

20th February 2026

Dear Shareholder,

Proposed Enhancements to India Capital Growth Fund

I hope you will have seen the recent announcement outlining the proposals from the Board. These are intended to strengthen the Company's long-term positioning and improve outcomes for shareholders. We are seeking your support to implement these changes, which are subject to shareholder agreement and the passing of the relevant resolution at the upcoming EGM.

Introduction of a Five-Year Conditional Performance Related Tender

The Board proposes the replacement of the current biennial redemption facility with a five-year, conditional performance-related tender for up to 25% of the Company's issued share capital. If the Company's NAV Total Return per Share, (before Indian Capital Gains Tax) measured over five years is less than the Total Return of the benchmark, the Performance Related Tender will be triggered. We believe that this type of tender is better aligned with the Company's investment objective, which is to provide long-term capital appreciation by investing predominantly in listed mid- and small-cap Indian companies.

The Investment Adviser's long-term, bottom-up investment approach targets the structural growth of high-quality Indian mid- and small-cap companies. These opportunities typically require several years to come to fruition and a five-year holding period more realistically reflects the time needed for company fundamentals to compound and valuation gaps to close.

The existing two-year redemption facility has resulted in a shrinking fund size, and higher ongoing charges, borne most heavily by long-term shareholders. Moving to a five-year cycle helps to rebalance and protect the interests of all shareholders, supporting better scale and lower costs, whilst the introduction of clear performance criteria ensures offers Shareholders the opportunity to reduce their holdings at close to Net Asset Value if performance does not meet expectations.

These changes will not affect the Company's approach to discount management and the Company will continue with its existing buyback policy, through which it actively makes market purchases of its own Shares when the Board considers it appropriate.

Benchmark

The Company's investment portfolio has a high allocation to Small-Cap and Mid-Cap companies in order to meet its investment objectives. At launch, the Board adopted the best available benchmark at the time; however, with a more suitable alternative now available, the Board has replaced it with the MSCI India SMID Index. The Board believes that MSCI India SMID offers the most accurate representation of the Company's quality investment universe, combining both mid- and small-cap constituents, and that it should therefore be used in the measurement of performance for the tender.

Introduction of a Dividend

In conjunction with the change to the five-year tender, the Board proposes the introduction of an annual dividend equating to approximately 2% of the prevailing NAV per Share paid semi-annually. It is the Board's intention to grow this dividend over time should circumstances permit. The Board has observed that these mechanisms are attractive to shareholders, particularly in volatile markets. It has also been the case that as emerging markets mature, companies become more likely to introduce dividends for shareholders, so we are optimistic that over time the dividend paid by your Company will be supported by an increasing element of underlying income. We are also pleased to introduce a Dividend Reinvestment Plan, designed to support those investors seeking to maximise capital growth.

No Change to the Investment Strategy or Team

We would like to emphasise that these changes do not affect the investment process, investment strategy or investment team and instead seek to better align outcomes for all shareholders.

You can find information on our full proposals and how to vote on our website: www.indiacapitalgrowth.com/your-vote-matters/ Please note the deadline to vote via online platforms is often several days ahead of the proxy voting deadline date.

To offer you the opportunity to put your questions to the Board, I will be hosting a webinar with our Investment Adviser, Gaurav Narain, during which we will also provide a portfolio investor update.

Webinar: Preparing for the EGM: Key Insights and Investor Dialogue with the Chair

Date: Wednesday 4th March 2026

Time: 11:00 UK time

You can register for the webinar, and/or express your interest in receiving future updates and event information, by emailing investment.companies@river.global, by scanning the QR code below (open your smart phone in camera mode and hover it over the code) or by completing the enclosed form and returning it with the prepaid envelope.

Yours Sincerely,



Elisabeth Scott

Chair

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