

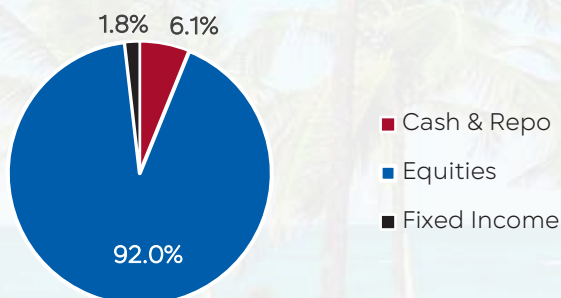
Fund Manager's View of the Market – February 2026

In February 2026, the Colombo Stock Exchange (CSE) fell **-0.3%** MoM (**+4.9%** YTD) as investors looked for direction amid the release of quarterly earnings for December 2025 and heightened foreign institutional selling. Resultantly, average daily turnover declined to Rs.5,616mn (vs. Rs.7,095mn in January 2026). Net foreign selling swelled to **Rs.9,358mn** in February (highest monthly net foreign outflow since September 2017) with foreign selling observed in COMB, TJL and CIC.

Your Fund rose **+0.9%** MoM in February (**+8.0%** YTD) driven by positive contributions from portfolio holdings **AEL, AAIC** and **HBS**. The Fund's asset allocation to equity was raised to ~92% as of end-February (vs. ~88% as of end January)

Notwithstanding the immediate economic fallout from the ongoing US-Israel war on Iran, we continue to hold the view that a protracted (multiple months) war and closure of the strait of Hormuz remains a low probability event. As markets price in potential CBSL policy intervention and a notable slowdown in domestic demand, we see potential for swift recovery in asset prices if mediated efforts towards an end to the war materializes. Resultantly, we remain constructive on equities for 2026E led by a healthy earnings growth outlook for portfolio companies, high single digit interest rates and reasonable valuations

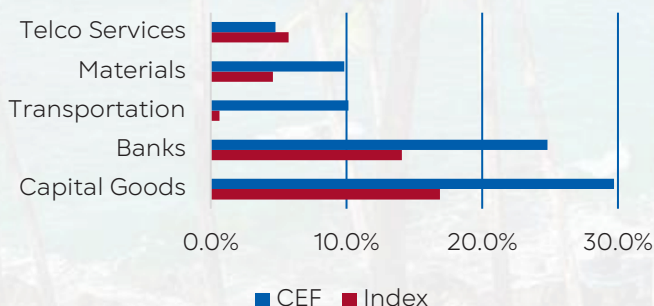
Asset Allocation (as a % of NAV) – 27 Feb 2026



Fund Details – 27 Feb 2026

Category	Balanced Fund
AUM	625.8mn
NAV per Unit (Rs.)	71.39
5 Year CAGR – CEF	31.8%
5 Year CAGR – ASPI	26.0%
Inception Date	Feb-1992
3M 6M 12M Returns – CEF	8.9% 21.3% 58.4%
3M 6M 12M Returns – ASPI	4.5% 13.0% 44.0%

Sector Exposures (as a % of Equity) – 27 Feb 2026



Risk and Return Characteristics – 27 Feb 2026

3 Year CAGR – CEF	40.7%
3 Year CAGR – ASPI	37.2%
Over/Under Performance (alpha)	3.5%
Tracking Error (annualized)*	5.8%
Information Ratio (annualized)*	0.60
TTM Max Drawdown – CEF ASPI	-8.6% -11.0%

*Tracking Error is a measure of return fluctuation relative to the Index a low figure is desirable; Information Ratio is a measure of Risk Adjusted Return - a figure above 0.5 is desirable

Top 5 Holdings	As a % of NAV	Relative to Index	Price to Book Value [^]	Gross Dividend Yield [^]	YTD Price Movement	6m Price Movement	Est. Portfolio Contribution – Feb 2026
Nations Trust Bank – Voting	9.7%	Overweight	1.1x	2.1%	6.2%	23.1%	-0.3%
Digital Mobility Solutions	9.5%	Overweight	17.0x	1.9%	5.5%	27.0%	-0.4%
Access Engineering	7.7%	Overweight	2.1x	2.5%	9.1%	31.1%	1.0%
ACL Cables	5.3%	Overweight	2.1x	0.5%	14.7%	65.0%	0.1%
Hemas Holdings	5.2%	Overweight	1.9x	2.8%	-2.6%	11.2%	-0.1%

*Risk measures are calculated on a rolling 3 year basis. [^]based on current book value and TTM dividends

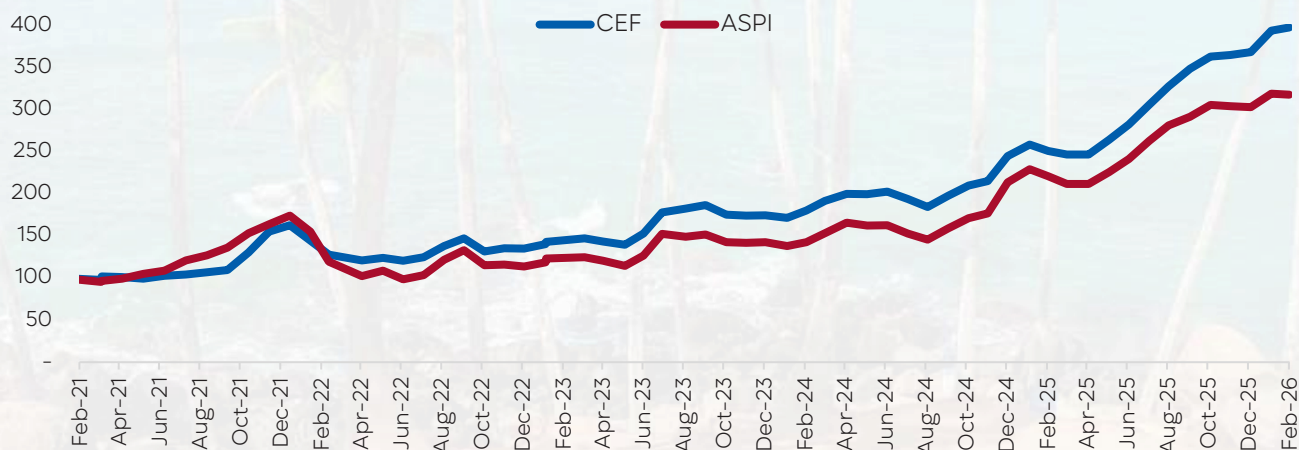
About CT Smith Equity Fund

CT Smith Equity Fund is a balanced fund that invests in CSE listed equities and LKR denominated fixed income securities. The fund aims to generate alpha over its benchmark (the All share Price Index of the Colombo Stock Exchange) with a medium to long term investment horizon through active stock selection. The fund's investment objective is to provide its unitholders superior risk adjusted returns whilst limiting downside volatility through risk management practices. The fund's investment philosophy is centered around investing in securities with strong fundamental qualities such as sustainable earnings growth, superior free cash flow generation, structural revenue growth and industry leadership in terms of price, cost or differentiation, combined with reasonable valuations.

CT Smith Equity Fund – Monthly Performance Matrix – 2022-2026 YTD

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ASPI
2022	4.9%	-11.2%	-11.5%	-5.3%	2.5%	-2.7%	3.5%	10.4%	6.8%	-10.6%	2.7%	-0.1%	-12.9%	-30.6%
2023	4.0%	1.7%	3.0%	-2.7%	-2.5%	9.5%	16.3%	2.7%	2.3%	-6.1%	-0.7%	0.2%	29.2%	25.5%
2024	-1.7%	5.0%	6.3%	4.5%	-0.4%	1.7%	-4.3%	-4.9%	7.2%	6.1%	2.6%	13.7%	40.4%	49.7%
2025	5.5%	-2.9%	-1.8%	0.0%	7.1%	6.8%	8.4%	7.1%	6.4%	4.2%	0.5%	0.9%	50.4%	41.9%
2026	7.0%	0.9%											8.0%	4.9%

CT Smith Equity Fund NAV vs ASPI – Indexed to February 2021



Trustee

Hatton National Bank

Management Fee

2.0%

Front End Fee

3.0%

Minimum Investment

Rs.1,000

Disclaimer

Current yields can fluctuate daily. Past Performance is not an indicator of future returns. Investors are advised to read and understand the contents of the Explanatory Memorandum before investing including but not limited to all fees/charges and risks. If required, please contact CT Smith Asset Management (Ltd) for any clarifications prior to investing.