fund

Mr. Ankit Agarwal
Fund Manager,
For Equity Component

- Mr. Ankit Agarwal has an impressive career with over 20 years of investment experience across asset management, portfolio management, equity research, and capital markets.
- Mr. Agarwal was engaged with UTI AMC, where he gained extensive experience in equity research across healthcare, telecom, technology and midcap sectors. He also contributed to Barclays Wealth, providing investment research and insights tailored for highnet-worth clients.
- Mr. Agarwal's professional journey includes global exposure through roles at Lehman Brothers (London), BNP Paribas (Hong Kong), and D. E. Shaw (Proprietary trading systems).

Mr. Varun Sharma
Fund Manager,
For Equity Component

- Mr. Varun Sharma has an impressive career with over 15 years of extensive experience in Investment Management. Mr. Sharma’s professional journey includes significant tenures at esteemed organizations such as ICICI Securities and Franklin Templeton Asset Management Company.
- Prior to his current role at MOAMC, Mr. Sharma dedicated more than a decade of his expertise to Franklin Templeton, where he excelled as a Fund Manager.
- Varun is also the author of the book “Valuation Asymmetry: Reliable Valuation Framework for New Economy and Digital Companies”, a comprehensive guide to valuing new economy, internet, and technology companies.

For performance of other schemes managed, please refer the Annexure: https://www.motilaloswalmf.com/downloads/leaflets-brochures

Fund Managers

Mr. Rakesh Shetty

Head of Debt
Fund Manager, For Debt Component

- **Rich Experience:** Over 15 years of experience
- **Past experience:** He has more than 15 years of overall experience and expertise in trading in equity, debt segment, Exchange Traded Fund's management, Corporate Treasury, and Banking. Prior to joining Motilal Oswal Asset Management Company Limited, he has worked with Company engaged in Capital Market Business wherein he was in charge of equity and debt ETFs, customised indices and has also been part of product development.
- **Qualification:** Bachelor of Commerce (B.Com)
- **Funds Managed:** Motilal Oswal Large and Midcap Fund, Motilal Oswal Midcap Fund, and others

Mr. Swapnil Mayekar

Fund Manager,
For Overseas Securities Component

- Swapnil has over 12 years of experience in the fund management and product development, Motilal Oswal Asset Management Company Ltd. from March 2010 onwards. Business Standard, Research Associate from August 2005 to February 2010.

For performance of other schemes managed, please refer the Annexure: https://www.motilaloswalmf.com/downloads/leaflets-brochures

Skin In The Game

Skin in the Game : Where the Fund House invests heavily in its own funds along with the investo

- Skin in the Game : Where the Fund House invests heavily in its own funds along with the investo
- Promoters invest at the same structures as institutional investors
- When interests are aligned - Benefits & Rewards are also aligned

What is at Stake?

~ 9,000 + CR

Source: MO AMC Internal Research. Data as on 31st July 2026.

FUND FACTS

Name of Scheme	Motilal Oswal Quality Fund	
Type of the Scheme	An open-ended equity scheme following the Quality Factor Theme.	
Category of the Scheme	Equity - Thematic Fund	
Investment Objective	To achieve long-term capital appreciation by predominantly investing in equity and equity-related instruments selected using quality factor-based investment approach. However, there can be no assurance that the investment objective of the scheme will be achieved.	
Benchmark	Nifty 200 Quality 30 Total Return Index	
Entry Load	Entry: Nil	
Exit Load	If redeemed on or before 90 days from the day of allotment. – 1%. If redeemed after 90 days from the date of allotment. - Nil Exit Load will be applicable on switch amongst the Schemes of MOMF. No Load shall be imposed for switching between Options within the Scheme. Further, it is clarified that there will be no exit load charged on a switch- out amongst the plans within the same scheme. For details on load structure, please refer to Section on Load Structure in this Document..	
Plans	Regular Plan and Direct Plan	
Options (Under Each Plan)	Income Distribution cum Capital Withdrawal (IDCW) Option & Growth Option	
Minimum Application Amount	During NFO and on Continuous Basis:	
Additional Application Amount	For Lumpsum: ₹500/- and in multiple of Re.1/- thereafter	
SIP	Daily SIP	₹100/- and multiple of ₹1/- thereafter 1 month (30 days)
	Weekly SIP	₹500/- and multiple of ₹1/- thereafter (Minimum - 12 Maximum - No Limit)
	Fortnightly SIP	₹500/- and multiple of ₹1/- thereafter (Minimum Installment - 12)
	Monthly SIP	₹500/- and multiple of ₹1/- thereafter (Minimum - 12 Maximum - No Limit)
	Quarterly SIP	₹1500/- and multiple of ₹1/- thereafter (Minimum Installment - 4)
	Annual SIP	₹6000/- and multiple of ₹1/- thereafter (Minimum Installment - 1)
Minimum Redemption Amount	₹500/- and multiple of ₹1/- thereafter or account balance, whichever is lower.	

Hi-Quality. Hi-Growth.

Benefit from both

Motilal Oswal's investing process builds Hi-Quality and Hi-Growth portfolios.

The usage of the terms Hi-Quality and Hi- Growth Portfolios purely depicts Motilal Oswal AMC's internal fund management strategy / process which is based on qualitative and quantitative research parameters. However, it does not offer any guarantee on returns.

Disclaimer

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This is an actively managed equity scheme that selects stocks using a quality factor-based investment approach (profitability, financial strength, and earnings consistency). The scheme is subject to equity market risk and general market volatility. The Quality factor may underperform other factors (such as Momentum or Value) during certain market phases, particularly strong momentum-led rallies. The scheme follows a concentrated portfolio approach (30–40 stocks), which carries concentration risk relative to a more diversified fund. Liquidity risk may also affect the scheme's ability to buy, sell, or redeem investments efficiently.

For scheme information document, please refer: https://www.motilaloswalmf.com/downloads/sid

Entity Name: Motilal Oswal Mutual Fund | **SEBI Registration Number:** MF/063/09/04

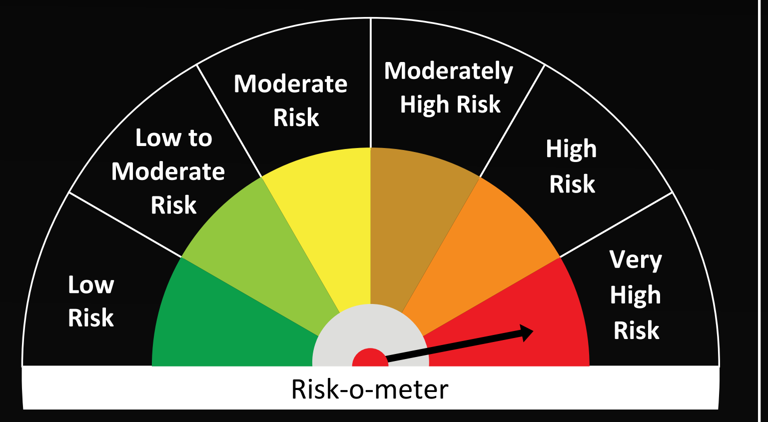
Mutual Fund Investments are subject to market risks, read all scheme related document carefully.

Disclaimer

This product is suitable for investors who are seeking*

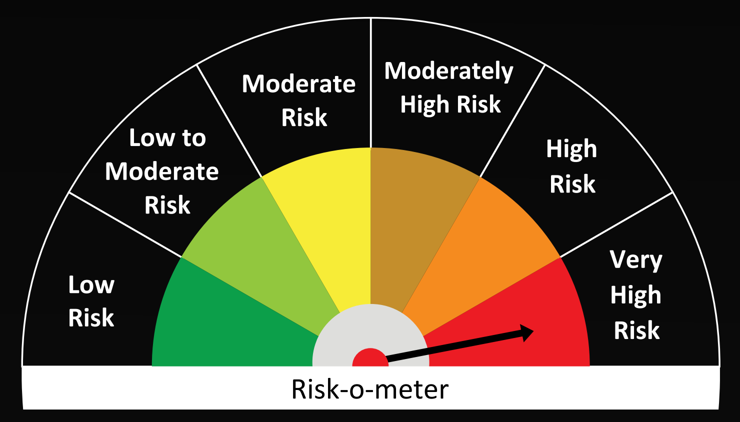
- Capital appreciation over long term.
- An open-ended equity scheme investing in equity and equity related instruments based on the Quality Factor.

Scheme Risk-o-meter



The risk of the scheme is Very High

Tier I Benchmark Risk-o-meter (Nifty 200 Quality 30 Total Return Index)



The risk of the benchmark is Very High

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

The above Product labelling 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 Scheme Specific Risk Factors Investors are requested to read the Scheme Information Document (SID)

Thank You