

**FINANCIAL AND OPERATIONAL HIGHLIGHTS - AT 31 DECEMBER 2018**

R1.9 billion

Total assets

R11.16

Group NAVPS

+R595 million

Invested during period

 R1.3 billion  
(69% of total  
assets)

Invested capital

+R244 million

 Additional  
transactions

 R1.5 billion  
(81% of total  
assets)

Invested capital

Ethos Capital is an investment holding company, registered and incorporated in Mauritius and listed on the JSE Limited ("JSE"). It invests directly into Funds or Direct Investments, managed by Ethos Private Equity (Pty) Limited ("Ethos"), which give the Company exposure to a diversified portfolio of unlisted private equity-type investments ("Portfolio Companies").

**OVERVIEW**

The first half of the financial year was a busy period for Ethos Capital, with nearly R600 million invested, increasing the invested capital to 69% of total assets. A further two transactions totalling R244 million were signed but not completed by the period-end. Upon completion, the invested capital will increase to 81% of total assets across 17 Portfolio Companies.

The Group increased its NAVPS to R11.16 with total assets of R1.9 billion.

Commitments to Ethos Funds increased to R3.2 billion during the period, following first close commitments to Ethos Fund VII (R1.25 billion) and the Ethos Ai Fund I (R150 million). In October 2018, Ethos acquired a stake in Channel Vas, an airtime credit service provider with operations and contracts with Mobile Network Operators across 28 countries in Africa; Ethos Capital contributed R386 million.

A further two transactions were completed during the period: Chibuku Products, a FMCG company previously owned by SAB Miller and based in Malawi; and Gammatek, the largest distributor of mobile phone accessories and low technology components in South Africa. In September 2018, an agreement

was signed for Echotel to acquire Gondwana, a pan sub-Saharan African ISP, which will provide it with broad coverage and product-offering in nine sub-Saharan countries; this transaction is expected to complete in May 2019, subject to regulatory approval, with the Company's exposure being R151 million. Upon completion in April 2019, Ethos Capital is to invest R93 million in the acquisition and delisting of the Torre Analytical Services business.

With a value-weighted average hold period of the portfolio of only 0.9 years, the portfolio is "young" and investors should start to see the benefit of the value-accretive strategies that have been deployed by Ethos behind the portfolio to ensure it is optimally positioned for growth and can benefit from an improved macroeconomic outlook.

**EXTRACT OF STATEMENT OF FINANCIAL POSITION**

	Group		Company	
	31 Dec 2018 R'million	30 June 2018 R'million	31 Dec 2018 R'million	31 Dec 2017 R'million
<b>ASSETS</b>				
<b>Non-current assets</b>				
Unlisted investments at fair value	1 301.2	711.9	1 301.2	711.9
<b>Current assets</b>	<b>598.5</b>	<b>1 202.9</b>	<b>598.0</b>	<b>1 202.4</b>
Trade and other receivables	0.5	1.1	0.5	1.1
Money market investments at fair value	594.3	1 188.4	594.3	1 188.4
Cash and cash equivalents	3.7	13.4	3.2	12.9
<b>TOTAL ASSETS</b>	<b>1 899.7</b>	<b>1 914.8</b>	<b>1 899.2</b>	<b>1 914.3</b>
<b>EQUITY AND LIABILITIES</b>				
Total ordinary shareholders' equity	1 757.6	1 772.7	1 892.6	1 907.7
Non-current liabilities	135.5	135.5	-	-
Current liabilities	6.6	6.6	6.6	6.6
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 899.7</b>	<b>1 914.8</b>	<b>1 899.2</b>	<b>1 914.3</b>
<b>NET ASSET VALUE</b>	<b>1 757.6</b>	<b>1 772.7</b>	<b>1 892.6</b>	<b>1 907.7</b>
Basic net asset value per share (Rand)	11.16	11.00	11.07	10.93

**THE ADVISOR: ETHOS**

Ethos acts as Ethos Capital's Investment Advisor. In addition, Ethos is the Manager of the Funds that Ethos Capital invests in. Ethos is an investment firm that manages investments in private equity and mezzanine transactions in South Africa and other sub-Saharan African countries. Ethos has a 34-year history and an unparalleled record of successful, sustainable investing across economic and political cycles that has delivered 96 realised investments at a 36.3% gross IRR and a 2.7x multiple of cost.

**RESPONSIBILITY STATEMENT**

This short-form announcement is the responsibility of the Directors of Ethos Capital and is only a summary of the information in the full announcement and does not contain full or complete details. The full announcement was released on SENS on 26 March 2019, and can be found on the Company's website at: www.ethoscapital.mu. Copies of the full announcement may also be requested from the Company Secretary (represented by Kevin Allagapen) at no charge at +230 (0) 403 6000 or kevin.allagapen@corian.com, during office hours. Any investment decision should be based on the full announcement published on SENS and on the Company's website.

**26 March 2019**
**UNDERLYING PORTFOLIO COMPANIES - AT 31 DECEMBER 2018**

Name	Business description	Year*	% of total assets
Channel Vas	FinTech service provider	2018	20.6
Kevro	Corporate clothing and gifting	2017	10.7
Primedia	Media	2017	10.7
Gammatek	TMT accessory distribution	2018	5.2
Autozone	Automotive parts retailer & wholesaler	2014	4.5
Twinsaver	Manufacturing (FMCG)	2015	3.9
Vertice	MedTech	2018	3.0
Chibuku Products	Brewing and distribution	2018	2.6
Other (8 Portfolio Companies)			7.3
<b>Total underlying investments</b>			<b>68.5</b>

\* Initial acquisition date by Ethos Fund

**INVESTMENT PORTFOLIO - AT 31 DECEMBER 2018**

Name	Commitment R'million	Valuation R'million	% of total assets
<b>Primary/Secondary Investments</b>			
Ethos Mid Market Fund I	950.0	407.2	21.4
Ethos Fund VII	1 250.0	257.7	13.6
Ethos Fund VI	141.8	100.2	5.3
Ethos Ai Fund I	150.0	63.5	3.3
Ethos Mezzanine Partners 3	250.0	49.1	2.6
Ethos Healthcare Platform	38.0	39.0	2.1
<b>Direct Investments</b>			
Primedia Holdings (Pty) Ltd	171.1	190.5	10.0
Kevro Holdings (Pty) Ltd	100.0	107.5	5.7
Channel Vas Investments Ltd BVI	100.0	86.5	4.5
	<b>3 150.9</b>	<b>1 301.2</b>	<b>68.5</b>

**PORTFOLIO COMPANY INVESTMENTS**

**SPONSOR**

**DIRECTORATE AND ADMINISTRATION**

Registered office: Ethos Capital, 6th Floor, Tower A, 1 Cybercity, Ebene, Mauritius  
 Directors: Yvonne Stillhart (Chairperson), Derek Prout-Jones, Kevin Allagapen, Michael Pfaff, Yuvraj Juwaheer

[www.ethoscapital.mu](http://www.ethoscapital.mu)
**INCORPORATED IN THE REPUBLIC OF MAURITIUS**

REGISTRATION NUMBER: C138883 C1/GBL

ISIN: MU0522S00005

SHARE CODE: EPE

[www.ethos.co.za](http://www.ethos.co.za)

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