TRADEVIEW CAPITAL
Building Wealth, Preserving Legacy

A Healthy Detox

Commentaries: July 2026

Return (%)	Jul-26	Year-To-Date	Since Inception (TSF: Dec 22)
Tradeview Sustainability Fund (TSF)	4.2%	3.1%	37.1%
FBM KLCI Index	3.7%	2.7%	16.8%
FBM 100 Index	3.0%	3.9%	22.1%
FBM Small Cap Index	2.0%	-0.4%	3.2%

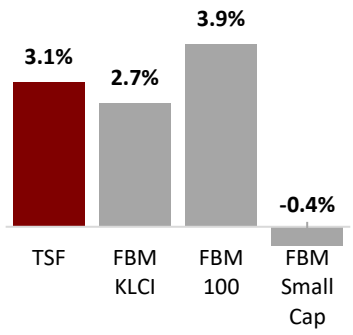
Performance vs Benchmark

July was a month of divergence where most of the equity markets were up, except those which are heavily skewed on technology sector, especially AI-related theme. On the positive note, Malaysia was one of the equity markets that went up this month. FBMKLCI was largely lifted by the buying interest in the financial sector and increased by 3.7%; meanwhile, FBM100 and FBMSC both increased by 3.0% and 2.0%, respectively. Foreign investors turned net buyers with a total amount of RM267 million, which is good news but still a long way to go to reverse the year-to-date net outflow of RM2.9 billion. We think the upcoming result season will be a crucial test of whether corporate earnings are able to cushion higher cost and show growth amidst such a weak consumer environment (consumer sector is the largest net-selling sector by foreign investors this year). The recent two state election results are likely to cause the timeline of the upcoming General Election to move, raising concerns on the continuity of policies.

Regarding sector performance, the top three outperformers were plantation (+4.9%), industrial products (+4.5%), and financial (+3.7%); while only two sectors recorded a decline in July: utilities (-1.9%) and property (-1.4%).

Performance-wise, Tradeview Sustainability Fund (TSF) grew 4.2% in July, outperforming the market, largely attributable to our exposure to both local and foreign technology names. This has carried us into positive territory, erasing losses for the years and being in the green year-to-date.

YTD Performance

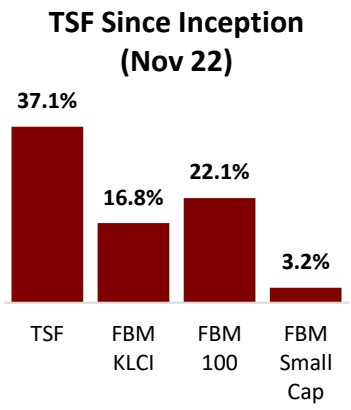


Portfolio Deep Dive

Names that we closed in July were MARCO POLO (due to weaker market valuation of its Taiwan-entity spinoff), Riverstone (after a strong rally on robust glove demand), Hock Lian Seng (weaker-than-expected jobflow), SIA (after strong recovery from the war in Middle East). This month, we have built some positions, names worth mentioning are ISF (on its piping business supporting data centres rollout), HIBISCUS (to benefit from higher oil production,

and perhaps higher oil price), SMIC (growing chip sovereignty in China), CKH (on corporate exercise), ELITE UK and RHBBANK (on dividend yield play).

After the portfolio rebalancing, TSF's cash level in July has dropped to slightly above 20% in July, which is lower than the previous month, though much higher than our industry peers. We think current cash level is appropriate as market volatility is higher-than-expected and the market is still struggling to form a consensus. Having more cash is always better than being caught offguard providing us with agility.



Global Markets Commentary

Global equity markets went through a few shocks in the month of July. As most media headlines suggested, investors are questioning the sustainability of the technology sector, together with some deleveraging moves by Korean regulators, causing downward pressure on memory makers' share prices. Concerns were raised about the capital expenditure (CapEx) that all these tech companies are planning to invest before seeing any profit. In fact, even some prudent companies' share price were punished when they announced additional CapEx amount, though their balance sheets are healthier (lower gearing) and flushed with cash (e.g. Nvidia's net-cash has more than doubled with a year ago).

As mentioned previously, the situation in the Middle East is moving towards a positive resolution albeit with noises along the way. The meeting outcome from July's FOMC event is pressuring Trump to end the war as soon as possible, after leaving the Fed Rate unchanged with more probability of a 25bps rate hike in September. We will monitor these events closely and take necessary positions.

Closing Remarks

After undergoing a deleveraging phase where the Korean regulators attempted to curb domestic speculative activities and the fall of the hedge fund firm (Situtional Awareness LP) founded by former OpenAI employee, Leopold Aschenbrenner which uses high leverage to long memory makers and short the software companies. We notice that the market sentiment remains largely optimistic, especially those conventional technology names, where they have stronger cash flow to fund its CapEx.

Cash flow – is always crucial, when business is aiming for the long run or a moon shot. As a reference, it took Amazon Inc 25 quarters from IPO to reach a full profitable year and even longer for Tesla Inc (36 quarters!). Both examples are skewed toward survivorship bias. This is something we have kept in mind when examining our investment decisions.

Having said that, we view the market correction as a healthy 'detoxification' process.

We intend to keep our barbell strategy slightly longer. Macro-level noise has lessened, but we can't tell if this is the case since there is always the possibility of a "tweet" & "shock" for the market. Cash level should remain above 10% which we far exceed currently. August will be another month in which we continue to manage our positions alongside the release of corporate earnings.

TRADEVIEW
CAPITAL
Building Wealth, Preserving Legacy

We appreciate the continued trust and patience of our clients and will continue to work towards achieving our targeted return for the full year.

Sincerely,

Ng Tzyy Loon,
Portfolio Manager of Tradeview Capital