

EPE CAPITAL PARTNERS LTD  
INCORPORATED IN THE REPUBLIC OF MAURITIUS  
REGISTRATION NUMBER: C138883 C1/GBL  
ISIN: MU0522S00005  
SHARE CODE: EPE  
("ETHOS CAPITAL" OR "THE COMPANY" OR "THE GROUP")

UNAUDITED INTERIM RESULTS FOR the SIX MONTHS ENDED 31 DECEMBER 2021

## INTRODUCTION

EPE Capital Partners Ltd is an investment company, registered and incorporated in Mauritius as a public company. It is listed on the Johannesburg Stock Exchange ("JSE") and offers shareholders long-term capital appreciation by making commitments and investments into Funds or Co-Investments that are managed by Ethos Private Equity (Pty) Limited ("Ethos"), providing the Company with largely indirect exposure to a diversified portfolio of unlisted private equity-type investments ("Portfolio Companies"). The Group refers to the consolidated results of the Company and its deemed controlled entity. The Group's performance is largely measured by the growth in the net asset value ("NAV") and NAV per share ("NAVPS").

## 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 38-year history and a strong track record of successful, sustainable investing across economic and political cycles that has delivered 98 realised investments at a 24% gross IRR and a 2.5x multiple of cost for limited partners in its Large Equity Funds.

## RESULTS ANNOUNCEMENT

### Key highlights over the six-month period

- R2.6 billion carrying value of invested capital and total assets, with exposure to 23 Portfolio Companies.
- 24% increase in 31 December 2021 NAVPS of R8.26, at Brait's share price.
- 10% increase in 31 December 2021 NAVPS of R10.08, at Brait's NAVPS.
- R310 million capital invested via the Ethos Funds, including a new Fintech investment in Crossfin and the Brait exchangeable bonds.
- Significant improvement in operating performance with 88% of the unlisted portfolio by value delivering positive EBITDA growth.
- Aggregate attributable LTM EBITDA growth of 54% across the unlisted portfolio, and 15% across the top five unlisted investments.
- Continued demonstration of exiting investments at a premium to NAV.
- Board's focus is on value optimisation and return of capital to shareholders.

### Overview

The past six months has seen a continuation of the robust recovery Ethos Capital experienced in the second half of the financial year ended June 2021. Whilst the Omicron variant, and the social unrest in July 2021, caused significant disruption to various Portfolio Companies and impacted consumer sentiment, in the main the impact of the latest COVID wave has been less severe than previous waves.

Almost all the Portfolio Companies achieved strong growth in the past six months with some returning to above pre-COVID levels. The benefit of the cost-saving initiatives and improved operating leverage has manifested in stronger than expected recoveries although some remain adversely impacted by the effects of the crisis and the lower levels of consumer spend and sentiment. The improved operating performance has resulted in a very significant increase in the valuations of the majority of unlisted and listed assets.

The Ethos Capital NAVPS (including Brait at its NAVPS that increased by 3%) increased by c.10% from R9.19 to R10.08, largely driven by the unlisted portfolio. The portfolio achieved a 13% return over the period, driven by broad increases in valuations across most of the portfolio, including Channel VAS, Gammatek and TymeBank. Furthermore, the listed assets (Brait and MTN Zakhele Futhi) benefited from share price increases of 58% and 100% respectively. These all contributed to an increase in Ethos Capital's NAVPS (including Brait at its share price) of c.24% from R6.67 to R8.26 over the six months.

Total assets increased to R2.6 billion, resulting from the portfolio increases as well as net capital invested of R310 million during the period. This includes Ethos Capital's participation via the Ethos Funds in a new Fintech investment, Crossfin Technology Holdings (Pty) Ltd, and the Brait exchangeable bonds rights issue.

Given the uncertain economic outlook, the Board believes that remaining focused on theme/tailwind-led investing, leveraging the sector, value add and domain expertise of the Investment Advisor, while exercising price discipline and exploring realisation opportunities, should result in strong investment returns in excess of the Company's cost of capital.

#### FINANCIAL POSITION AND INVESTMENT PORTFOLIO

##### EXTRACT OF STATEMENT OF FINANCIAL POSITION

	Group		Company	
	31 December 2021 R'million	30 June 2021 R'million	31 December 2021 R'million	30 June 2021 R'million
<b>ASSETS</b>				
Non-current assets				
Unlisted investments at fair value	2,563.0	1,827.3	2,563.0	1,827.3
Current assets	11.9	57.2	11.4	56.7
<b>TOTAL ASSETS</b>	<b>2,574.9</b>	<b>1,884.5</b>	<b>2,574.4</b>	<b>1,884.0</b>
<b>EQUITY AND LIABILITIES</b>				
Total Ordinary shareholders' equity	2,128.2	1,716.4	2,289.6	1,871.9
Non-current liabilities	431.9	156.0	270.0	-
Current liabilities	14.8	12.1	14.8	12.1
Total Liabilities	446.7	168.1	284.8	12.1
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,574.9</b>	<b>1,884.5</b>	<b>2,574.4</b>	<b>1,884.0</b>
<b>NET ASSET VALUE</b>				
Basic Net Asset Value per share (Rand)	8.26	6.67	8.45	6.91
Attributable shares in issue ('000)	257,500	257,500	271,000	271,000

##### INVESTMENT PORTFOLIO - AT 31 DECEMBER 2021

Name	Valuation	
	R'million	% of total assets
<b>Primary/Secondary Investments</b>		
Ethos Fund VII	907.5	35.2
Ethos Mid Market Fund I	603.8	23.4
Ethos Ai Fund I	164.2	6.4
Ethos Healthcare Platform	140.8	5.5
Ethos Fund VI	62.5	2.4
Ethos Mezzanine Partners 3	10.6	0.4
<b>Co-Investments</b>		
Brait	510.3	19.8
Channel Vas Investments Ltd BVI	76.8	3.0
Primedia / Ster Kinekor	67.0	2.6
Kevro Holdings (Pty) Ltd	19.5	0.8
	<b>2,563.0</b>	<b>99.5</b>

##### TOP 10 UNDERLYING PORTFOLIO COMPANIES - AT 31 DECEMBER 2021

Name	Business description	Year*	% of Total assets
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Channel Vas	FinTech service provider	2018	26.1
Premier (Brait)	FMCG manufacturer	2020	10.9
Virgin Active (Brait)	Health club operator	2020	10.4
Echo	Corporate ISP	2018	7.3
Vertice	MedTech	2018	7.0
Synerlytic	Specialised analytical and testing services	2019	6.5
Crossfin	FinTech group	2021	4.8
Gammatek	TMT accessory distribution	2018	4.7
Primedia	Media	2017	2.8
MTN Zakhele Futhi	Telecommunications	2017	2.6
			83.1
Brait EB	Exchangeable bonds	2021	6.6
Other (13 Portfolio Companies)			9.8
Total underlying investments			99.5

\* Initial acquisition date by Ethos Fund

#### 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 announcement is itself not audited but extracted from unaudited results. Any investment decision should be based on the full announcement which is available from today at:

<https://senspdf.jse.co.za/documents/2022/JSE/ISSE/EPEE/EPECAP1221.pdf>

and is published on the Company's website at:

<https://ethoscapital.mu/investors/reports-results/>

Copies of the full announcement may also be requested from the Company Secretary (represented by Mr Kenny Curpen) at no charge at +230 (0) 403 6000, during office hours, or at [ethoscapital@ocorian.com](mailto:ethoscapital@ocorian.com).

#### PRESENTATION

Ethos Capital will host a webcast presentation at 10h00 am on Wednesday 16 March 2022 covering the results relating to the six months ended 31 December 2021, and outlook. A copy of the presentation will be available for download on the Company's website at <https://ethoscapital.mu/investors/reports-results/>

Participants can obtain access via one of the following links:

Webcast -

<https://services.choruscall.com/links/ethos4Y79T.html>

Conference call -

<https://services.choruscall.za.com/DiamondPassRegistration/register?confirmationNumber=4168212&linkSecurityString=87a69ea80>

#### CORPORATE INFORMATION

Directors

Yvonne Stillhart (Chairperson)

Derek Prout-Jones

Kevin Allagapen

Michael Pfaff

Yuvraj Juwaheer

Senior Advisors (Officers)  
Jean-Pierre van Onselen (CFO)  
Peter Hayward-Butt (CEO)

Investment Advisor  
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Listing  
JSE Limited  
Abbreviated name: ETHOSCAP  
JSE code: EPE  
Sector: Financials - Closed End Investments

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Disclaimer  
The financial information on which this announcement is based, has not been audited, reviewed and reported on by the Company's external auditors.

Ebene, Mauritius (with simultaneous circulation in Johannesburg)  
16 March 2022

Sponsor  
RAND MERCHANT BANK (A division of FirstRand Bank Limited)