

AGCM Asia Growth Fund



ASIA GROWTH CAPITAL MANAGEMENT

March 2, 2026

A Chinese New Year and a new US war of choice

During February, the NAV of AGCM Asia Growth Fund RC SEK decreased by -0.3% and WP EUR share class by -1.4%.

Iran is now the eighth country that the US military has bombed over the last year, and Donald Trump is not getting the Nobel Peace Prize this year either. Iran has been a US target at least since 1979 when the West's puppet Shah Pahlavi was overthrown. But the reason behind the US attack is not only about robbing Iran of its oil or smashing a threat to Israel. There are other less talked about reasons. Iran is a pivotal nation in BRICS which is a threat to the central role of the US dollar and the US ability to roll its huge national debt and finance new and ever larger budget deficits. Also, China's One Belt One Road project remains a cornerstone in China's strategy to grow its exports to the Middle East and Europe. Not just by land from east to west, but also by the sea with Iran connecting Asia with Russia and Turkey via the Arabic Sea and the Caspian Sea. Containing China by obstructing its growth and technological development is a key objective of the CIA and the State Department where US foreign policy is formed. Only time can tell how this will end, but former CIA analysts and retired US military personnel who know something about Iran, point out that the killing of Ali Khamenei has unified a nation which is now fighting for its survival. They doubt a regime change will take place and project that this will be, yet another war started and lost by the US.

Regarding the Asian equity markets in February, the weakness in US technology stocks in the past month spilled over to Chinese technology stocks like Tencent and Alibaba, weighing on the MSCI China index which declined -5.6% percent in February. Fundamentally, our portfolio holdings are doing well, growing with the Chinese economy.

The major event in China in February was the Spring Festival, the holiday to celebrate the Lunar New Year. Chinese travelers set records in spending and travel. Total domestic tourism spending over the nine-day Lunar New Year break climbed to 803 billion yuan (USD 117 billion), a +19% increase compared to last year. The country recorded 596 million domestic tourist trips during the national holiday, 95 million more trips than a year earlier.

The Spring Festival Gala is the most important event on China's state television calendar. The gala has become a showcase for China's development of new technologies in strategic industries, meaning growth industries supported by government policies. The highlight of the state TV broadcast this year was a stunning acrobatic show where young boys performed martial arts together with humanoid robots made by Unitree Robotics. Unitree's humanoid robots are only a symptom of something much larger. China continues to outspend and outpace the rest of the World in terms of technological development and commercialization. Another industry we will hear more of in the future is clean energy. China has built up an enormous clean energy sector over the past two decades, which generated 15.4 trillion yuan (USD 2.1 trillion) in economic output last year, equivalent to Brazil's GDP. Chinese companies stand to capitalize on a global wave of investment in clean energy infrastructure in the coming decades, as they can provide solutions at a scale and cost that other nations will struggle to match.

The beautiful car we inspected in Guangdong in November, the Xiaomi YU7 SUV, ranked first in China by sales in January, with 37,869 units sold, more than twice as many as Tesla sold of its Model Y vehicles. Xiaomi started selling the YU7, its second electric car model, roughly half a year ago in the summer of 2025. I will probably buy one when it reaches the European market. In the meantime, I will have to settle for owning Xiaomi shares via my holdings in AGCM funds.

South Korea

South Korean equities continued strong momentum in the month of February. Preliminary trade data showed that exports rose +29% year-on-year to USD 67.45 billion, extending a nine-month growth streak, while the trade surplus reached USD 15.5 billion. Semiconductor shipments were the clear driver, surging over +160% and exceeding USD 20 billion for a third consecutive month amid strong AI-driven demand and rising memory prices. Tight chip supply conditions prompted pricing increases from industry leaders such as Samsung Electronics and SK Hynix, reinforcing earnings momentum. Policymakers passed a major corporate governance reform bill, mandating the cancellation of newly acquired treasury shares and strengthening shareholder rights. This move, long sought by international investors, signals a deeper shift toward improved capital returns and helped sustain positive sentiment in market.

Singapore

Singapore's economy continued strong momentum into 2026 with January's non-oil domestic exports rising +9.3% year-on-year to USD 12.4 billion, marking the strongest since 2022. The surge was driven by electronics (+20.5%) and semiconductors (+25.1%), as sustained global AI hardware demand extended December's momentum. The banking sector remained a key economic anchor, with Singapore's big three banks DBS, OCBC and UOB reporting resilient FY2025 earnings results, navigating net interest margin compression with wealth inflows and fee growth amid steady central bank policy. The three banks collectively attracted about USD 60 billion of net new wealth inflows from Asia's ultra-high-net-worth individuals in 2025, lifting assets under management sharply, DBS to USD 383 billion (+18% year-on-year), driving strong fee income growth (DBS +29%), and reinforcing the city's status as a regional safe-haven hub.

Indonesia

Following MSCI's January 28th warning on transparency and low free float risks, Indonesia's regulators announced a comprehensive capital market reform package on February 9, targeting MSCI's May reassessment. Core measures include raising the minimum level of free float for listed companies from 7.5% to 15%. This will impact ~267 firms through phased rollout batches by companies' readiness. Ownership transparency measures mandate disclosure of shareholders with stakes over >1%, and beneficial ownership verification. Market integrity features a task force ready by March for audits and enforcement, doubling the equity investment limit for insurance companies and pension funds to 20%, in addition to the liquidity support from the sovereign wealth fund Danantara and the social insurance fund. The regulators vow "swift, accurate" execution to restore confidence before MSCI review in May.

India

In early February 2026, India and the United States agreed on an interim trade framework that recalibrated bilateral commerce, slashing U.S. tariffs on Indian goods from peaks of ~50% to around 18% while India committed to expand purchases of U.S. energy, aircraft, technology products and agricultural goods, targeting USD 500 billion over five years. Although the U.S. Supreme Court's invalidation of broad tariff authority has introduced uncertainty and the talks await clarity on how tariffs will be structured going forward, both sides continue dialogue to finalize a balanced agreement and maintain momentum in trade cooperation. Also the EU-India FTA, effective February, is expected to liberalize tariffs on 96-99% of bilateral trade, further enhancing market access for India exporters. India hosted the flagship AI Impact Summit, drawing 3,000+ global delegates and securing USD 250 billion in AI investments for India and the Global South. Prime Minister Modi called AI a "civilizational inflection point," forecasting a USD 500-600 billion GDP boost by 2030 via governance efficiencies, solidifying India's AI hub status.

Gustav Rhenman, Chief Investment Officer

AGCM Asia Growth Fund

Monthly Report

February 2026



ASIA GROWTH CAPITAL MANAGEMENT

Performance

As of 28/02/2026	1 month	YTD	2 year	5 year	Since launch Oct 3, 2014
AGCM Asia Growth Fund RC SEK	-0.3%	+1.3%	+34.0%	+20.8%	+131.6%
AGCM Asia Growth Fund WP EUR	-1.4%	+3.1%	+44.1%	+25.8%	n.a.

Top 5 holdings %

As of 28/02/2026

Company	Weight
Tencent Holdings	7.8%
Alibaba Group	7.4%
Samsung Electronics	7.3%
Bank Central Asia	5.7%
Bank Mandiri	4.6%
Total	32.8%

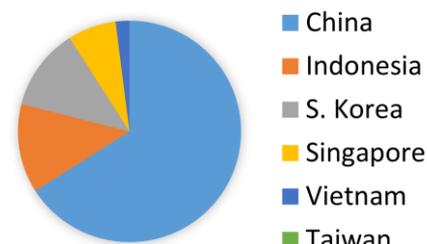
Industry breakdown

As of 28/02/2026

Consumer	31%
Financials	28%
Communi...	16%
Info Tech	12%
Real Estate	6%
Healthcare	3%
Industrials	3%

Geographic breakdown

As of 28/02/2026



About Asia Growth Capital Management

Asia Growth Capital Management AB (AGCM) is a specialized investment management company managing investment funds investing in listed equities in Asia. The company was founded in Sweden in 2013 by a group of investment professionals and executives with extensive experiences from a wide range of different industries. The Chief Investment Officer has twice before been awarded by Lipper (Thomson Reuters) for managing the best performing Asia Fund among all regulated Asia funds registered for marketing in any EU country.

Fund Facts

Portfolio manager:	Gustav Rhenman
Inception date:	03-Oct-2014
Fund size:	SEK 615 million
Number of holdings:	38
Management fee (RC):	1.85%
Fund management Company:	FundRock Management Company S.A.
NAV:	SEK 231.6 EUR 204.7
Minimum subscription:	n.a.
ISIN code:	SEK RC LU 1091660909 EUR WP LU 1163023143

Disclaimers

According to Personuppgiftslagen (PUL): AGCM can use such personal data which has been given to the company by the registered person or which the company has sourced from other sources (name, e-mail and telephone number) to, via e-mail or telephone, give information about and market its products and services, including direct marketing. The personal data is used mainly in relation to people who orally or in written form have indicated interest to AGCM. If you want to receive information about which personal data about yourself the company is handling, you can in writing, signed by yourself, make a request to Asia Growth Capital Management AB, Birger Jarlsgatan 10, 5 tr, 114 34 Stockholm. You can also make a request in writing to the same address that you wish not to have your personal data used for purposes of direct marketing. Request for correction of personal data can also be made to the same address.

Risk information: Money you invest in the Fund can both increase and decrease in value. Historic performance is no guarantee of future return. Saving in funds should be viewed in a long-term perspective, which then may potentially offer a better return than traditional savings in fixed income. We recommend that you read the KIID and prospectus available at www.agcm.se before you make an investment. You can also request such information via e-mail to info@agcm.se.