



Stockholm April 21st, 2017

To the unit holders of Tundra Nigeria & Sub-Sahara Fund

New fund rules and a name change to Tundra Frontier Africa Fund from Tundra Nigeria & Sub-Sahara Fund

You are receiving this letter as you are currently a unit holder of Tundra Nigeria & Sub-Sahara Fund. To make the management of the fund more efficient new fund rules will enter into force on May 29th, 2017. The new rules will broaden the investment mandate and change the name to Tundra Frontier Africa Fund. The fund will continue to focus on the least developed parts of Frontier Africa, such as Nigeria and Kenya. The fund will be allowed to invest in companies based anywhere on the continent, which means that companies from for instance Egypt may have a large weighting in the fund. Broadening the mandate gives the fund access to more liquid markets in Africa and will make the management of the fund more efficient. The current statute that at least 51% of the fund's asset must be invested in Nigeria will be removed with the new fund rules.

The main reasons for the change are a deteriorated trading environment and lower liquidity on the Nigerian stock exchange. We still firmly believe in the long term growth prospects in the less developed markets in Africa and Sub-Saharan will remain a focus area for the fund. With the new fund rules in place the fund will however be able to better take part of the structural growth potential in Africa. Egypt has after the devaluation in November last year evolved into one of the most exciting growth markets on the continent. The economy is currently going through a massive adjustment to the new reality where the Egyptian Pound has halved in value and the purchasing power is heavily reduced, but the full potential of Egypt's advantages now can be realized. We see immense opportunities to invest in strong quality companies at attractive valuations, even considering the risks. The fund will also be allowed to invest in stocks listed in e.g. South Africa, Morocco and Tunis, but will continue to focus primarily on companies benefitting from the structural growth on the continent with growing consumption, urbanization and infrastructure investment as key cornerstones. There are a number of companies in primarily South Africa with significant exposure to the fast growing Sub-Saharan region with a potential to become holdings of the fund.

Concurrently with the new fund rules, the fund will change its benchmark to enable better evaluation of the fund return. The new benchmark will be MSCI EFM Africa ex South Africa Index Net.

Unit holders in Tundra Nigeria & Sub-Sahara Fund have the right to redeem their holdings from the day of receiving this information until 2.30PM CET on May 26th, 2017 without any additional costs.

In summary:

- The changes are approved by the Swedish FSA.
- 2.30PM May 26th, 2017: Last day of trading in Tundra Nigeria & Sub Saharan Fund.
- May 29th, 2017: Name change and new fund rules come into force.

TUNDRA FONDER AB

SWEDEN: Birger Jarlsgatan 33, S-111 45 Stockholm, Sweden
TEL: +46 8 551 145 70 FAX: +46 8 551 145 71

PAKISTAN: 7th Floor, Executive Tower Dolmen Mall, Clifton,
Karachi 74400, Pakistan TEL: +92 21 3582 6118

VIETNAM: Level 16, CJ Building, 2 Bis - 4 - 6 Le Thanh Ton Street,
Ben Nghe Ward, District 1, HCMC, Vietnam TEL: +84 8 6255 6869



Q & A

Q. What effects do the changes in the fund rules have?

A. The current statute that 51% of the fund must be invested in Nigeria will be removed and replaced by a broader mandate to invest freely on the African continent. Concurrently the fund will change its name to Tundra Frontier Africa Fund and change the benchmark to MSCI EFM Africa ex South Africa Index Net.

Q. Why does the benchmark exclude South Africa?

A: The fund will only to a very limited extent invest in commodity related companies. As commodity related companies make up a major part of the South African stock exchange, South Africa will be excluded from the new benchmark.

Q. Why change?

A. The conditions to manage a pure Sub-Saharan fund have considerably worsened in a short period of time, but we still see huge potential longer term. Combined with the recent developments in Egypt, it makes sense to broaden the investment mandate to better capture both short term and long term opportunities.

Q. Will the fund not invest in Nigeria any longer?

A. Nigeria will continue to be a core market for us, but before the country changes its current foreign exchange policy, it is very likely that the weight within the portfolio will decrease dramatically. Once foreign exchange policies are liberalized, Nigeria will become very attractive the following years.

Q. Why has the limitations on liability changed?

A. The limitations have been updated to take into consideration new regulations relating to the custodian's liabilities.

Feel free to contact us by phone (+46 8 5511 4570) or email (info@tundrafonder.se) if you have any questions.

Thank you for your continued support.

Best regards,
Tundra Fonder

TUNDRA FONDER AB

SWEDEN: Birger Jarlsgatan 33, S-111 45 Stockholm, Sweden
TEL: +46 8 551 145 70 FAX: +46 8 551 145 71

PAKISTAN: 7th Floor, Executive Tower Dolmen Mall, Clifton,
Karachi 74400, Pakistan TEL: +92 21 3582 6118

VIETNAM: Level 16, CJ Building, 2 Bis - 4 - 6 Le Thanh Ton Street,
Ben Nghe Ward, District 1, HCMC, Vietnam TEL: +84 8 6255 6869