EAST CAPITAL

PRESS RELEASE

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East Capital recognises mBank, Kaspi, Ming Yang and Rusal in the 18th edition of East Capital Awards

East Capital, a leading asset manager within emerging and frontier markets, today announces the winners of the 2021 East Capital Awards:

- mBank — Best Corporate Governance
- Kaspi — Best IPO
- Ming Yang — Best Growth
- Rusal — Discovery of the Year

This is the 18th year that the East Capital Awards is presented to remarkable companies in East Capital's investment universe. Peter Elam Håkansson, Chairman and CIO of East Capital, says: *"The awards serve to highlight some of the most outstanding companies in our portfolios, and also to inspire others. Through our in-depth research, extensive company visits and investments in global emerging and frontier markets, we identify companies each year that have achieved impressive results and demonstrate great potential. I want to extend my sincere congratulations to this year's award winners on their impressive achievements."*

Poland's fourth largest bank, **mBank**, wins the award for **Best Corporate Governance**. The bank has consistently demonstrated superior corporate governance standards, with board quality and diversity standing out on a global level. 50 percent of the company's board are independent non-executive directors and 38 percent are female, with directors demonstrating strong international, sustainability and interdisciplinary experience. Furthermore, the bank has made good progress in integrating material corporate social responsibility issues and SDGs into its 2020-2023 strategy with the ambition to be the leader in terms of sustainability in the Polish banking sector. It has also implemented comprehensive ESG exclusion policies as part of its lending practices. Moreover, East Capital finds the entire team, from investor relations to board members, highly professional and open to constructive discussions with investors.

The highly disruptive Kazakh fintech company **Kaspi** wins the award for **Best IPO**. The company is growing at over 60 percent per year, thanks to the strong network effect of having almost the entire addressable universe of Kazakhstan using their super-app as well as world-beating engagement with 60 percent of monthly users on the app daily. The stock has returned over 300 percent since its IPO in October 2020, as the market started to appreciate the truly unique market position and innovation at the company. Kaspi is now planning to roll-out its successful super-app concept into Ukraine, where East Capital believes it potentially will have similar success. Despite the strong performance, the company is only trading at a multiple of 18x PE based on East Capital's figures, which remains highly reasonable.

The largest private wind turbine manufacturer in China, **Ming Yang,** wins the award for **Best Growth.** The company, in addition to its strong position in China, is also ranked third globally in offshore wind installation, thanks to its leading technology in large-size and offshore models. With the goal to become a more comprehensive renewable energy solution provider, Ming Yang has announced an expansion into new-generation PV cell (HJT) production (capacity of 5GW per annum), as well as an exciting business collaboration with battery manufacturer CATL on energy storage systems. The company's sales and earnings have grown by 62 percent/57 percent CAGR from 2017-20 and East Capital expects 2021 EBITDA to grow 68 percent due to strong performance from offshore sales. As the strong structural growth story for renewables becomes increasingly clear, the stock has attracted more attention, and the share price has risen 49 percent in 2021.

One of the largest aluminium producers in the world, **Rusal**, wins the award for the **Discovery of the Year**. Rusal enjoys the lowest carbon intensity globally due to the fact that over 90 percent of the company's energy consumption comes from hydropower. The stock was overlooked for many years due to high leverage, low aluminium prices and sanction reviews. However, given rising aluminium prices and an increased focus on carbon intensity, the company has slowly started to reappear on investors' radar screens. East Capital believes that the valuation is also highly appealing, at below 3x PE for 2021, with EBITDA estimates being more than double the consensus at the start of the year. The stock has returned 120 percent year-to-date and will enter the MSCI Russia and Emerging Market indices in December. At that point, the broader investor universe is expected to start looking closer at the company, which is likely to drive performance further. Longer term performance will likely be driven by structural demand growth in low-carbon aluminium, which is a crucial material in electric vehicles and solar panels.

Notes to editors
The East Capital Awards were established in 2004 to reward the progress of outstanding companies in East Capital's portfolios. The **Best Corporate Governance Award** is presented to a company that demonstrates exceptional standards in the area of corporate governance. The **Best IPO Award** is presented to the company that has carried out the most successful flotation in the region. The award for **Best Growth** is presented to a company that has demonstrated outstanding growth in the areas of sales, market share and profit margins in recent years. The **Discovery of the Year** is awarded to a company discovered by our investment team that is expected to demonstrate unique performance.

For further information about the winning companies, please visit:

Best Corporate Governance Award 2021: mBank
mbank.pl / mBank LinkedIn

Best IPO Award 2021: Kaspi
ir.kaspi.kz/ / Kaspi LinkedIn

Best Growth Award 2021: Ming Yang
myse.com.cn/en/ / Ming Yang LinkedIn

Discovery of the Year Award 2021: Rusal
rusal.ru/en / Rusal LinkedIn

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About East Capital
East Capital is a leading active asset manager specialising in emerging and frontier markets. Our investment teams base their investment strategy on in-depth knowledge of local markets, fundamental analysis and frequent company visits. Evaluation of ESG-related risks and opportunities forms an integral part of the investment process. We favour investments in companies that show long-term sustainable growth and have responsible owners.

East Capital is part of East Capital Group, an independent asset management group that comprises several strategies and specialisations to offer active management solutions in equities, bonds and real estate assets with a clear ESG framework. Founded in Sweden in 1997, East Capital Group manages a total of EUR 5.1 billion for a broad range of international investors including leading institutions, companies and private individuals.

For further information, please visit our website.