TRADEVIEW CAPITAL
Building Wealth, Preserving Legacy

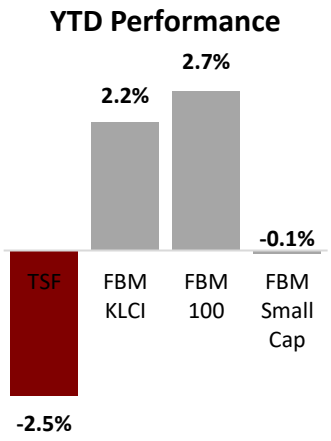
Geopolitical Risk, Structural Themes Intact

Commentaries: February 2026

Return (%)	Feb-26	Year-To-Date	Since Inception (Dec 22)
Tradeview Sustainability Fund (TSF)	-3.5%	-2.5%	29.7%
FBM KLCI Index	-1.4%	2.2%	16.2%
FBM 100 Index	-1.0%	2.7%	20.6%
FBM Small Cap Index	-1.5%	-0.1%	3.5%

Performance vs Benchmark

The Malaysian market softened in a holiday shortened month, with the FBM KLCI and FBM100 retracing by 1.4% and 1.0% respectively as profit taking in banking heavyweights weighing on the indices. Small and mid-cap stocks continued to lag (YTD still flattish), reflecting selective institutional positioning and cautious risk appetite.



Market weakness intensified toward the end of the month, as rising geopolitical tensions following US-Israel strikes on Iran and Tehran's retaliation triggered regional risk aversion.

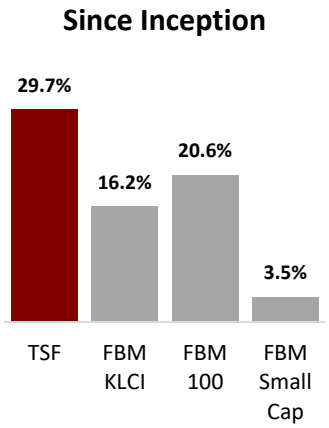
Despite this, foreign flows remain constructive. YTD inflows of approximately RM1.2 billion mark a notable reversal from persistent outflows in prior years, signalling improving confidence in Malaysia's macro stability and valuation appeal.

Sector performance was mixed. Transportation (+2.2%), Property (+2.0%) and Healthcare (+0.5%) outperformed, while Telecommunications (-3.3%), Industrial Production (-2.7%), Utilities (-2.4%) and Financials (-2.0%) lagged.

The ringgit strengthened further to RM3.89 against USD, supported by resilient macro data and capital inflows. Strong exports, healthy growth momentum and contained inflation reinforce Malaysia's relative attractiveness within the region.

Tradeview Sustainability Fund (TSF) performance in February (-3.5%) was partially weighed down by weakness in Hong Kong and China markets, where we have been gradually increasing exposure over recent months. We remain deliberate and constructive in this allocation. Besides, its relatively higher exposure to small cap names also contributed to its underperformance versus the benchmark for the month.

Portfolio Deep Dive



During the month, we initiated exposure to the Global X Asia Semiconductor ETF (gaining exposure to Korea, Taiwan and Japan semiconductor names) and added selectively to Dayang Enterprise, Hock Lian Seng in Singapore and Ranhill Utilities, where we see valuation support and earnings upside. We exited selected positions such as Pavilion REIT as share price is fairly valued with compressed yield profile, while trimmed Hong Leong Financial Group, Topmix and Glostrext on strength to raise higher cash amid higher market volatility, maintaining flexibility to redeploy into opportunities.

We continue to see strong medium-term potential in China ecommerce platforms, AI ecosystem beneficiaries, Robotics and semiconductor related names. The AI boom is structural, not cyclical. Global digitalisation, automation and AI deployment are long duration themes. China's cost competitiveness, manufacturing scale and pricing advantages position it well to lead AI application adoption globally, particularly in commercial and industrial use cases.

Valuations in China remain meaningfully below US peers. While discounts reflect geopolitical risks and technology catch up timelines, we believe current pricing already compensates for these factors. From a medium to long term perspective, risk and reward remains compelling.

Global Markets Commentary

Performance divergence widened globally. South Korea and Taiwan continued to benefit from AI and memory driven demand dynamics. In contrast, Hong Kong/China equities (between -2.7% and -4.9% MoM) and the Nasdaq (-3.4% MoM) experienced consolidation amid valuation concerns, tariff uncertainties and geopolitical noise.

Late in the month, markets were unsettled by escalating tensions in the Middle East following US Israeli strikes on Iran and subsequent retaliation. The key macro risk lies in crude oil prices - Iran accounts for roughly 5% of global oil supply, and approximately one-fifth of global oil flows transit through the Strait of Hormuz. Any sustained disruption could introduce inflationary pressures globally. Brent oil rose from USD70 to as high as USD85 per barrel since the escalation of the unrest.

Investors will also monitor upcoming political developments in China, including the Chinese People's Political Consultative Conference (4th March) and the National People's Congress (5th March), for signals on fiscal support, technology strategy and growth targets.

Importantly, consistent with the message conveyed in our January newsletter, we interpret recent volatility as rotation driven rather than structural deterioration. Capital continues to gradually rebalance toward more attractively valued markets outside the US.

Local front, Malaysia's economic data continues to surprise positively. 4Q25 GDP expanded 6.3%, lifting full year 2025 growth to 5.2%, above expectations. The fiscal deficit narrowed to 3.7%, unemployment remains low, and inflation is manageable. Industrial production rose 4.8% YoY in December, underscoring sustained manufacturing resilience.

Bank Negara Malaysia's Monetary Policy Committee (MPC) meeting on 5th March 2026 has decided to maintain the Overnight Policy Rate at 2.75%, as policymakers balance steady domestic growth against renewed global tariff uncertainties and geopolitical risks.

Recent fiscal measures, including the RM100 cash disbursement to over 22 million adults, should provide incremental support to domestic consumption. In a nutshell, overall macro backdrop remains supportive for domestic equities.

Closing Remarks

February marked a phase of consolidation across domestic and global markets. While volatility resurfaced toward month end, we view recent weakness as part of an ongoing structural rotation, and portfolio reshuffling amid rising global volatility, rather than a deterioration in fundamentals.

We are witnessing early stages of a broader capital rotation. From developed to emerging markets, from growth concentration to broader participation, from crowded US mega caps to more reasonably valued regions. Malaysia stands to benefit from this shift, supported by macro stability, currency strength and improving foreign participation. Meanwhile, selective exposure to China's structural growth engines provides long-term optionality.

Risks remain - including tariff uncertainty, geopolitical tensions and uneven participation across smaller cap segments. However, volatility within structurally supported themes often presents opportunity rather than danger.

We remain selectively optimistic. Our approach is disciplined yet opportunistic: strengthening exposure to structural growth drivers such as AI and semiconductors, while positioning for eventual broadening of domestic market participation. Periods of consolidation are healthy within longer term upcycles. We intend to use volatility to reinforce, not retreat from, our strategic positioning.

Encouragingly, the Employees Provident Fund announced a 6.15% dividend for both conventional and Shariah savings for 2025 - a healthy reflection of domestic asset performance and long-term fund management discipline. We look forward to sharing more with you at our upcoming client event on 28 March 2026. See you soon!

Please RSVP via the link or QR below:-

URL: Tradeview Capital March 2026 Client Event

Sincerely,

Nixon Wong,
Chief Investment Officer of Tradeview Capital