

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")

INTERIM FINANCIAL RESULTS FOR THE PERIOD 31 DECEMBER 2024 AND CHANGES TO THE BOARD OF DIRECTORS

INTRODUCTION

EPE Capital Partners Ltd is an investment holding company, registered, and incorporated in Mauritius and listed on the Johannesburg Stock Exchange ("JSE"). It invested directly into Funds or Co-Investments that are actively managed by Rohatyn Management South Africa (Pty) Limited ("TRG SA"), providing the Company with largely indirect exposure to a diversified portfolio of unlisted private equity-type investments ("Portfolio Companies"). In addition, TRG SA acts as the Company's Investment Advisor.

Due to the nature of the business conducted by the Group, the Group's performance is largely measured by growth in the net asset value ("NAV") and NAV per share ("NAVPS") and NAVPS has been adopted as the relevant measure for trading statement and results announcement purposes. This approach has been approved by the JSE.

The NAV of each Fund is derived from the fair values of the underlying Portfolio Companies which are prepared in accordance with International Private Equity and Venture Capital Valuation Guidelines, and largely consists of investments being valued on an earnings or revenue multiple method. In terms of this method, an appropriate valuation multiple, as derived from public market companies' multiples and adjusted by the investment manager for certain factors, is applied to an investment's maintainable earnings (e.g., earnings before interest, taxes, depreciation and amortisation ("EBITDA")) or revenue to determine the enterprise value of the investment that is then adjusted for surplus assets or net debt to derive the equity value of the investment attributable to its shareholders.

RESULTS ANNOUNCEMENT

Key highlights over the year

- The Group NAVPS at 31 December 2024 increased by 19.2% over the six-month period from R6.58 (after taking into account the unbundled Brait ordinary shares) to R7.85.
- On a like-for-like basis, Ethos Capital's share price increased by 43% from R3.76 to R5.39 at 31 December 2024, with the share price discount to NAVPS reducing from 43% to 31% at the end of the period.
- The NAV growth was a function of significant earnings growth with the unlisted portfolio's attributable LTM revenue and EBITDA growing by 7% and 15% respectively.
- Optasia, the largest asset in the portfolio, grew its LTM revenue by 11% and LTM EBITDA by 24%.
- Vertice, E4, Primedia and Twinsaver also contributed positively to NAV growth.
- TymeBank concluded another capital raising round during the period at a significant premium to the June 2024 carrying value.
- Overall, the unlisted portfolio achieved a 15% return over the period whereas the listed portfolio, that makes up c.9% of the portfolio, grew by 21%.
- Gross proceeds of R492 million were realised during the period by the TRG Funds on behalf of Ethos Capital, of which R84 million was used by TRG AF VII to fully repay its debt facility.
- Ethos Capital acquired R21 million of its own shares (4.1 million) during the period at an average price of R5.05 per

share.

- The Group's debt was significantly reduced over the period to R204 million at 31 December 2024, with asset/debt cover at >10.0x.

Overview

The financial market improvements in South Africa following the 2024 elections and the suspension of loadshedding, signalled a positive shift in the local economy and improved the business sentiment; however, the real economic benefits will take time to convert into tangible economic outcomes.

The Ethos Capital unlisted portfolio delivered a 15% return over the six-month period, largely driven by Optasia's strong performance, coupled with positive NAV contributions from Vertice, E4 and Primedia, that more than offset some write-downs in Echo and Kevro. Optasia maintained its recent strong performance and grew its LTM revenue by 11% and LTM EBITDA by 24% that resulted in a significant valuation uplift over the period.

Overall, the unlisted portfolio delivered strong earnings growth, increasing its attributable LTM revenue and EBITDA by 7% and 15% respectively. The listed assets grew by 21%, mainly driven by price increases in the Brait exchangeable bonds.

On a like-for-like basis, after taking account of the Brait ordinary shares that were unbundled post 30 June 2024, the NAVPS increased by 19.2% from R6.58 at 30 June 2024 to R7.85. The corresponding share price increased by 43% from R3.76 at 30 June 2024 to R5.39 at 31 December 2024, with the share price discount to NAVPS decreasing to 31% (30 June 2024: 43%).

Gross realisation proceeds of R492 million were generated during the six-month period within the TRG Funds, from the sale of Synerlytic and Adumo and partial sale and repayments of the Brait exchangeable bonds. The proceeds facilitated c.R21 million of share buybacks (4.1 million shares at R5.05) with the remainder applied against the TRG AF VII debt and the Group's debt.

The Group reduced its debt to R223 million at 31 December 2024 (30 June 2024: R522 million), with liquid resources and net current assets at R20 million. The debt covenant in relation to the asset/debt cover, has increased from 4.4x (30 June 2024) to 10.6x at 31 December 2024.

Following the announcement of the realisation strategy in late 2023, the Board's focus remains on optimising the returns from the portfolio, expediting the return of capital and maximising shareholder returns.

FINANCIAL POSITION AND INVESTMENT PORTFOLIO

EXTRACT OF STATEMENT OF FINANCIAL POSITION

	Group		Company	
	31 Dec 2024 R'million	30 June 2024 R'million	31 Dec 2024 R'million	30 June 2024 R'million
ASSETS				
Non-current assets				
Unlisted investments at fair value	2,163.3	2,309.2	2,163.3	2,309.2
Current assets	30.8	19.1	30.3	18.7
TOTAL ASSETS	2,194.1	2,328.3	2,193.6	2,327.9

EQUITY AND LIABILITIES

Total Ordinary shareholders' equity	1,959.8	1,784.4	2,000.5	1,811.1
Non-current liabilities	223.1	522.5	182.0	495.3
Current liabilities	11.2	21.4	11.1	21.5
Total Liabilities	234.3	543.9	193.1	516.8
TOTAL EQUITY AND LIABILITIES	2,194.1	2,328.3	2,193.6	2,327.9
NET ASSET VALUE	1,959.8	1,784.4	2,000.5	1,811.1
Basic Net Asset Value per share (Rand)	7.85	7.03	7.72	6.91
Attributable shares in issue ('000)	249,773	253,885	249,773	253,885

INVESTMENT PORTFOLIO - AT 31 DECEMBER 2024

Name	Valuation R'million	% of total assets
Primary/Secondary Investments		
TRG AF VII	931.2	42.4
Ethos Mid Market Fund I	417.1	19.0
TRG AAI F I	278.7	12.7
Ethos Healthcare Platform	137.3	6.3
Ethos Fund VI	30.0	1.4
TRG Mezzanine Partners 3	21.9	1.0
Co-Investments		
Brait EB	129.7	5.9
Optasia	19.5	5.4
Primedia	97.9	4.5
Kevro	-	-
	2,163.3	98.6

TOP 5 UNDERLYING PORTFOLIO COMPANIES - AT 31 DECEMBER 2024

Name	Business description	Year*	% of Total assets
Optasia	FinTech service provider	2018	48.4
Vertice	MedTech	2018	8.6
Gammatek	TMT accessory distribution	2018	6.9
TymeBank	Banking	2019	5.8
Primedia	Media	2017	4.7
			74.4
Brait EB	Exchangeable bonds	2021	7.7
Other (9 Portfolio Companies)			16.5
Total underlying investments			98.6
* Initial acquisition date by TRG SA Fund			

CHANGES TO NON-EXECUTIVE DIRECTORS

In accordance with paragraph 3.59 of the JSE Limited ("JSE") Listings Requirements, the Company wishes to advise that

Mr Derek Prout-Jones, who has served as a non-executive Director of the Company since 2016 (including serving as the chairperson of the Investment Committee), will be resigning from the Board of Directors on 31 March 2025. The Board wishes to thank Derek for his invaluable contribution to the Company over the last 8.5 years and wishes him all the best for his future.

Following Derek's resignation, Mr Peter Hayward-Butt, who served as the Company's Chief Executive Officer from 2016 until June 2024, will be appointed as a non-executive Director of the Company on 31 March 2025. The Board welcomes Peter to his new role and wishes him continued success with his involvement with Ethos Capital.

AVAILABILITY OF SUMMARISED INTERIM FINANCIAL STATEMENTS

The unaudited interim results, including the Summarised Interim Financial Statements, are available from today at the below JSE cloudlink,
<https://senspdf.jse.co.za/documents/2025/JSE/ISSE/EPEE/EPECAP1224.pdf>
and both are published on the Company's website at,
<https://ethoscapiatal.mu/investors/reports-results/>

This results announcement is the responsibility of the Directors of Ethos Capital and does not provide full or all of the details and therefore any investment decision should be based on a consideration of the unaudited interim results as a whole, that is available for viewing from today at the links as set out above.

PRESENTATION

Ethos Capital will host a webcast presentation at 10h00 on Wednesday 12 March 2025 covering the results relating to the six-months ended 31 December 2024, and outlook. A copy of the presentation will be available for download on the Company's website at
<https://ethoscapiatal.mu/investors/reports-results/>

Participants can obtain access via the following link: <https://www.diamondpass.net/4075402>

CORPORATE INFORMATION

Directors

Yvonne Stillhart (Chairperson)
Derek Prout-Jones
Kevin Allagapen
Michael Pfaff
Yuvraj Juwaheer

Senior Advisors (Officers)

Anthonie de Beer (CEO)
Jean-Pierre van Onsele (CFO)

Investment Advisor

TRG Management South Africa (Pty) Ltd
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Rosebank, 2196

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6th Floor, Tower A,
1 Cybercity
Ebene, Mauritius

Auditors
Deloitte
Level 7, Standard Chartered Tower
19 Cybercity
Ebene, Mauritius

Deloitte & Touche
5 Magwa Crescent
Waterfall City
Johannesburg, 2090

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

Transfer Secretaries
Computershare Investor Services Proprietary Limited
15 Biermann Avenue
Rosebank, 2196

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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)

12 March 2025

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