

TUNDRA SUSTAINABLE FRONTIER FUND

MONTHLY UPDATE
SEPTEMBER 2026



TUNDRA
FONDER

A WEAK MONTH AMID HIGHER GLOBAL INTEREST RATES

In USD, the fund fell 3.1% in September (EUR: -0.9%), compared with a decline of 4.7% for the MSCI FMxGCC Net TR (USD) (EUR: -2.7%) and a decline of 0.6% for the MSCI EM Net TR (USD) (EUR: +1.5%). In terms of absolute returns (USD), Bangladesh (+0.4%) gave the only significant contribution to performance, while Pakistan (-1.3%), Indonesia (-0.5%), and Sri Lanka (-0.4%) were the largest detractors. Relative to the benchmark, the fund benefited from its underweight position in Romania (+1.2%) and stock selection in Vietnam (+1.1%). Relative performance was primarily held back by its overweight position and stock selection in Pakistan (-1.1%) and the fund's overweight position in Indonesia (-0.4%).



Tetulia Jame Mosque in Tala Upazila, Satkhira District, Bangladesh. Source: Unsplash

The largest positive contribution came from Bangladeshi BRAC Bank (6% of the portfolio), whose shares rose 6% following a period of consolidation. Towards the end of the month, the bank announced that remittance inflows exceeded USD 2.5 billion during the first nine months of the year, surpassing the previous full-year record of USD 2.2 billion set in 2025. The bank is now targeting more than USD 3 billion for the full year. During the month, BRAC Bank also completed the issuance of a BDT 10 billion subordinated social bond, further strengthening its capital base and capacity for continued lending growth.

The second-largest positive contribution came from Egyptian education company CIRA (3% of the portfolio). The shares gained 14% following positive news ahead of the new 2026/27 academic year. The company announced that enrolment had increased by 14% to 84,000 students, from 73,400 in the previous academic year, thereby exceeding its target of 80,000 students. The strong intake provides a solid foundation for continued growth, supported by higher capacity utilisation and increased tuition fees.

The third-largest positive contribution came from Vietnamese infrastructure conglomerate REE Corp (5% of the portfolio). The shares gained 6% after media reported the commencement of survey activity at a potential site for a 500 MW offshore wind power plant. REE has set an aggressive target to expand its wind power portfolio by 10x to over 1,000 MW by 2030. The said offshore wind power plant, which has yet to receive investment approval, is among the material projects in the pipeline

DISCLAIMER:

Capital invested in a fund may either increase or decrease in value and it is not certain that you will be able to recover all of your investment. Historical return is no guarantee of future return.

to reach its planned capacity target. Performance of the Vietnamese index continues to be heavily influenced by its largest constituent, Vingroup, which we have discussed in previous monthly letters. The stock accounts for approximately 33% of the MSCI Vietnam Index and declined by 3% during the month. In our assessment, the shares still have downside potential of around 80%.

The largest negative contribution came from Indonesian media company Media Nusantara (1% of the portfolio), whose shares fell as much as 43% in a weak Indonesian market. The company has so far failed to crystallise the underlying value following the separate listing of its digital operations. The value of its stake in ~80%-owned MNC Digital is now close to five times Media Nusantara's own market capitalisation, clearly illustrating the market's lack of confidence in the company. We spoke with management during September and expressed our concerns, a subject we intend to return to at a later stage.

The second-largest negative contribution came from Pakistan's Interloop (4% of the fund), whose shares declined 9% during the month against a relatively quiet month for Pakistan. During September, the company reported results for the 2026 financial year (its fiscal year ends on 30 June). Although earnings came in ahead of expectations, the result was partly supported by one-off items. Gross margin in the final quarter of the year was weaker than expected due to higher costs, while the Pakistani rupee remained strong against the US dollar, negatively impacting exporting companies like Interloop.



An aerial view of Cairo, Egypt, looking across the Nile River from Gezira Island. Source: Unsplash

MARKET DEVELOPMENTS

With the war between the US and Iran now in its eighth month, there is still no resolution in sight. Iran's proposed seven-day plan for reopening the Strait of Hormuz was rejected by President Trump. Brent crude traded above USD 100 per barrel during the month following an escalation of the conflict and the closure of Saudi Arabia's East-West Pipeline after an attack by Houthi rebels.

Reports suggest, however, that oil flows out of the Middle East have returned to levels seen before the outbreak of the war. The number of vessels passing through the Strait of Hormuz is reported to have normalised, while flows through the East-West Pipeline have already recovered to around half

DISCLAIMER:

Capital invested in a fund may either increase or decrease in value and it is not certain that you will be able to recover all of your investment. Historical return is no guarantee of future return.

of its capacity. So far, however, this improvement has yet to be reflected in the oil price. Alongside the rise in oil prices, global bond yields continued to move higher in September, with the US 10-year Treasury yield, among others, rising above 5% for the first time since 2007. The increase in yields has also affected a number of European countries, with France in particular seen as vulnerable given its high level of government debt and persistently large budget deficit. Interestingly, however, yield spreads between major emerging markets and the US have in many cases narrowed. During September, for example, the spread between 10-year government bond yields in both India and Indonesia and the equivalent US bond yield fell to around 2 percentage points. Historically, these countries have had to pay around 4 percentage points more than the US for long-term borrowing. The narrowing of these spreads could be interpreted as a sign of declining investor confidence in the US as a borrower



Drying incense sticks in a village outside Hanoi, Vietnam. Source: Unsplash

As we wrote in our monthly letter as early as March, our markets have, as expected, held up relatively well given the circumstances. The situation is nevertheless putting considerable strain on the region and has created a wait-and-see environment in which investors are reluctant to commit to larger investments. While President Trump's actions are difficult to predict, there should be an incentive on both sides to de-escalate the conflict and normalise energy prices. Whatever one may think of Trump, his actions do at least tend to align with his own political interests. The prolonged war with Iran and its impact on US fuel prices have left a clear mark on opinion polls ahead of the midterm elections on 3 November. According to prediction markets, the implied probability of the Democrats gaining control of both the House of Representatives and the Senate has risen from just over 40% at the beginning of July to close to 60% today. The latter part of October is therefore likely to be dominated by politics, both US domestic politics and developments with potentially significant geopolitical implications. Among the latter, the possibility of a more far-reaching agreement between Iran and the US should not be ruled out.

DISCLAIMER:

Capital invested in a fund may either increase or decrease in value and it is not certain that you will be able to recover all of your investment. Historical return is no guarantee of future return.



ABOUT THE FUND

Tundra Sustainable Frontier Fund focuses on the next generation of emerging markets such as Vietnam, Bangladesh, Sri Lanka, Pakistan, Egypt and Nigeria. Featuring strong population growth, rapid urbanisation, investments in infrastructure, growing middle classes and stabilising political environments, a vast majority of international investors are yet to discover these markets.

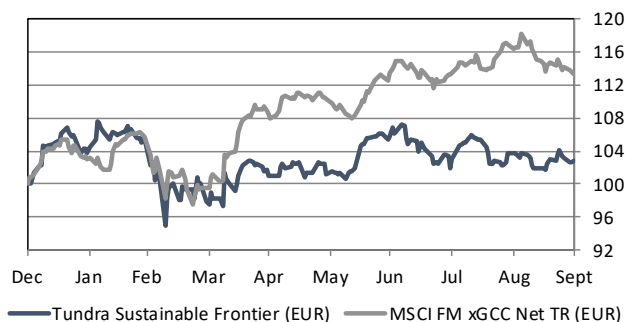
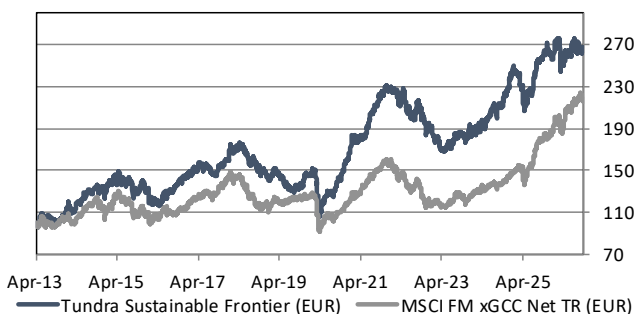
The fund is managed according to Tundra's active stock picking philosophy and backed by local research offices in Asia. Investments are based on an ESG approach where each investment has to comply with the UN Global Compact with regards to human rights, labour rights, corporate governance and environmental impacts. The fund is registered in Sweden and is fully UCITS compliant. Read more about the latest developments [here](#).

RETURN*	NAV(EUR)	1M	YTD	1Y	3Y	Inception
Tundra Sustainable Frontier (EUR)	31.77	-0.9%	2.7%	2.3%	44.1%	164.5%
Benchmark	1044.36	-2.7%	13.3%	19.5%	71.6%	115.5%

* Fund returns since inception calculated on SEK class converted to EUR in order to provide the longest possible data set.

THE FUND VS BENCHMARK (SINCE INCEPTION)

THE FUND VS BENCHMARK (YTD)



FUND MONTHLY PERFORMANCE*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013				0.3%	7.9%	-6.5%	4.6%	-4.6%	-0.7%	1.7%	4.0%	4.1%	8.7%
2014	4.6%	-4.5%	4.0%	4.0%	5.6%	0.6%	3.4%	-0.9%	4.5%	-2.6%	-0.2%	0.6%	22.3%
2015	4.3%	0.5%	1.3%	0.6%	-0.3%	-2.5%	-0.5%	-4.1%	-3.0%	6.0%	1.7%	-4.9%	-1.6%
2016	-5.0%	-2.8%	-2.8%	0.8%	7.0%	0.3%	2.3%	4.2%	1.4%	1.3%	2.8%	0.9%	10.2%
2017	0.3%	3.7%	2.2%	0.4%	-0.8%	0.2%	-3.6%	-0.2%	3.7%	2.0%	2.2%	0.5%	10.8%
2018	6.0%	0.5%	1.1%	1.3%	-4.9%	-2.4%	-2.6%	-0.4%	-1.8%	-2.3%	-2.4%	-4.5%	-12.0%
2019	3.1%	2.2%	-0.8%	-2.5%	-3.1%	-4.8%	1.1%	0.8%	1.0%	-0.5%	9.2%	-2.2%	2.8%
2020	1.7%	-6.0%	-22.8%	13.9%	3.9%	2.2%	-2.3%	7.5%	5.7%	4.7%	7.4%	5.1%	17.0%
2021	5.2%	0.7%	2.7%	-1.7%	5.5%	6.9%	2.2%	2.5%	3.8%	1.6%	1.3%	0.1%	34.8%
2022	-0.1%	-1.8%	-4.2%	5.5%	-6.7%	-4.1%	-1.2%	8.4%	-5.6%	-3.5%	-1.9%	-2.8%	-17.5%
2023	-4.4%	-0.1%	-5.4%	0.4%	3.4%	-1.7%	6.9%	-1.5%	0.5%	-3.6%	5.2%	-0.9%	-2.0%
2024	-0.2%	4.1%	3.6%	-2.8%	4.4%	3.2%	0.7%	2.2%	-0.9%	4.9%	5.1%	5.4%	33.6%
2025	-0.5%	-1.1%	-5.2%	-6.3%	5.3%	0.4%	11.0%	0.6%	1.6%	5.2%	-2.9%	-2.5%	4.5%
2026	4.5%	1.1%	-7.7%	3.6%	0.2%	4.4%	-2.5%	0.6%	-0.9%				2.7%

Source: Bloomberg, MSCI, Tundra Fonder. * Returns prior to share class inception recalculated from share class A SEK.

DISCLAIMER:

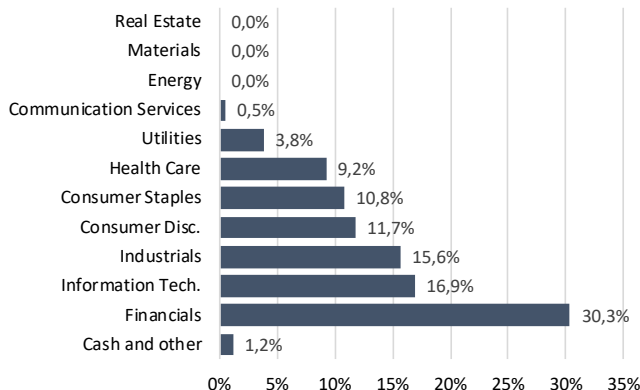
Capital invested in a fund may either increase or decrease in value and it is not certain that you will be able to recover all of your investment. Historical return is no guarantee of future return.



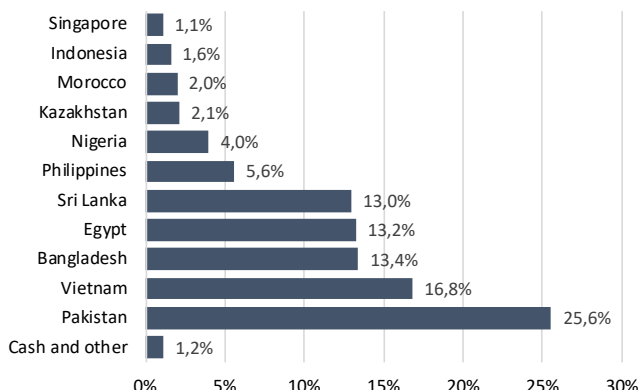
Monthly Update September 2026

Tundra Sustainable Frontier Fund F, EUR

SECTOR ALLOCATION



COUNTRY ALLOCATION



LARGEST HOLDINGS

	WEIGHT	COUNTRY	P/E 26E	P/E 27E	YIELD	RETURN 1M (EUR)
Meezan Bank Ltd	9.2%	Pakistan	11.0	10.6	5.4%	-0.3%
Systems Ltd	7.7%	Pakistan	15.5	13.9	1.7%	-0.7%
BRAC Bank Ltd	6.4%	Bangladesh	8.3	6.0	2.7%	8.5%
FPT Corp	5.5%	Vietnam	13.3	11.5	2.9%	-2.8%
Gemadep Corp	4.9%	Vietnam	20.2	14.4	1.7%	0.8%
Ree	4.8%	Vietnam	11.8	10.8	2.1%	7.9%
GB Corp	4.5%	Egypt	12.1	10.4	1.3%	2.3%
Square Phar Ltd-Ord	4.3%	Bangladesh	7.5	6.1	7.5%	3.0%
Interloop Ltd	4.3%	Pakistan	13.0	10.2	2.6%	-7.2%
Windforce Ltd	3.8%	Sri Lanka	25.0	23.5	5.0%	-0.2%

BEST PERFORMERS

	RETURN (EUR)	WORST PERFORMERS	RETURN (EUR)
Cairo Invest. & Real Estate	17.2%	Media Nusantara	-41.2%
Col Financial	9.2%	Hightech Payment	-11.3%
BRAC Bank Ltd	8.5%	Asiri Hospitals	-10.8%
Ree	7.9%	Grab Holdings Ltd	-10.0%
Stanbic IBTC Holdings Plc	7.5%	Interloop Ltd	-7.2%

FACTS

		RISKS AND COSTS*	
Inception date	2013-04-02	Active risk (Tracking error)	9.5%
Pricing	Daily	Active share	81.6%
Manager	Tundra Fonder AB	Standard deviation	14.9%
Benchmark index	MSCI FM xGCC Net TR (EUR)	Standard deviation, benchmark	12.5%
ISIN	SE0006789897	Beta	0.92
Bloomberg	TUNDFRF SS	Information ratio	-1.86
IBAN	SE4450000000058648209218	Holdings	38
BIC	ESSESESS	Risk level	4 of 7 (refer to KID for more info)
Custodian	SEB	Management fee/year (all inclusive **)	2.5%
Auditor	PWC	AuM	232.9 MEUR
EU SFDR Classification	Article 8		

* Risk indicators are based on monthly rolling 24 months of return data.

** The management fee includes variable custody fees, audit, legal and marketing expenses.

Source: Bloomberg, MSCI, Tundra Fonder

DISCLAIMER:

Capital invested in a fund may either increase or decrease in value and it is not certain that you will be able to recover all of your investment. Historical return is no guarantee of future return.

DISCLAIMER

Capital invested in a fund may either increase or decrease in value and it is not certain that you will be able to recover all of your investment. Historical return is no guarantee of future return. The state of origin of the Fund is Sweden. In or from Switzerland, this document may only be distributed to qualified investors within the meaning of Art. 10 Para. 3,3bis and 3ter CISA. The representative in Switzerland is OpenFunds Investment Services AG, Freigutstrasse 15, 8002 Zurich, whilst the Paying Agent is Società Bancaria Ticinese, Piazza Collegiata 3, 6501 Bellinzona, Switzerland. The Basic documents of the fund as well as the annual report may be obtained free of charge at the registered office of the Swiss Representative.

The publication is issued by Tundra Fonder AB ("Tundra") and the information – assumptions, opinions, valuations, recommendations etc. – presented in this publication have been compiled by Tundra. The publication is based on generally available information from sources that Tundra believes to be reliable. However, Tundra cannot guarantee the accuracy of this information. This presentation – as well as all or parts of its content – may not be duplicated or distributed under any circumstances without the written permission of Tundra.

The information in this presentation does not take into account the specific investment goal, financial situation or needs of any specific recipient. The information should not be regarded as a personal recommendation or investment advice. The client should always seek adequate professional advice before taking any investment decision and each such investment decision is taken independently by the client and at the client's own risk. Tundra accepts no liability whatsoever for any direct or consequential loss of any kind arising from the use of this presentation.

Risks

Investments in financial instruments are associated with risk and an investment may both increase and decrease in value or even become worthless. Historical returns are no guarantee of future returns. International investments, particularly those on new markets in developing and growth countries (such as Eastern Europe (including Russia), Asia, Latin America and Africa), are normally associated with a higher level of risk than investments in Swedish or other developed markets' securities. These risks include both political and economic uncertainty in other countries as well as currency fluctuations. These risks are particularly high on new markets since these countries may have relatively unstable governments and immature markets and economies.

DISCLAIMER:

Capital invested in a fund may either increase or decrease in value and it is not certain that you will be able to recover all of your investment. Historical return is no guarantee of future return.