

AGCM China Stars 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 China Stars Fund RC1 SEK decreased by -3.1%

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.

Gustav Rhenman, Chief Investment Officer

AGCM China Stars Fund

Monthly Report

February 2026



ASIA GROWTH CAPITAL MANAGEMENT

Performance

| As of 28/02/2026 | 1 month | YTD | 2 year | 5 year | Since launch August 28, 2017 |
|-------------------------------|---------|-------|--------|--------|---------------------------------|
| AGCM China Stars Fund RC1 SEK | -3.1% | -5.3% | +28.5% | +11.4% | +51.2% |
| AGCM China Stars Fund RC8 SEK | -3.1% | -5.2% | +30.0% | +14.4% | +58.9% |

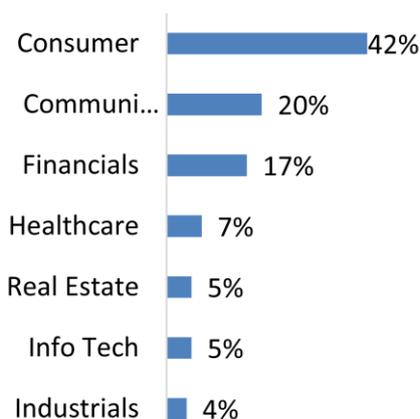
Top 5 holdings

As of 28/02/2026

| Company name |
|------------------|
| Alibaba Group |
| Tencent Holdings |
| Xiaomi Corp |
| Midea Group |
| CATL |

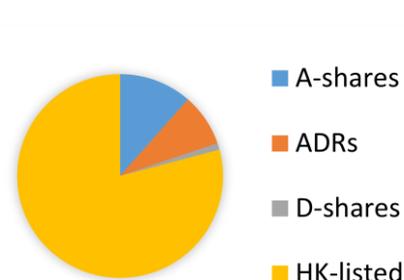
Industry breakdown

As of 28/02/2026



Market 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: | 28-August-2017 |
| Fund size: | SEK 163 million |
| Number of holdings: | 35 |
| Management fee (RC1): | 1.35% + 10% perf. Fee |
| Fund management Company: | FundRock Management Company S.A. |
| NAV: | (RC1) SEK 151.2 (RC8) SEK 158.9 |
| Minimum subscription: | n.a. |
| ISIN code: | SEK RC1 LU 1608617111 SEK RC8 LU 1608617384 |

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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.