JULY 2026

India Capital Growth Fund

India Capital GROWTH FUND

PORTFOLIO AND MARKET UPDATE

Indian equity markets delivered a resilient performance, with the benchmark BSE Sensex rising 2.3%, Mid-Cap up 2.2% and Small-Cap up 0.5%.Sector performance was mixed: Information Technology (+15%), Consumer Durables (+9%) and Realty (+9%) led the gains, while Capital Goods (-5%), Power (-5%) and Banking (-0.2%) saw modest profit-taking.

After several months of sustained outflows, foreign institutional investors turned net buyers, recording inflows of US$2.5bn into Indian equities. Domestic institutional investors remained an important source of market support, with net inflows of US$3.7bn. The Indian Rupee depreciated modestly by 0.8% against the US Dollar.

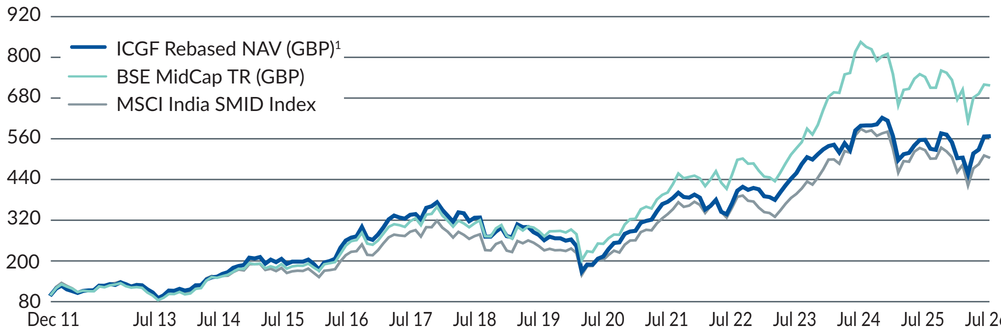
Q1 FY27 corporate earnings reflected healthy double-digit revenue growth, although aggregate net profit growth moderated due to raw material cost pressures. Banking, Capital Goods and Metals were the key earnings drivers, supported by sustained credit demand and strong order execution. Domestic consumption indicators remained positive, led by record passenger vehicle volumes. Two-wheelers, commercial vehicles and tractors also delivered double-digit volume growth, supported by improving rural demand and infrastructure-led economic activity. Macro fundamentals remained stable, with June CPI inflation at 4.4%, compared with 3.9% in May, remaining within the Reserve Bank of India's target range.

At the portfolio level, the strongest positive contributors were Persistent Systems (+28%), Sona BLW Precision Forgings (+24%) and Dixon Technologies (+18%). Key detractors included Elecon Engineering (-22%), Atlanta Electricals (-15%) and Triveni Turbine (-13%).

HOLDING IN FOCUS: IDFC First Bank

IDFC First Bank is at an inflexion point as the franchise transitions from a wholesale-led balance sheet to a granular, retail-oriented asset mix supported by a more diversified liability profile. Prior investments in digital infrastructure, deposit mobilisation, customer acquisition and branch productivity should now drive stronger operating leverage and a sustained reduction in the cost-to-income ratio. With easing deposit costs, improving CASA traction, and a diversified advances book, the bank appears positioned to deliver approximately 20% loan growth while maintaining stable NIMs and contained credit costs. ROA is expected to exceed 1% in the current year and improve further over the medium term, supporting potential valuation rerating as earning growth remains superior while profitability and return ratios converge towards industry leading benchmarks.

REBASED NAV PERFORMANCE SINCE 31 DECEMBER 2011 (%)



1 The Rebased NAV is the fairest representation of the Manager's performance across all periods excluding the dilutive effect of the new ordinary shares issued on 8 August 2016 following the exercise of subscription share rights. Full provision is made for Indian Capital Gains Tax in the Net Asset Value.

PERFORMANCE (%)

	1 mnth	3mnth	6mnth	1 year	3 years	5 years	Since 2011
ICGF NAV	0.2	9.8	12.9	1.9	23.7	51.7	388.4
BSE MidCap TR Index	(0.3)	5.3	6.2	(3.3)	34.9	78.6	617.5
MSCI India SMID Index	(1.2)	6.7	9.2	(4.2)	26.9	49.3	404.4

Source: Liontrust Investors LLP, Bloomberg

Effective 01/01/26, the benchmark for ICGF was changed from BSE Mid Cap TR Index to MSCI India SMID Cap. Performance prior to this date was measured against BSE Mid Cap TR Index. Both benchmarks are presented for comparison purposes over the full period shown, with the new benchmark shown for illustrative purposes only prior to the change date.

NET ASSET VALUE

The Net Asset Value (NAV) per share as at 31 July 2026 was 193.39 pence. In July the NAV was up 0.15% in Sterling terms, whilst the MSCI SMID CAP Index was down 1.24%. In local currency terms, the NAV was up 2.67% for the month.

FUND INFORMATION

Listing	LSE Main Market
Domicile	Guernsey
NAV publication	Monthly (daily estimate)
Size (NAV)	GBP125.5m
Launch date	22 December 2005
Adviser start	31 December 2011
Investment Manager	Liontrust Investors LLP
Principal Adviser	Gaurav Narain
Benchmark	MSCI India SMID Index
AMC	1.25% of market cap
Share price NAV per share	173.0p / 193.4p
Discount to NAV	10.5%

PORTFOLIO CHARACTERISTICS

Number of holdings	33
Median market cap (US$bn)	$1.8bn
PE FY27E	29.8
ROE FY27E	14.6%
Tracking Error	5.4%
Active Share	92.9%
CAGR Since 2011 (GBP)	12.6%

INDIA HIGHLIGHT

	MTD	YTD
INR vs US$ [stronger/(weaker)]	(0.8)%	(6.1)%
FII Net flows (US$m)	2,453.1	(26,512.2)
DII Net flows (US$m)	3,659.4	54,064.4
CPI inflation (June-26 / 3m avg)	4.4%	3.9%
GDP Q4 FY26		7.8%
Current account/ GDP Q4 FY26		(0.6)%

Source: Liontrust Investors LLP

TOPICAL COMMENT

IN THE MEDIA
August 2026
Is the India Rally a recovery in the making or another false dawn? By Michelle McGagh

THE READING ROOM
July 2026
My Biography by Alex Ferguson and James Macpherson

INDIA INSIGHTS
June 2026
India Economic Growth

ON DEMAND
June 2026
India Capital Growth Fund Limited - Annual General Meeting

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QUARTERLY ATTRIBUTION – 3 MONTHS TO JULY 2026 (%)

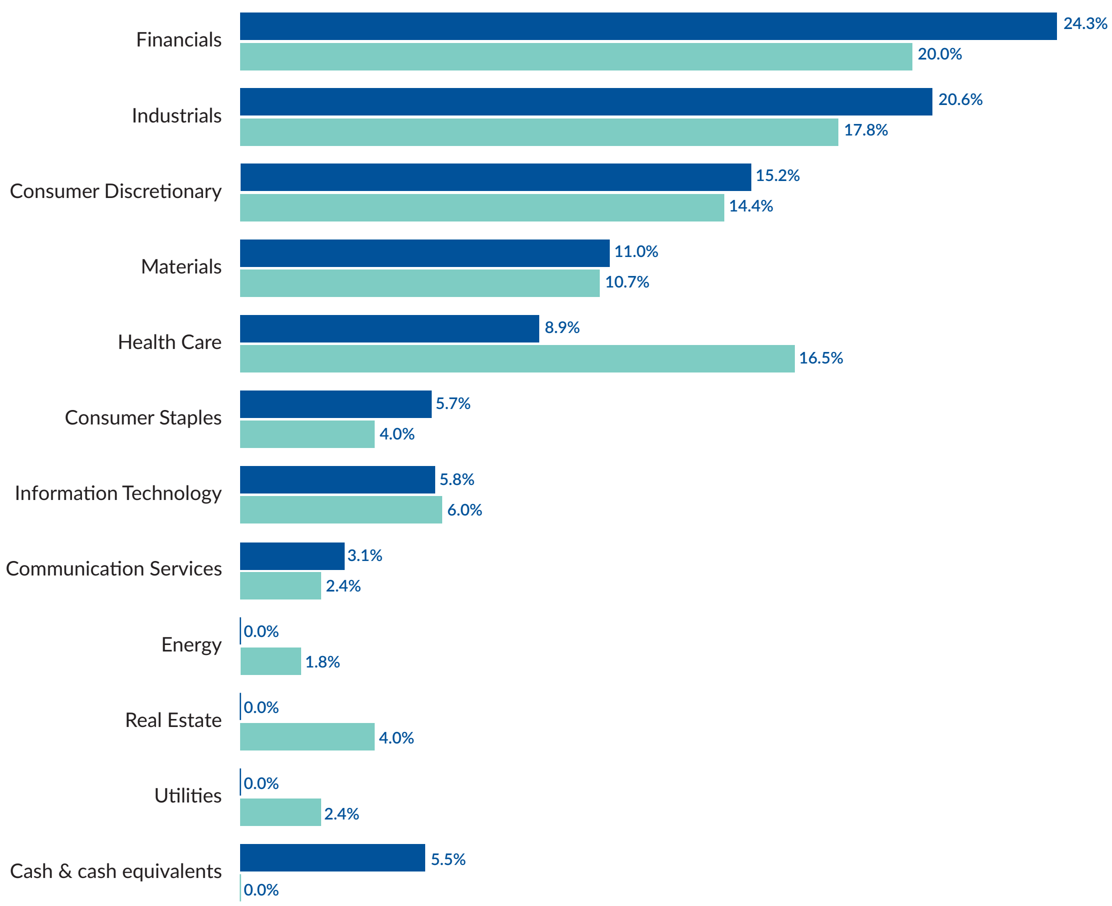
TOP 5	Ave. weight	Ave. index weight	Return	Contribution
Cartrade Tech	2.77	0.15	67.42	1.45
Federal Bank	4.52	0.88	24.98	1.06
Coforge	2.69	0.70	43.82	1.03
Neuland Laboratories	3.73	0.21	27.08	0.99
Dixon Technologies India	3.73	0.69	25.73	0.92

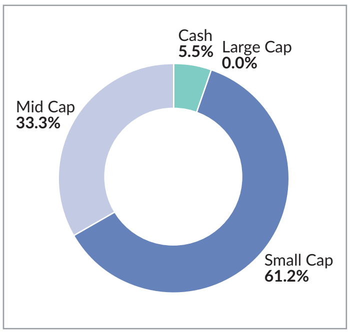
BOTTOM 5	Ave. weight	Ave. index weight	Return	Contribution
Multi Commodity Exchange of India	4.73	0.57	(9.46)	(0.47)
Atlanta Electricals	2.69	0.00	(12.18)	(0.36)
Emami	2.76	0.12	(10.51)	(0.34)
JK Lakshmi Cement	2.28	0.06	(11.53)	(0.30)
Elecon Engineering Co	1.67	0.06	(17.11)	(0.27)

TOP TEN HOLDINGSTOP TEN HOLDINGS

Portfolio company	Weight	Characteristics	Market cap US$bn
Skipper	6.0%	Power transmission and distribution company including polymer pipes and fittings segment	0.6
RBL Bank	5.6%	Private sector bank offering online and branch business banking and financial market operations	6.1
Federal Bank	4.4%	Well run mid-sized private sector bank, attractive valuations	9.3
Multi Commodity Exchange	4.2%	Commodity exchange, with 95%+ market share	7.2
IDFC Bank	4.1%	Well capitalised private sector retail bank. Digitally-focused and on a high growth trajectory	7.7
Dixon Technologies	4.1%	Dominant player in an emerging Indian Electronic Manufacturing Services industry with structural tailwinds	9.0
Neuland Laboratories	3.6%	API and Custom Manufacturing solutions (CMS) provider to multinational pharmaceutical companies. Beneficiary of China-dominated supply chain disruptions	2.6
City Union Bank	3.4%	South India based regional bank lending to small and medium enterprises	2.1
Kajaria Ceramics	3.2%	India's largest ceramic tile manufacturer,	2.0
Sona BLW Precision Forgings	3.2%	Auto Ancillary Company with strong focus on R&D	5.0

PORTFOLIO ANALYSIS (%)





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PRINCIPAL ADVISER

Gaurav Narain has advised India Capital Growth Fund since November 2011, having been immersed in the Indian equity markets for the previous 21 years. He has held senior positions as both a fund manager and an equities analyst in New Horizon Investments, ING Investment Management India and SG (Asia) Securities India. He holds a Masters degree in Finance and Control and a Bachelor of Economics degree from Delhi University.

INVESTMENT PHILOSOPHY

The investment manager believes that in India, optimal returns will be generated over time by investing in companies that are well placed to benefit from the structural growth potential of the Indian economy, combined with the highest quality of management best able to exploit this opportunity. The fund uses a consistent and disciplined bottom up stock picking process to select investments from our best ideas, unconstrained by a benchmark.

INVESTMENT OBJECTIVE

To provide long term capital appreciation by investing predominantly in listed mid and small cap Indian companies. Investments may also be made in unquoted Indian companies where the Fund Manager believes long-term capital appreciation will be achieved. The Company may hold liquid assets (including cash) pending deployment in suitable investments. It is the Company's declared policy not to hedge exposure to the Indian Rupee.

FUND MANAGER

Liontrust Management Ltd is authorised and regulated by the Financial Conduct Authority.

The acquisition of River Global Holdings, the asset management business of River Global PLC, by Liontrust completed on 1 July 2026.

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WEBSITE

www.indiacapitalgrowth.com

SOURCES

Source of all performance and portfolio analysis: Liontrust Investors LLP, Bloomberg.

CAPITAL STRUCTURE

64,902,624 ordinary shares in issue with voting rights.

BOARD

Elisabeth Scott (Chair), Patrick Firth, Lynne Duquemin, Nick Timberlake

OTHER ADVISERS

Administrator: Apex Fund and Corporate Services (Guernsey) Limited

Broker: Shore Capital Stockbrokers Limited

Registrar and CREST Agent: Neville Registrars Limited

IMPORTANT INFORMATION

The information in this document does not constitute or contain an offer or invitation for the sale or purchase of any shares in the Fund in any jurisdiction, is not intended to form the basis of any investment decision, does not constitute any recommendation by the Fund, its directors, agents or advisers, is unaudited and provided for information purposes only and may include information from third party sources which has not been independently verified.

Interests in the Fund have not been and will not be registered under any securities laws of the United States of America or its territories or possessions or areas subject to its jurisdiction, and may not be offered for sale or sold to nationals or residents thereof except pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and any applicable state laws. While all reasonable care has been taken in the preparation of this document, no warranty is given on the accuracy of the information contained herein, nor is any responsibility or liability accepted for any errors of fact or any opinions expressed herein.

Past performance is not a guide to future performance and investment markets and conditions can change rapidly. Emerging market equities can be more volatile than those of developed markets and equities in general are more volatile than bonds and cash. The value of your investment may go down as well as up and there is no guarantee that you will get back the amount that you invested. Currency movements may also have an adverse effect on the capital value of your investment. Investing in a country specific fund may be less liquid and more volatile than investing in a diversified fund in the developed markets. This Fund should be seen as a long term investment and you should read the London Stock Exchange Listing Prospectus published in December 2017 (the "Prospectus") whilst paying particular attention to the risk factors section before making an investment. Please refer to the Prospectus for specific risk factors.

Where reference to a specific Class of security is made, it is for illustrative purposes only and should not be regarded as a recommendation to buy or sell that security. Market index information shown herein such as that of the MSCI India SMID Index is included to show relative market performance for the periods indicated and not as standards of comparison, since indices are unmanaged, broadly based and differ in numerous respects from the Fund.

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