

**Introduction – Harry Wulfohn (Imara Group co-CEO)**

Thank you all for joining this Webinar.

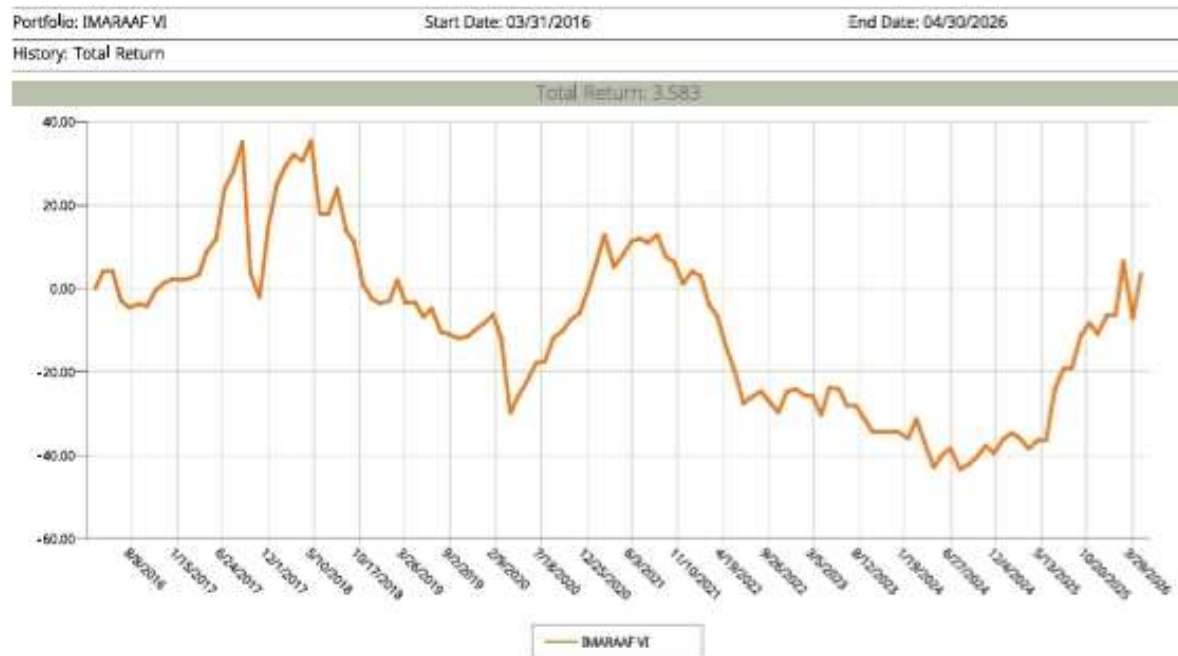
Thanks to everyone who has helped build and contribute to our Eyes on Africa WhatsApp community this year. Please message me after the call if you want to join. It’s been great hearing from you all, and your posts and DMs have been genuinely interesting and insightful. We will address many of your questions on this Webinar.

The reason we have been so active in reaching out to you is this year is that the African listed market dynamic has improved materially over the past 18 months following a five-year bear market. The underlying companies we invest in have continued to deliver record profits and dividends year after year, yet their share prices have largely not moved. This has created a widening disconnect between the fundamentals of these quality businesses and their valuations.

As Tony will explain to you, liquidity is returning and valuations have started to re-rate. Investing now gives exposure to both highly attractive fundamentals, with these businesses still having long growth runways, and the early stages of what we believe is a significant bull market.

This graph shows you the performance of the IAOF since 2017. African markets are cyclical and clearly this is the beginning of a new robust cycle, and as Tony will explain, different to previous cycles.

**Bloomberg**



I will now handover to Tony Schroenn our fund portfolio manager and partner in Imara Asset Management.

Thanks Harry, hi everyone, thanks for joining our call, which we hope will be insightful and interactive. I thought a good place to start would be with some anecdotal experience in Africa. When I arrived in Kenya in early 2005, after a long stint in Investment Banking in London, my first meeting was with the CEO of Barclays Kenya. I came out the meeting bordering

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on suicide, it was so depressing. He articulated how the top 5% of Kenyans were already banked, that the remaining 95% were unbankable and that there was really not much opportunity to grow.

Little did he or others know, that the ground was literally moving under our feet. A tiny bank called Equity Bank and a bright eyed entrepreneur called James Mwangi, were building the technology to reach the underserved. And reach it they did! By pioneering, first agency, and then mobile banking, they grew from a few thousand customers to 30m customers across East Africa. It is one of our top picks and we have been invested in them for almost 20 years. In 2025 they grew profits 55% to USD600m with +30% RoE. But this is where it gets exciting, despite its strong share price rally, the growth means you can still pick it up at 2.5x PE and at a price to book of 0.7x!!

From 2000 to today, cell phone subscribers in Africa rose from zero to three quarters of a billion, steamrolling through the GFC, the Euro debt crisis, Covid and all other crises. Penetration now sits at 75% and is well on track for 90%+. However, juxtaposed against this is effective financial penetration of only 20%, leaving a massive Financial Inclusion gap. This gap IS going to close and the direction of travel is clear. The companies that are closing the gap have made, and will make, a lot of money.

For the benefit of people who have been following us and were on our last call, I thought I would pick up where we left off in November last year. Developments since our last call have not only validated our thesis, but have corroborated and reinforced our views. The high conviction in our rallying cry "THE TIME TO INVEST IN OUR LISTED AFRICAN PAYMENTS COMPANIES IS **NOW**" is evidence based and should give you the confidence to invest alongside us. We are all in and invite you to join us.

Firstly, we asserted that the cash to non-cash revolution was accelerating and our companies revenue and earnings would follow suit - q4 and q1 results have clearly validated this.

Secondly, we asserted that the recovery rally in share prices was sustainable - and that NO, you hadn't missed the boat and that earnings growth would match or even outpace share price appreciation, keeping valuations attractive. Again, q4 and q1 results have validated this...for a sneak preview MTN Nigeria grew q1 revs by 42%, within which Fintech was +78% and overall PAT was +165%. MTN Ghana's q1's were similarly impressive. This sets up MTN Group, a key holding, to comfortably deliver 30% + earnings growth for 2026, which puts it on an extremely low sub 4 EV/EBITDA and sub 10 PE.

At that point, our bullishness was based on a purely EARNINGS driven rally, with continued all-time low valuation multiples. However since that call, we have got to a really, really important juncture, where we now credibly believe that our company share prices will rally on expansion of multiples as well. What happened?

**Firstly**, smart, first wave money is flowing in - Large, long term operating investors like Vodafone, Asahi and Nedbank are stepping in, buying businesses at substantial premia to share prices. Opportunistic financial investors like Elliott International are swooping in, these guys don't get out of bed unless they think they can make 10x.

**Secondly**, the real important one, LIQUIDITY. Liquidity in African markets held up in March and April, share prices recovered quickly and our Fund was up 12% in April.

In terms of outlook, I would say expect some volatility, but dont confuse noise with SIGNAL. The signal our in-house research system is picking up, particularly in our focus area of Financial Inclusion, is very LOUD and very CLEAR. Financial Inclusion is broadening and deepening at a rapid and UNINTERRUPTED pace. The companies enabling this, have, are and will continue to generate consistently growing returns for their shareholders, with a healthy portion paid out in cash dividends. We are positioned in the highest quality names in this space. ***We are in the long only investors sweet spot...high growth, low multiples and expanding multiples.***

In terms of our portfolio specifically, we have spoken at length over the years about Fawry, Equity Bank and MTN but there are a number of others that you can get access to by investing in the Fund.

**Opportunity 1** - we tend to think of Payments, Financial Inclusion, Fintech as someone paying with a card or mobile money, but what about one of the largest sectors of any economy, the government sector. Well, we are invested in a company that is digitizing and enabling payment and receipt of civil servant salaries, tax returns, VAT returns, customs payments, property tax payments and a growing list of others. The numbers are big and the firm is making alot of money.

**Opportunity 2** - our on the ground experience and sector knowledge helped us uncover a Payments business sitting undervalued and unknown in an already successful non-financial company. The ultimate sale proceeds, or dividends from, this business should yield outsized returns for holders of the parent's shares.

In my closing remarks before handing over to Q&A, I will say this. I have been investing in Africa for 21 years, and this is by far the best set up I have seen. Macro is strong (we haven't covered this on our call, please join the Eyes on Africa group for our regular posts on the Macro), FX is stable, (company earnings forecasts are strong, valuation multiples are still low and liquidity is rising. Theres an old stock market adage that says...as earnings go, so do stocks...Well, on earnings growth alone, we comfortably see 30%+ appreciation in our Fund from here until December. If you want to know what re-rating can do on top of that, consider this example. Nedbank recently acquired NCBA, Kenyas 4th largest bank for 1.4x book...Equity Bank, Kenya's best and largest trades on 0.7x....thats 100% upside just to achieve parity.