

India Capital Growth Fund

India Capital
GROWTH FUND

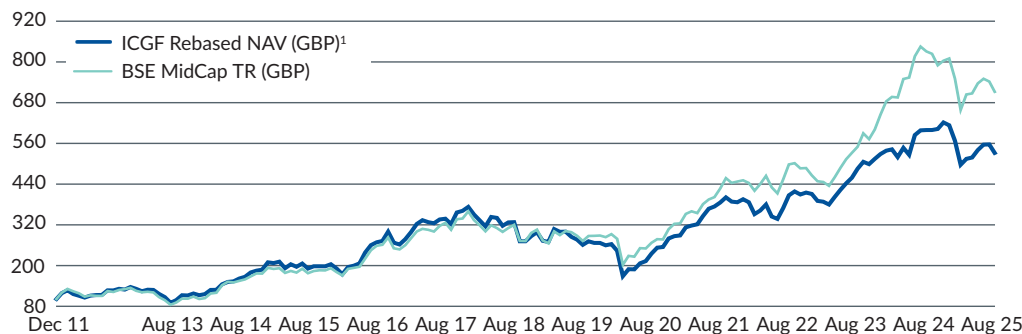
PORTFOLIO AND MARKET UPDATE

In August, the Indian equity market witnessed another month of correction. The large-cap Sensex declined by 1.7%, while the mid-cap and small-cap indices declined by 2.4% and 3.7% respectively, in local currency terms. Sentiment remained cautious due to ongoing uncertainty around India-US trade negotiations and Q1 earnings season saw subdued commentary from company management. Among sectors, Auto (+6%), and Consumer Durables (+2%) were the only notable performers. Oil & Gas, Power and Realty indices were all down 5%. Equity flows were mixed, FII flows were down US\$4bn while domestic flows were up US\$11bn. CPI inflation moderated further in July, easing to 1.6% from 2.1% in June. India's real GDP growth for Q1 FY26 (April-June 2025) came in at 7.8%, well above market expectations. The increase was led by robust domestic demand, with the services sector surging 9.3%, alongside healthy contributions from manufacturing and construction. To further support consumption, the government has unveiled a major Goods and Services Tax (GST) rationalisation, consolidating the earlier four-tier structure into two tiers of 5% and 18%, effective 22 September 2025. At a portfolio level, stocks posted positive returns, led by Uniparts India (+13%), Cartrade Technologies (+10%), and Skipper (+6%). Negative returns came from Gokaldas Exports (-21%), GPT Healthcare (-16%) and Balakrishna Industries (-14%).

HOLDING IN FOCUS: Skipper

India's power transmission infrastructure is witnessing strong growth driven by the accelerating deployment of renewable energy projects. As one of the largest backward-integrated transmission tower manufacturers in the world, we believe Skipper will be one of the key beneficiaries in this evolving sector. Skipper has recorded 27% CAGR in revenue and profits over the past 3 years. Its order book has recorded an impressive 52% CAGR over the past three years. With an order book at approximately Rs85 billion (1.8x trailing twelve-month revenues), the company enjoys strong business visibility. Although the domestic market constitutes the bulk of this order book, Skipper is simultaneously expanding its footprint in Western countries including Europe and US, capitalizing on the China+1 diversification trend. To meet escalating demand, the company intends to double its production capacity by March 2028. Skipper has added dedicated R&D facilities, tower testing infrastructure, and upgraded galvanizing capabilities to bolster its capabilities. We forecast 21% revenue CAGR and 36% profit after tax CAGR over the next two years, supported by robust market demand and lucrative export markets.

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 |
|---------------------|--------|-------|-------|--------|---------|---------|
| ICGF NAV | (4.8) | (1.9) | 6.7 | (11.5) | 30.3 | 125.5 |
| BSE MidCap TR Index | (4.3) | (3.6) | 7.9 | (14.5) | 42.6 | 166.0 |

TOPICAL COMMENT

IN THE MEDIA: INVESTORS CHRONICLE Aug 2025

How tariffs are hitting Indian stock market funds, Val Cipriani

IN THE MEDIA: MONEY WEEK Sept 2025

Emerging market stocks deliver strong growth at a bargain, Alex Rankine

BOOK REVIEW Aug 2025

Skin in the Game, Nassim Nicholas Taleb

BI-ANNUAL MARKET CAPITAL RECLASSIFICATION Jul 2025

July 2025

NET ASSET VALUE

The Net Asset Value (NAV) per share as at 29 August 2025 was 180.71 pence. In August the NAV was down 4.78% in Sterling terms, whilst the BSE MidCap TR Index was down 4.28%. In local currency terms, the NAV was down 2.87% for the month.

FUND INFORMATION

| | |
|-----------------------------|--------------------------|
| Listing | LSE Main Market |
| Domicile | Guernsey |
| NAV publication | Monthly (daily estimate) |
| Size (NAV) | GBP154.5m |
| Launch date | 22 December 2005 |
| Adviser start | 31 December 2011 |
| Fund Manager | River Global Investors |
| Principal Adviser | Gaurav Narain |
| Benchmark | S&P BSE MidCap TR |
| AMC | 1.25% of market cap |
| Share price / NAV per share | 172.0p / 180.7p |
| Discount to NAV | 4.8% |

PORTFOLIO CHARACTERISTICS

| | |
|----------------------------|---------|
| Number of holdings | 38 |
| Median market cap (US\$bn) | \$1.7bn |
| PE FY26E | 29.0 |
| ROE FY26E | 15.0% |
| Tracking Error | 6.6% |
| Active Share | 87.5% |
| Annual return | 15.0% |

INDIA HIGHLIGHT

| | MTD | YTD |
|----------------------------------|-----------|------------|
| INR vs US\$ [stronger/(weaker)] | (0.7)% | (3.0)% |
| FII Net flows (US\$m) | (4,313.6) | (15,321.0) |
| DII Net flows (US\$m) | 10,821.7 | 59,352.8 |
| CPI inflation (July-25 / 3m avg) | 1.6% | 2.2% |
| GDP Q1 FY26 | | 7.8% |
| Current account/ GDP Q1 FY26 | | (0.4)% |

Source: River Global Investors

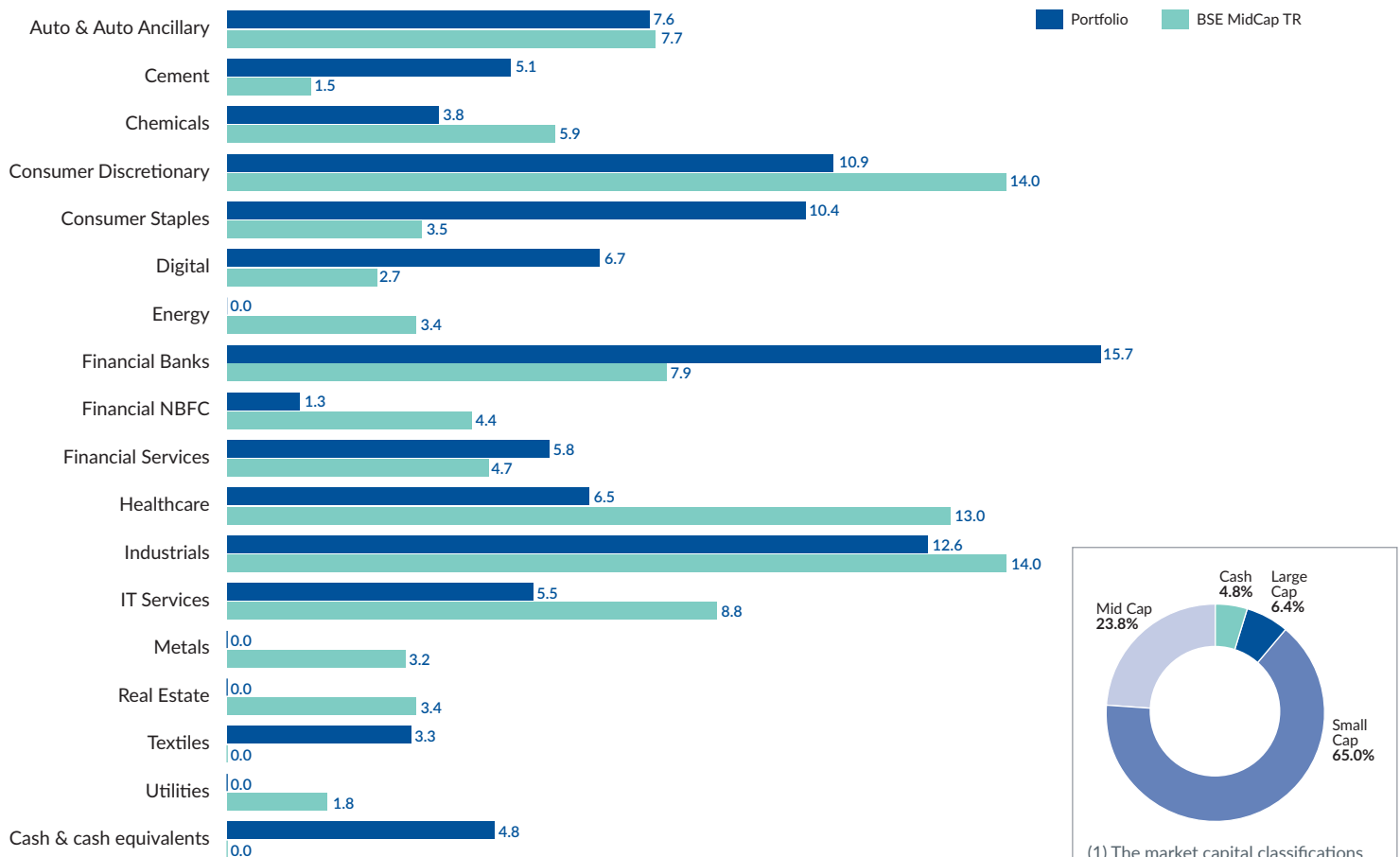
QUARTERLY ATTRIBUTION – 3 MONTHS TO AUGUST 2025 (%)

| TOP 5 | Ave. weight | Ave. index weight | Return | Contribution | BOTTOM 5 | Ave. weight | Ave. index weight | Return | Contribution |
|-----------------------------------|-------------|-------------------|--------|--------------|-----------------------------|-------------|-------------------|---------|--------------|
| Cartrade Tech | 2.54 | 0 | 49.94 | 1.04 | Gokaldas Exports | 2.02 | 0.00 | (34.05) | (0.81) |
| RBL Bank | 4.1 | 0 | 18.97 | 0.68 | Sona Blw Precision Forgings | 2.33 | 0.70 | (20.64) | (0.57) |
| Neuland Laboratories | 4.46 | 0 | 13.68 | 0.54 | Elecon Engineering Co | 1.93 | 0.00 | (19.05) | (0.39) |
| Multi Commodity Exchange of India | 4.81 | 0 | 9.12 | 0.49 | Welspun Living | 2.02 | 0.00 | (19.04) | (0.39) |
| Dixon Technologies India | 4.63 | 2.01 | 10.31 | 0.43 | Federal Bank | 4.47 | 1.68 | (7.31) | (0.32) |

TOP TEN HOLDINGS

| Portfolio company | Weight | Characteristics | Market cap US\$bn |
|--------------------------|--------|--|-------------------|
| Dixon Technologies | 5.1% | Dominant player in an emerging Indian Electronic Manufacturing Services industry with structural tailwinds | 11.5 |
| Skipper | 5.0% | Power transmission and distribution company including polymer pipes and fittings segment | 0.7 |
| Neuland Laboratories | 4.8% | API and Custom Manufacturing solutions (CMS) provider to multinational pharmaceutical companies. Beneficiary of China-dominated supply chain disruptions | 2.0 |
| RBL Bank | 4.5% | Private sector bank offering online and branch business banking and financial market operations | 1.8 |
| Multi Commodity Exchange | 4.4% | Commodity exchange, with 95%+ market share | 4.3 |
| Federal Bank | 4.3% | Well run mid-sized private sector bank, attractive valuations | 5.4 |
| Affle India | 3.9% | Mobile adtech company | 3.1 |
| Emami | 3.7% | Dominant player across multiple niche consumer product categories, attractive valuations | 2.9 |
| Persistent Systems | 3.4% | IT services company benefitting from 'digital transformation' of businesses globally | 9.4 |
| Ccl Products India | 3.3% | World's largest private-label coffee manufacturer | 1.3 |

PORTFOLIO ANALYSIS (%)



India Capital Growth Fund

India Capital
GROWTH FUND

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

River Global Investors is authorised and regulated by the Financial Conduct Authority.

+44 (0) 20 3327 5107
investment.companies@river.global

WEBSITE

www.indiacapitalgrowth.com

SOURCES

Source of all performance and portfolio analysis: River Global Investors, Bloomberg.

CAPITAL STRUCTURE

85,415,644 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 S&P BSE Midcap TR 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.

This document is issued by RGI Fund Management (referred to as River Global) and views expressed in this document reflect the views of River Global and adviser Saltoro Investment Advisors Pvt Ltd as at the date of publication.

This information may not be reproduced, redistributed or copied in whole or in part without the express consent of River Global and River Global Investors LLP is authorised and regulated by the Financial Conduct Authority in the United Kingdom. River Global Investors LLP is a signatory to the UN Principles of Responsible Investment. Registered office: 30 Coleman Street, London, EC2R 5AL.