

# An Underappreciated Transformation in Emerging Markets



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# Key Themes in Emerging Markets

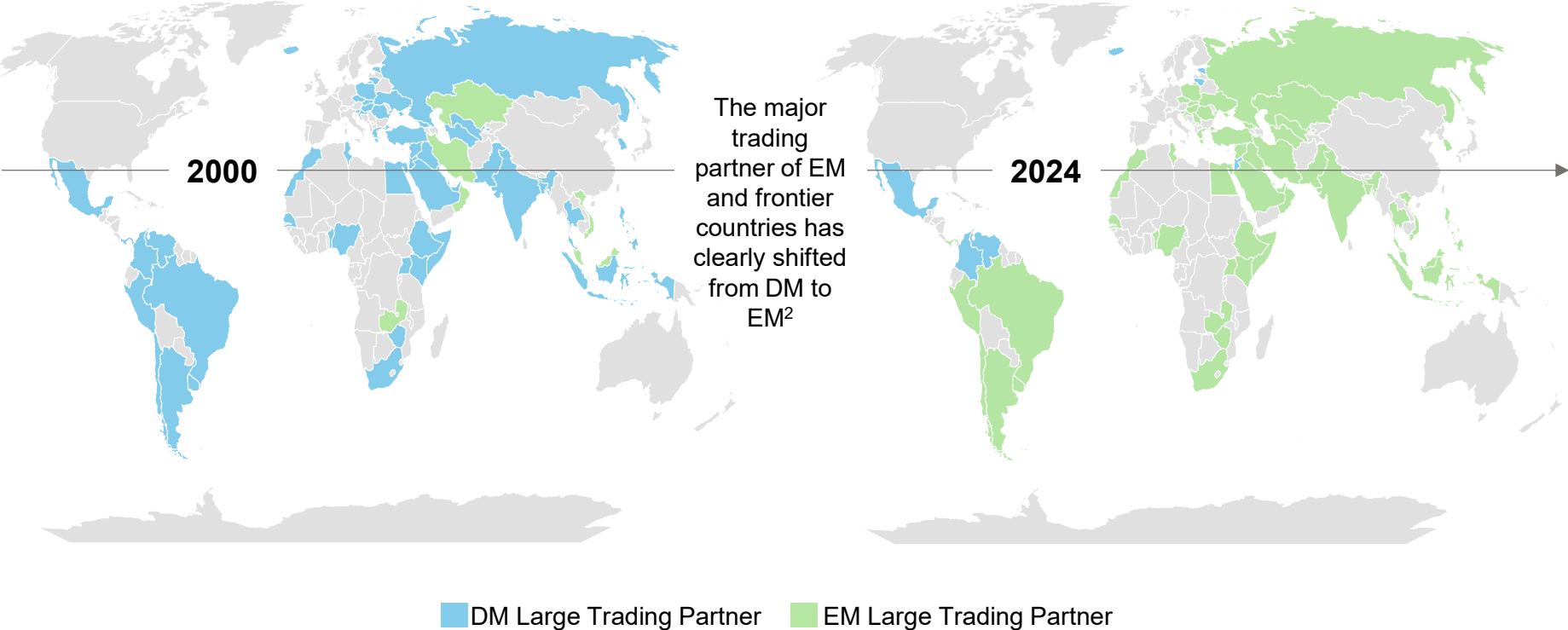


*The outlook and opportunities noted above and throughout this presentation are based on the opinion of Altrinsic as of the date of this presentation and are subject to change. There is no guarantee that Altrinsic will be successful in implementing investment strategies that take advantage of such perceived opportunities. Please see Important Considerations and Assumptions at the end of this presentation for important additional disclosures.*

# De-Coupling: A Trend 25 Years in the Making

“The real voyage of discovery consists not in seeking new landscapes, but in having new eyes.”  
– Marcel Proust

Major Trading Partner<sup>1</sup> for Larger EM & Frontier Countries



As of 12/31/24, Source: US Census Bureau, General Administration of Customs People's Republic of China. <sup>1</sup> Major partner defined as country with the largest total trade value (exports + imports) in USD. <sup>2</sup> Based on an assessment of 63 EM and frontier countries and their trading activity with the US and China.

# The EM Asset Class is No Longer a Bloc

It is no surprise that correlations have broken down in a post-pandemic period of unsynchronized economic and earnings cycles and a fragmented world of exclusive trade agreements.

5-Year Correlation Between Largest EM Country Indices at Historic Lows

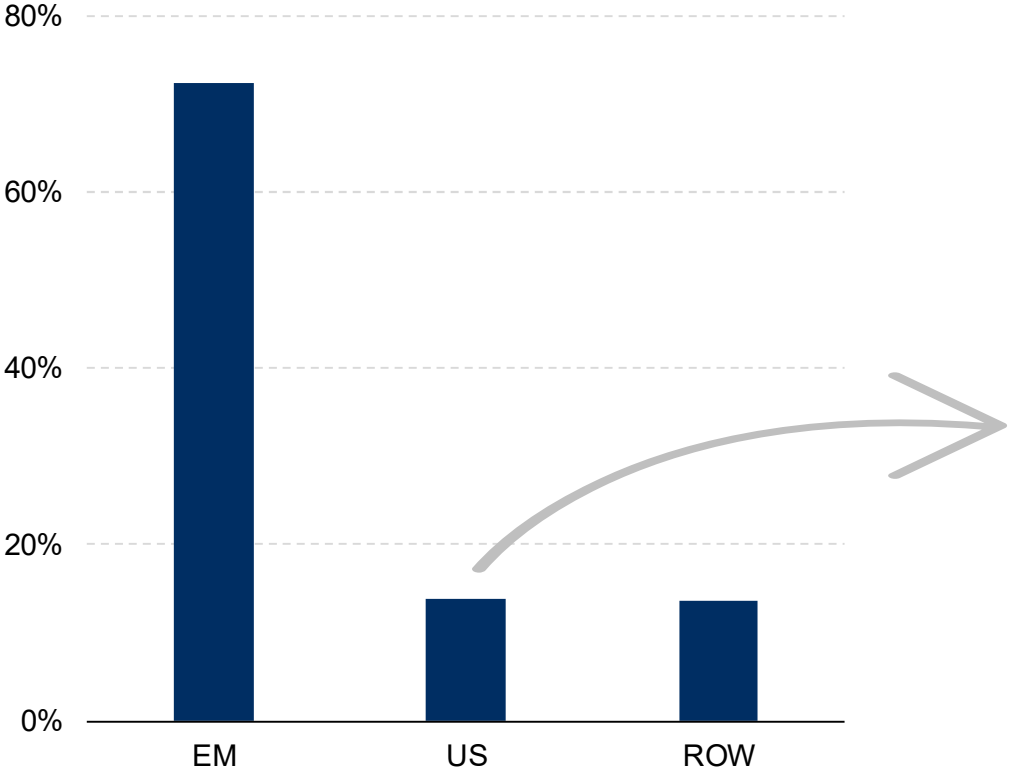


Source: FactSet, as of 10/24/25. \*Countries used in the correlation chart include: China, India, South Korea, Brazil, Taiwan, South Africa, Mexico, Indonesia, Thailand, Malaysia.

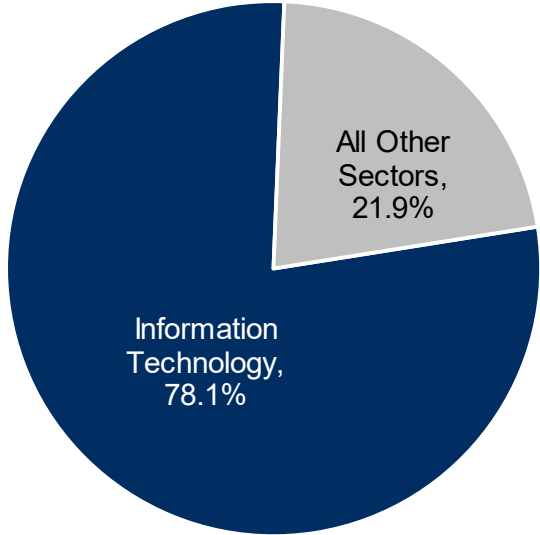
# EM-Dominated Revenue Streams Offer Protection

High-quality EM businesses that rely more on EM-sourced demand than developed market trading partners for revenue growth should be more resilient in the current market environment.

Contribution to EM Company Revenues, by Region



MSCI EM Index US Revenues % Contribution by Sector

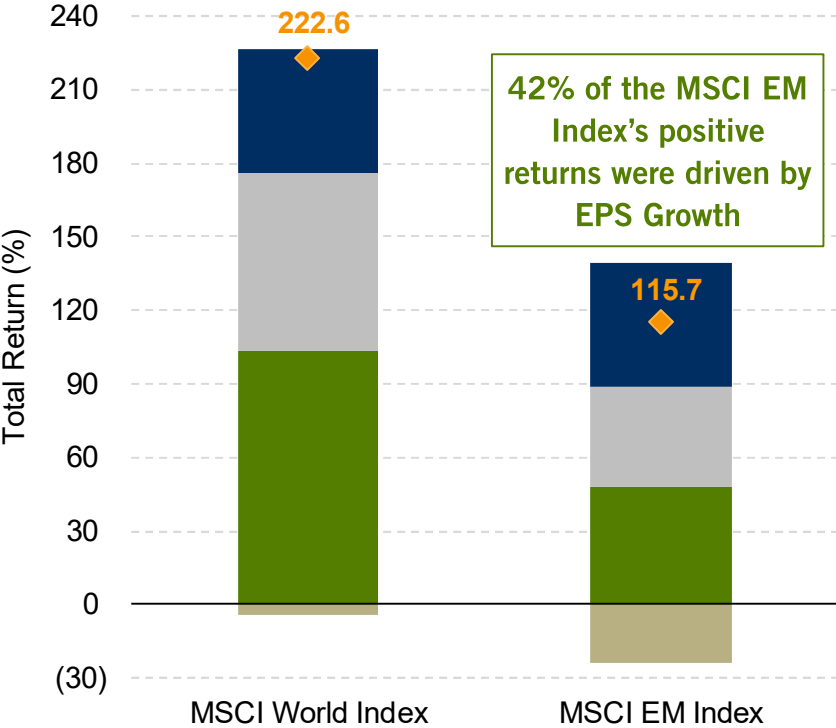


As of 09/30/25, Source: FactSet, MSCI.

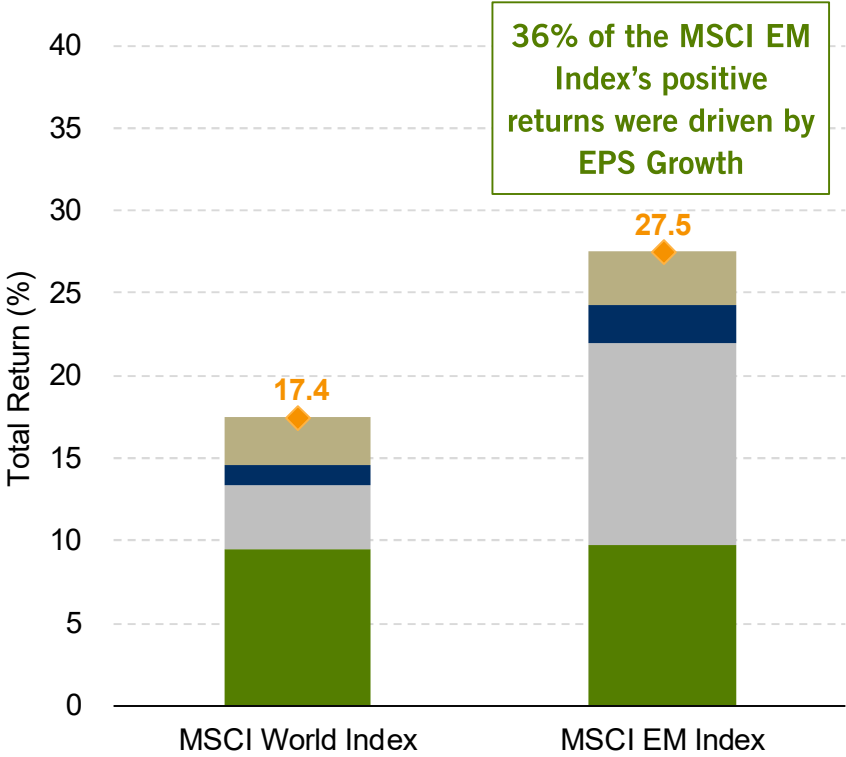
# Healthier Drivers of EM Performance

The emergence of earnings growth as a strong, sustainable driver of returns in EM in 2024 and 2025 is expected to carry forward.

10-Year Return Decomposition (\$ Cumulative)



YTD 2025: Return Decomposition (\$)

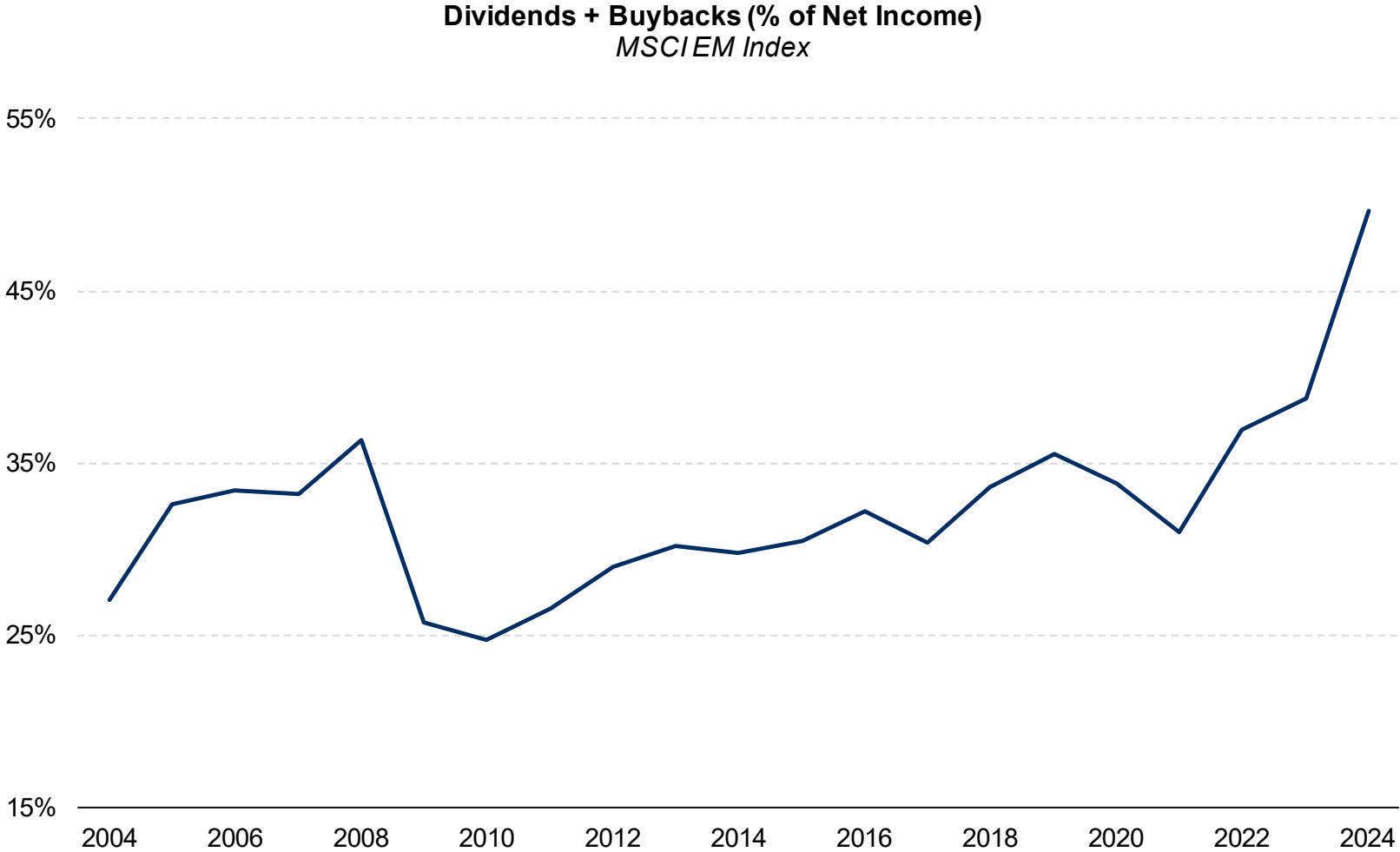


■ EPS Growth   ■ Multiple Expansion / Contraction   ■ Dividends   ■ FX   ◆ Total Return (USD)

As of 09/30/25, Source: FactSet, MSCI.

# Improving Shareholder Returns Hidden in Plain Sight

Emerging market companies have better-managed balance sheets than a decade ago and have increased both dividends and buybacks.

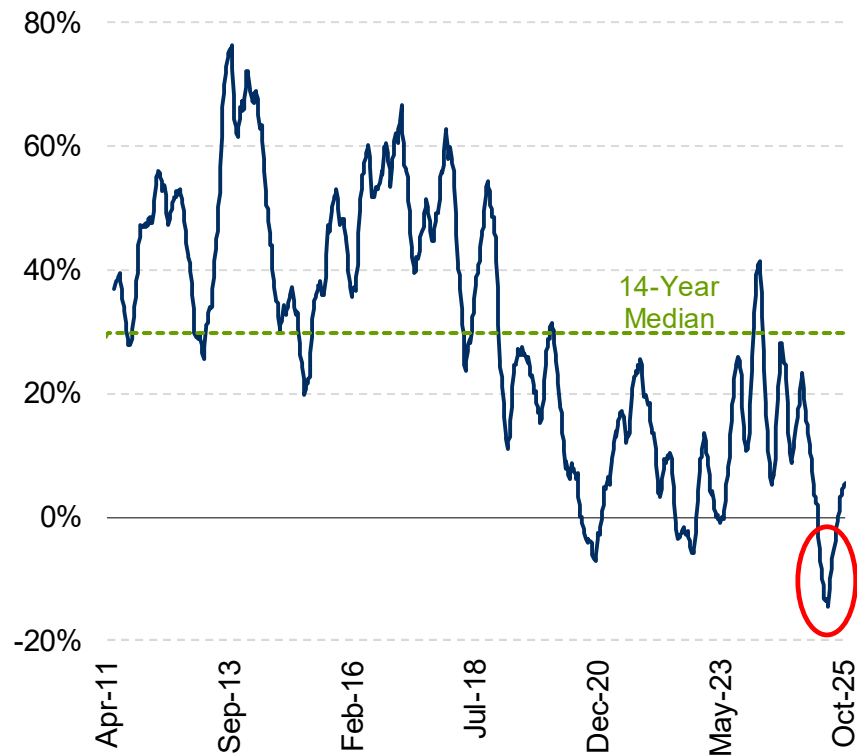


As of 12/31/24, Source: FactSet, MSCI.

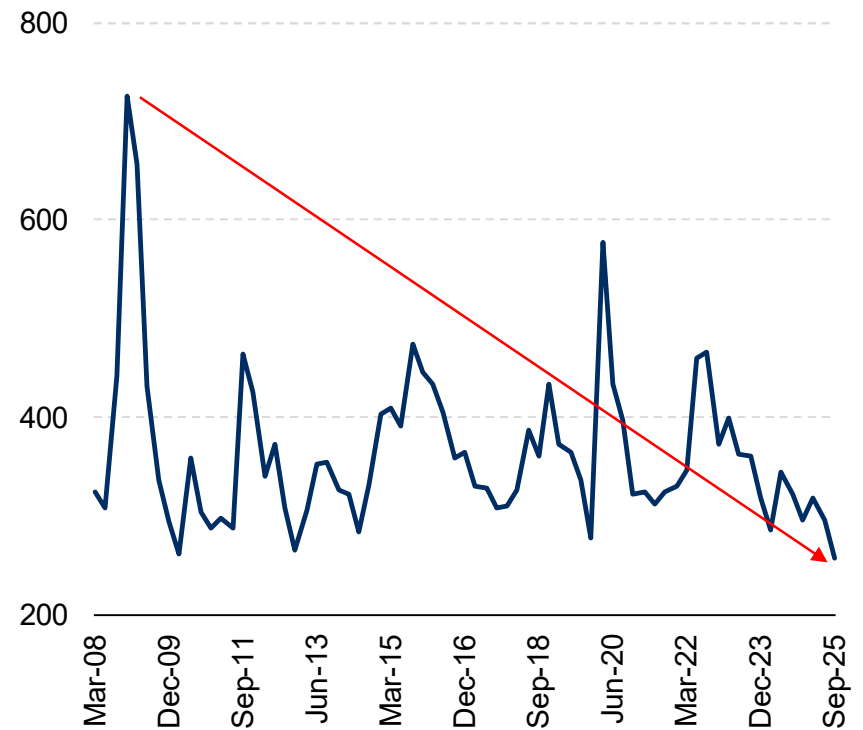
# A Leveling of the Governance Playing Field

Long-held views about EM have led to discounted valuations and higher risk premiums. However, changes related to governance, fixed income markets, and the VIX suggest EM risk may be overstated.

### Volatility Index of MSCI EM Index v. S&P 500



### EM Sovereign Credit Spreads

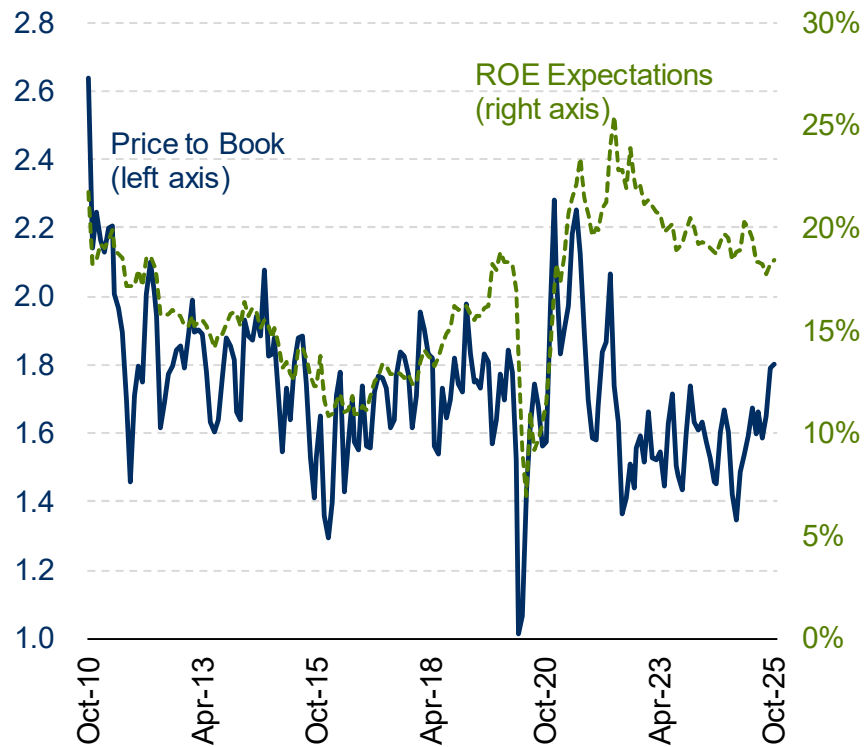


[left chart] As of 10/17/25; Source: Bloomberg. Data is 12-month rolling average. [right chart] As of 09/30/25; Source: Bloomberg. Based on JP Morgan Global EMBI Spread data.

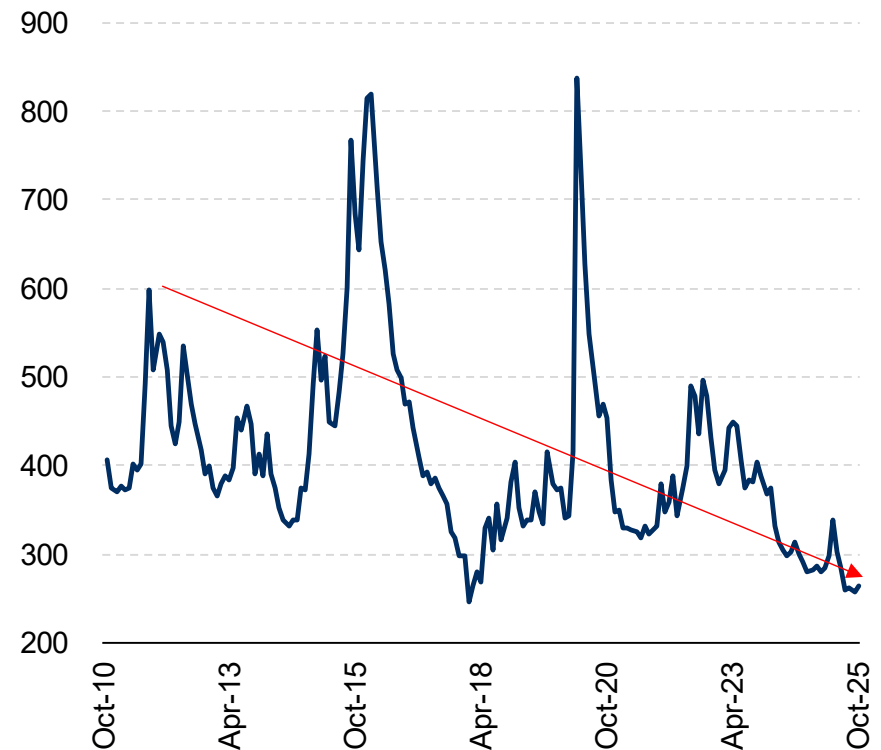
# A Compelling Narrative in Latin America

Latin America benefits from demographic and political tailwinds, improving and underappreciated financial productivity, and the de-coupling trend...yet, valuations hover near 15-year lows.

### Latin American Financial Productivity Levels (ROE) and Valuations



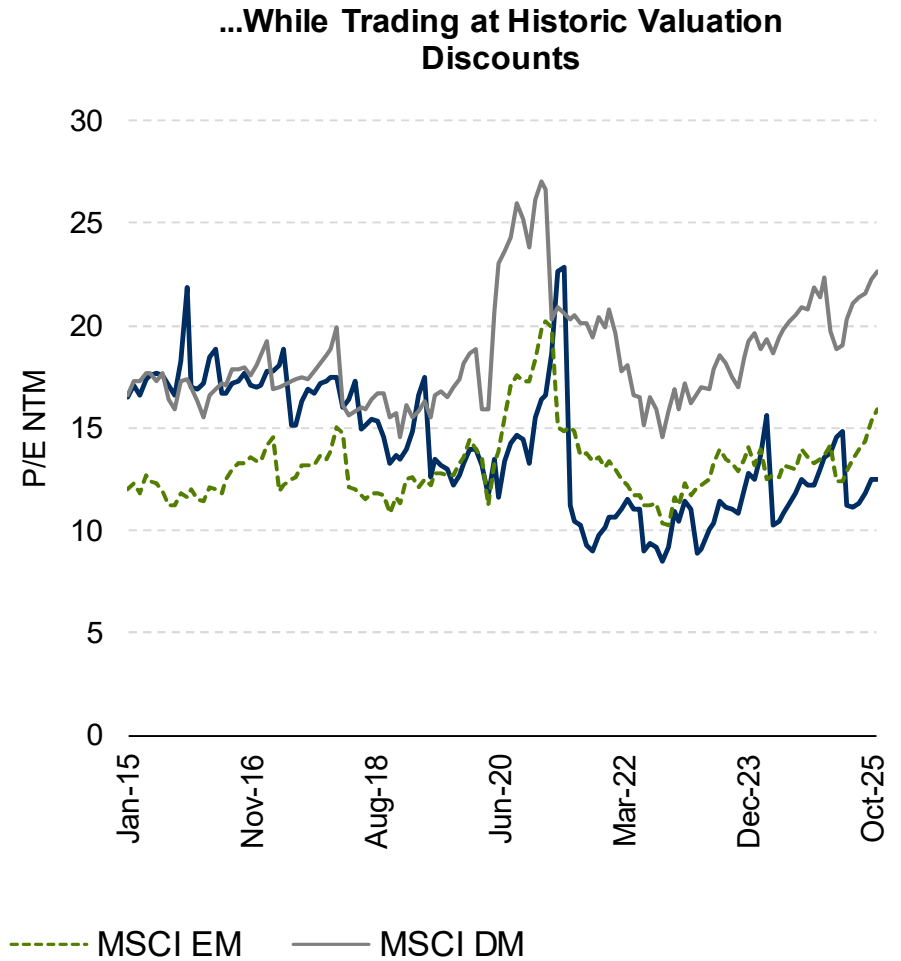
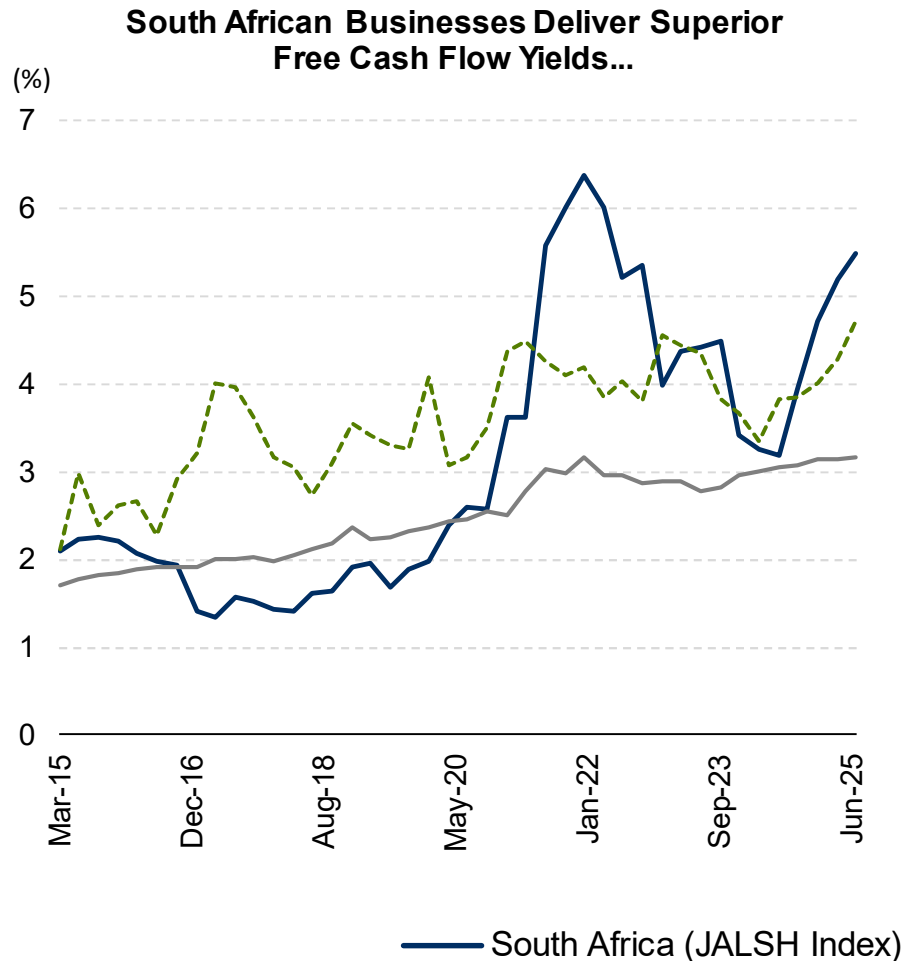
### Latin American Corporate Credit Spreads



As of 10/31/25, Source: FactSet. [left chart] Based on iShares Latin America 40 ETF data. [right chart] Based on ICE BofA Latin America EM Corporate Plus Spread.

# South Africa as a Strategic Gateway to Growth

South African companies offer a combination of improving quality, superior cash flow yields, and attractive valuations, providing a liquid gateway to African and frontier market growth trends.

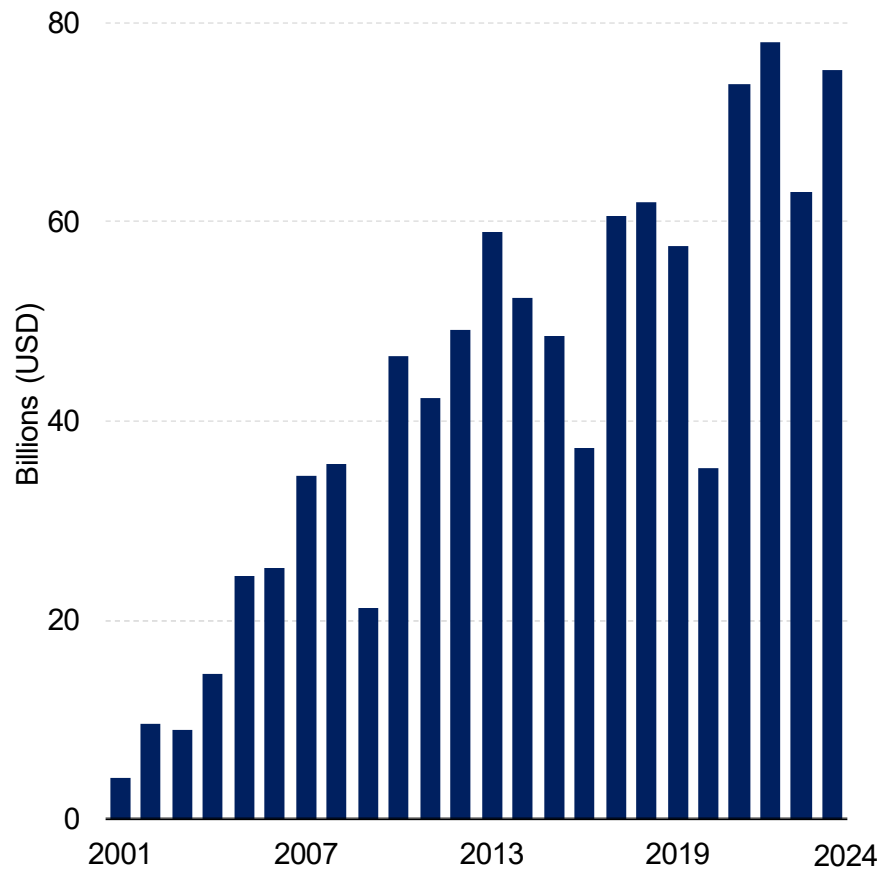


[left chart] As of 06/30/25, Source: Bloomberg, MSCI. [right chart] As of 10/31/25, Source: Bloomberg, MSCI.

# A Rising ASEAN Neighborhood

South of the Great Wall, the oft-overlooked ASEAN region is on an upswing, marked by increased internal demand, growing FDI inflows, favorable demographics, and expanding manufacturing capabilities and investment.

**FDI Inflows to the ASEAN Region**



**Favorable Demographics**  
*ASEAN 'Tiger Cubs'*



	Indonesia	Malaysia	Philippines	Thailand	Vietnam	TOTAL
Population (millions)	286	36	117	72	102	613
Median Age*	31.5	31.8	25.7	41.5	33.1	31.9

[chart] As of 12/31/24, Source: BofA Global Research. [table] Population: As of 11/06/25; Source: Worldometer; Age: As of 12/31/24; Source: CIA – The World Factbook. \*Median age in 'TOTAL' column is a weighted average. 'Tiger Cubs' image generated by CanvaAI using proprietary prompt.

# Why EM Now?



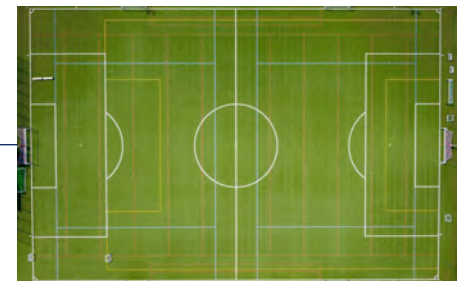
**De-Coupling...**  
**A Powerful, Positive Force for EM**

**EM is No Longer a Bloc...**  
**Plenty of Attractive Investments Off the Beaten Path**



**Resilience, Sustainability, Growth, Valuations...**  
**The Cold, Hard Facts are Favorable**

**Leveling of the EM-DM Governance Playing Field...**  
**Are EM Valuation Discounts Still Justified?**



# Important Considerations and Assumptions

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