



Asia Frontier Capital Limited: Press Release: 5th January 2024

Asia Frontier Capital Limited Announces its AFC Iraq Fund is the Best-Performing Long-only Unleveraged Actively Managed Generalist Equity Fund in the World in 2023.

5th January 2024 (Hong Kong) – Asia Frontier Capital Limited is pleased to announce that its AFC Iraq Fund - according to our research – is the best-performing, long-only, unleveraged, actively managed, generalist equity fund in the world, with a superb net performance in 2023 of +110.37%, outperforming all other long-only, unleveraged, actively managed, generalist equity funds in the world.

The AFC Iraq Fund was launched on 26th June 2015 with the goal of achieving long-term capital appreciation by investing in a diversified portfolio of listed Iraqi equities as well as foreign-listed companies that derive the majority of their business from Iraq.

Ahmed Tabaqchali, the chief strategist of the fund attributes the stellar returns of the year to the fund's investment strategy that focused on long-term drivers of the transformation of the Iraqi economy following decades of conflict. Two of these drivers began to bear fruit in 2023. The first of which was the significant fundamental development brought about by the Central Bank of Iraq's new procedural requirements for its provisioning of U.S. dollars for cross-border transfers in mid-November 2022. A development that is accelerating the adoption of banking and bringing about a transformation of the sector and its role in the economy, and, in the process, boosting the fund's long-term strategy for the sector. The thrust of which, is that increased adoption of banking would come with growth in bank lending, resulting in an expansion in the money circulating in the economy and, consequently, an increase in non-oil GDP. The second driver was the cumulative positive effects of the relative stability that the country has enjoyed over the past few years, creating a more stable and predictable macroeconomic framework for businesses and individuals to operate in and plan for capital investments on a scale not seen in the preceding decades of conflict. He anticipates these encouraging trends to persist throughout 2024 and in the subsequent years, fostering a positive outlook for the Iraqi economy.

Thomas Hugger, the Fund Manager of the fund, and CEO of Asia Frontier Capital Limited said that the performance achieved in the AFC Iraq Fund only goes to show the outsized returns that Asian frontier markets can generate and that Asian frontier markets, which is what Asia Frontier Capital Limited focuses on, are an outstanding diversification tool for any sophisticated long-term investor seeking excellent returns in less correlated markets.

About AFC Iraq Fund:

The AFC Iraq Fund is a Cayman Islands domiciled actively managed equity fund that invests in listed equities trading primarily on the Iraq Stock Exchange, and also on other exchanges, where the companies have the majority of their business in Iraq and Kurdistan. The fund is not an ETF and is not traded on an exchange. The fund does not seek to replicate the performance of any index.

About Asia Frontier Capital Limited:

Asia Frontier Capital Limited is the Cayman Islands based parent company of the investment manager of the "AFC Iraq Fund", one of the world's few investment funds focusing solely on Iraq as one of the growing Frontier economies in Asia. Its wholly owned subsidiary, "Asia Frontier Investments Limited, Hong Kong", is the fund manager of the AFC Iraq Fund and is licensed by the Hong Kong Securities and Futures Commission "SFC" for Type 4 (Advising on Securities) and for Type 9 (Asset Management). Besides the AFC Iraq Fund, the group also manages the AFC Asia Frontier Fund, the AFC Uzbekistan Fund, and the AFC Vietnam Fund.

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For additional background on the fund and the organizations involved, please visit www.asiafrontiercapital.com

This press release does not constitute an offer or solicitation with respect to interests in AFC Iraq Fund, AFC Asia Frontier Fund, AFC Uzbekistan Fund, AFC Vietnam Fund, or any other securities.

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