

LONG TERM OBJECTIVE

The Coronation Africa Frontiers Strategy aims to maximise the long-term risk-adjusted returns available from investments on the continent through capital growth of the underlying stocks selected. It is a flexible portfolio primarily invested in listed African equities or stocks listed on developed and emerging market exchanges where a substantial part of their earnings are derived from the African continent. The Strategy may hold cash and interest bearing assets where appropriate.

INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house, focused on bottom-up stock picking. Our aim is to identify mispriced assets trading at discounts to their long-term business value (fair value) through extensive proprietary research. In calculating fair values, through our fundamental research, we focus on through-the-cycle normalised earnings and/or free cash flows using a long-term time horizon. The Portfolio is constructed on a clean-slate basis based on the relative risk-adjusted upside to fair value of each underlying security. The Portfolio is constructed with no reference to a benchmark. We do not equate risk with tracking error, or divergence from a benchmark, but rather with a permanent loss of capital.

STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	338.6%	32.4%	306.2%
Since Inception p.a.	8.8%	1.6%	7.2%
Latest 15 years p.a.	7.1%	1.8%	5.3%
Latest 10 years p.a.	8.9%	2.5%	6.4%
Latest 5 years p.a.	11.3%	3.5%	7.8%
Latest 1 year	57.6%	4.2%	53.4%
Year to date	2.9%	0.9%	2.0%
Month	(10.1)%	0.3%	(10.4)%

For a side-by-side comparison of gross and net performance, please refer to <http://www.coronation.com/us/strategy-performance>

SECTOR EXPOSURE

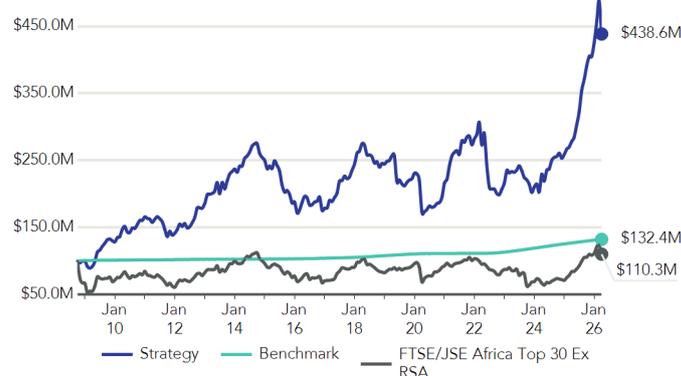
Sector	% Strategy
Telecommunications	26.3%
Financials	22.5%
Consumer Goods	20.0%
Basic Materials	7.5%
Health Care	7.2%
Oil & Gas	7.2%
Industrials	5.5%
Consumer Services	0.6%
Utilities	0.3%
Interest Bearing	2.9%

GENERAL INFORMATION

Inception Date	01 October 2008
Strategy Size *	\$654.9 million
Strategy Status	Open
Target	Secured Overnight Financing Rate (SOFRINDX Index) + 3% per annum
Redemption Terms	An anti-dilution levy will be charged
Base Currency	USD

*Strategy assets under management as at the most recent quarter end.

GROWTH OF US\$100M INVESTMENT



The benchmark has changed over time; performance is shown against the benchmark in effect during each measurement period. Full details of historic benchmarks are available upon request.

The performance shown is gross of fees.

GEOGRAPHIC EXPOSURE

Country	% Strategy
Egypt	27.5%
Nigeria	22.3%
Morocco	14.1%
Kenya	11.3%
Zimbabwe	5.9%
Ghana	4.7%
Democratic Republic of the Congo	2.5%
Burkina Faso	2.5%
Tanzania	2.0%
Senegal	1.7%
Mauritius	1.6%
Norway	1.0%
Australia	1.0%
United Kingdom	0.6%
Uganda	0.3%
Tunisia	0.2%
South Africa	0.2%
Cash	0.6%

PORTFOLIO MANAGERS

**Peter Leger** - BScEng, BCom (Hons), CFA

Peter is a portfolio manager and analyst in the Global team at Coronation. He manages the Africa Frontiers Strategy and is also responsible for analysing developed market stocks. He joined Coronation in 2005 and has 28 years' investment experience.

**Gregory Longe** - BBusSc, CA (SA), CFA

Greg is an analyst and portfolio manager in the Global team at Coronation. He co-manages the Africa Frontiers Strategy and is also responsible for analysing developed market stocks. He joined Coronation in 2013 and has over 12 years' investment experience.

**Floris Steenkamp** - BAcc (Hons), CA (SA), CFA

Floris is an investment analyst and portfolio manager in the Global team at Coronation. He co-manages the Africa Frontiers Strategy and is also responsible for analysing developed market stocks. He joined Coronation in 2014 and has 11 years' investment experience.

FUND MANAGER

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The Prospectus and a Summary of Investor Rights can be sourced on the following link: <https://www.coronation.com/en/institutional/strategy-information/literature/>.

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The volatility of the Benchmark represented in the growth chart above may be materially different from that of the Strategy. In addition, the holdings in the accounts comprising the Strategy may differ significantly from the securities that comprise the Benchmark. The Benchmark has not been selected to represent an appropriate benchmark to compare the Strategy's performance, but rather is disclosed to allow for comparison of the Strategy's performance to that of a well-known and widely recognized Benchmark.

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REVIEW FOR THE QUARTER

Strategy performance

The escalation in conflict in the Middle East dominated the final month of the quarter, sending shock waves through global markets. The Strait of Hormuz, through which approximately 20% of the world's oil supply transits, was effectively closed for most of March after the conflict began on 28 February. Oil prices surged from around \$73 per barrel to over \$100 during the month. Against this backdrop, African markets held up reasonably well. The Strategy returned +2.9% in US dollars over the past three months compared to the FTSE/JSE All Africa (ex-South Africa) 30 Index (JA30) which delivered -1.3% and the MSCI EFM Africa ex SA Index which returned -5.8%. Against this backdrop, our valuation-driven, benchmark-agnostic approach delivered strong absolute returns and relative outperformance in what was a very challenging environment.

Over the past 12 months, the Strategy has returned a remarkable +57.6% in US dollars with the indices up +30.8% (JA30) and +14.9% (MSCI EFM Africa ex SA). The three-year annualised return is +23.4% p.a., which amounts to alpha of +14.7% against the JA30 and +10.0% against the MSCI EFM Africa ex SA. Since inception more than 17 years ago, the Strategy has returned +8.8% p.a., while the index returns over this period were +0.6% p.a. (JA30) and +0.1% p.a. (MSCI EFM Africa ex SA), respectively.

Market performance

The quarter saw a stark divergence in country performance, driven by the intensifying conflict in the Middle East, currency moves and local market dynamics. West and East African markets were very strong, while North Africa and Morocco were weak. Nigeria (+34.1%) was the standout performer, continuing the momentum we wrote about last quarter. Ghana (+41.8%) and Tanzania (+32.6%) were also very strong. The BRVM (+16.1%), Tunisia (+12.7%), and Kenya (+3.8%) were positive. On the other side, Morocco (-11.2%) declined after a very strong 2025. The Moroccan dirham's peg to a basket weighted 60% to the euro meant that euro weakness against the dollar in the early part of the quarter weighed on dollar returns for Moroccan investors, reversing the tailwind that benefited the market in the prior year. Mauritius (-8.9%) was also weak.

Egypt (-5.2%) was the most directly impacted by the conflict. Egypt is a net oil importer, and higher oil prices increased import costs and put pressure on public finances. Perhaps more significantly, the renewed disruption to Suez Canal traffic, with vessels once again avoiding the Red Sea route, threatens a key source of foreign currency for the country. Suez Canal revenues had collapsed from approximately \$10bn in 2023 to around \$4bn in 2024 due to the Houthi disruptions and were only starting to recover when the Middle East conflict escalated. The World Bank estimates the conflict could cost Egypt up to \$10bn in lost Suez Canal revenues. Egypt also faced a suspension of Israeli natural gas supplies from the Tamar and Leviathan fields, although the government moved quickly to secure alternative LNG cargoes. Despite these headwinds, it is important to note that the Egyptian economy entered this crisis in a far better position than it was two years ago. Net foreign assets have swung from a deficit of \$25bn to a surplus of \$25bn, providing a meaningful buffer.

Contributors and detractors

The largest contributor to performance this quarter was Guaranty Trust Bank, which returned +26.9% in US dollars and added +1.2% to the performance of the Strategy. Seplat (+69.4%) added +1.1% to performance, benefiting from the spike in oil prices during March. Econet Wireless Zimbabwe (+74.2%, +0.9% contribution), Stanbic IBTC (+39.0%, +0.9%), and Meren Energy (+37.6%, +0.9%) were the other large contributors.

The largest detractor this quarter was Eastern Company, which declined -18.1% in US dollars and detracted -1.1% from the performance of the Strategy. The escalating conflict in the Middle East has been negative for Egypt, with the Egyptian pound under renewed pressure and investor sentiment weakening. This more than offset the strong underlying operational performance of the business. Umeme (-75.0%) detracted -0.7% from performance. Ivanhoe Mines (-25.2%, -0.5% contribution) was the next largest detractor as the lower copper price and broader risk-off sentiment weighed on the share price. Several other Egyptian names were also detractors.

Country visit - Egypt

In February, we spent a week in Egypt and Dubai, attending the CI Capital conference and holding bespoke meetings across the listed and unlisted space. The conference, the first since 2023, was very well attended by locals and foreigners alike. The mood was bullish.

After several tough years, the rally over the past 12 months, coupled with strong earnings growth, has turned sentiment very positive. Egyptian institutions are starting to increase their equity weightings, moving out of fixed income on the back of strong equity performance and interest rate cuts. Anecdotal evidence of increased foreign participation from large Emerging Market strategy's is a further sign that Egypt is back as an investment destination.

The overarching conclusion from the trip is that the Egyptian economy has recovered from the foreign currency scarcity of 2022/2023, the large devaluation, the inflation spike, and the very high price increases that followed. Many companies are seeing strong volume growth once again. The foreign currency liquidity crisis is effectively over, with major banks confirming that the market is flush with dollars and the pound has strengthened from around EGP 52/\$ to EGP 47/\$. Net foreign assets have swung dramatically, creating a \$50bn stabilisation buffer that has reinvigorated corporate planning cycles.

While the near-term outlook for Egypt has been complicated by the Middle East conflict escalation, it is worth noting that the trip took place before it started. The operational improvements we saw, the volume recovery, the capex cycle, and the digital payments growth, are all structural and should persist once geopolitical tensions ease. The bigger risk is the potential for a prolonged conflict to reverse the hard-won currency stability and foreign currency inflows that Egypt has worked so hard to restore.

Outlook

The escalation in conflict in the Middle East is the most significant geopolitical event to affect our markets since the Russia-Ukraine war. At the time of writing, a two-week ceasefire has been announced, with Iran agreeing to allow safe passage through the Strait of Hormuz. Oil prices dropped sharply on the news. If the ceasefire holds and leads to a more lasting resolution, the impact on our markets should prove manageable. If it does not, the consequences, particularly for oil-importing countries like Egypt and Kenya, will be more meaningful.

The direct impact on most African markets has been second-order in nature. For Nigeria, an oil exporter, higher oil prices are a positive for the country's fiscal position and foreign currency receipts. The Nigerian market's very strong performance this quarter reflects continued momentum from the reforms we have written about extensively. For Egypt, the key risks are the Suez Canal revenue shortfall, higher oil import costs, and any impact on tourism. The currency is the variable to watch.

Despite the geopolitical uncertainty, the Strategy remains in excellent shape. Valuations across the Strategy remain very attractive. Company-level fundamentals are strong, with earnings growth continuing to be the primary driver of returns rather than re-rating. All of our large currency markets continue to function, and the structural improvements we have seen in Nigeria and Egypt over the past two years remain intact. The situation in the Middle East warrants close monitoring, but we are cautiously optimistic that the operational momentum across the Strategy will prove resilient. Thank you for your continued support.