

**NOVARE AFRICA FUND PCC
IN RESPECT OF ITS CELL
NOVARE AFRICA PROPERTY FUND I
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM
1 JANUARY 2025 TO 31 MARCH 2025**

NOVARE AFRICA FUND PCC, IN RESPECT OF ITS CELL, NOVARE AFRICA PROPERTY FUND I
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		<u>Date of Appointment</u>
DIRECTORS	Dhanraj Boodhoo	11-Jun-09
	Richard Nicholas Charrington	01-Jun-14
	Derrick Arthur Roper	10-Feb-21
	Olaotse Leonard Leepile	11-Feb-21
	Michael John O'malley	25-Mar-21
	Racheal Mary Nganda Lobelo	08-Aug-23
SECRETARY	Stonehage Fleming (Mauritius) Limited Rue des Fascines, 1st Floor, Les Fascines Building - Block B, Vivea Business Park Moka, Republic of Mauritius	
REGISTERED OFFICE	Stonehage Fleming (Mauritius) Limited Rue des Facines, 1st Floor, Les Fascines Building - Block B, Vivea Business Park, Moka, Republic of Mauritius	
AUDITORS	Forvis Mazars LLP 4th Floor, Unicorn Centre, Frère Felix De Valois Street, Port-Louis, Republic of Mauritius	
BANKERS	Standard Bank (Mauritius) Limited Level 9, Tower A, 1 Exchange Square, Wall Street, Ebene MAURITIUS	
	AfrAsia Bank Limited 3rd Floor, Nexteracom Tower 3 CyberCity, Ebène, MAURITIUS	

NOVARE AFRICA FUND PCC, IN RESPECT OF ITS CELL, NOVARE AFRICA PROPERTY FUND I
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

2.

	Notes	31-Mar-25 USD	31-Dec-24 USD
ASSETS			
Current assets			
Financial assets at fair value through profit or loss	5	13,671,898	13,671,898
Other receivables	6	96,483	97,186
Cash and cash equivalents	7	560	1,439
Total current assets		13,768,941	13,770,523
TOTAL ASSETS		13,768,941	13,770,523
EQUITY AND LIABILITIES			
Equity attributable to equity holders			
Share capital	8	71,109,358	71,109,358
Application monies		723	723
Accumulated loss		(61,298,582)	(61,004,979)
		9,811,499	10,105,102
Current liability			
Other payables	11	3,957,442	3,665,421
		3,957,442	3,665,421
Total equity and liabilities		13,768,941	13,770,523
NET ASSET VALUE PER SHARE	12	13.70	14.11

The unaudited financial statements have been approved by the Board on 14 May 2025:



Richard Nicholas Charrington
Director



Dhanraj Boodhoo
Director

The notes on pages 6 to 15 form an integral part of these Unaudited Financial Statements.

NOVARE AFRICA FUND PCC, IN RESPECT OF ITS CELL, NOVARE AFRICA PROPERTY FUND I
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 01 JANUARY 2025 TO 31 MARCH 2025

3.

	Notes	Three months period ended 31-Mar-25	Year ended 31-Dec-24
		USD	USD
Revenue			
Interest Income		-	273
Total Income		-	273
Expenses			
Net change in unrealised loss on financial assets at fair value through profit or loss		-	13,209,976
Management fees	10	266,663	1,066,651
Licence fees		1,221	2,886
Directors fees		3,364	13,457
Registered office and secretarial fees		84	336
Legal and professional fees		10,184	77,554
Bank charges		367	873
Administrative fees		6,803	27,214
Insurance		1,649	6,543
Interest payable		3,261	12,727
Other expenses		7	7
Total expenses		293,603	14,418,224
Loss before tax		(293,603)	(14,417,951)
Income tax expense	9	-	-
Loss for the period/ year		(293,603)	(14,417,951)
Other comprehensive income, net of tax		-	-
Loss and total comprehensive loss for the period/ year		(293,603)	(14,417,951)

The notes on pages 6 to 15 form an integral part of these Unaudited Financial Statements.

NOVARE AFRICA FUND PCC, IN RESPECT OF ITS CELL, NOVARE AFRICA PROPERTY FUND I
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 01 JANUARY 2025 TO 31 MARCH 2025

4.

	Issued capital	Application monies ¹	Accumulated loss	Total equity
	USD	USD	USD	USD
At 1 January 2024	71,109,358	723	(46,587,028)	24,523,053
Loss and total comprehensive loss for the year	-	-	(14,417,951)	(14,417,951)
At 31 December 2024	71,109,358	723	(61,004,979)	10,105,102
Loss and total comprehensive loss for the period	-	-	(293,603)	(293,603)
At 31 March 2025	71,109,358	723	(61,298,582)	9,811,499

¹ Application monies are funds received from investors, pending allotment of shares.

The notes on pages 6 to 15 form an integral part of these Unaudited Financial Statements.

NOVARE AFRICA FUND PCC, IN RESPECT OF ITS CELL, NOVARE AFRICA PROPERTY FUND I
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 01 JANUARY 2025 TO 31 MARCH 2025

5.

	Three months period ended 31-Mar-25	Year ended 31-Dec-24
	USD	USD
Cash flows from operating activities		
Loss before tax	(293,603)	(14,417,951)
<i>Adjustments for non-cash items:</i>		
Interest income	-	(273)
Net change in unrealised loss on financial assets at fair value through profit or loss	-	13,209,976
Operating loss before changes in working capital	(293,603)	(1,208,248)
Decrease / (increase) in other receivables	703	(33,760)
Increase in other payables	292,021	1,239,109
Net cash used in operating activities	(879)	(2,899)
Net movement in cash and cash equivalents	(879)	(2,899)
Cash and cash equivalents at start of the period/ year	1,439	4,338
Cash and cash equivalents at end of period/ year	560	1,439

The notes on pages 6 to 15 form an integral part of these Unaudited Financial Statements.

1. GENERAL INFORMATION

The Fund was incorporated in Mauritius on 29 May 2009 as a private company, limited by shares and is a Protected Cell Company (PCC).

It holds a Global Business Licence and operates as an Expert Fund.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Fund have been prepared on a basis other than going concern and in accordance with International Financial Reporting Standards (IFRS) and comply with the Mauritius Companies Act 2001 in so far as applicable to Global Business Licence companies. Comparatives have been prepared under the going concern basis. The financial statements have been prepared on a basis other than going concern, which is described as the realisable and payable basis. The realisable and payable basis requires the carrying value of the assets, if not already measured at fair value, to be stated at estimated sales proceeds if available at the time, and liabilities to include any amounts which have crystallised as a result of the decision to wind up the Fund.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 of the Notes to the Financial Statements.

Winding Up Assumption

The Directors of the Fund have considered the winding up basis of preparation of the Financial Statements for the period ended 31 March 2025 based on the facts listed below:

The Fund's life was scheduled to terminate on 30 June 2022. The Supplemental Listing Particulars of the Fund, dated 23 December 2019, allow for the life of the Fund to be extended with the approval of the Class A Shareholders by way of Special Resolution. However, at a meeting of the Class A Shareholders held on 18 November 2022, the resolution to extend the life of the Fund to 30 June 2023 did not receive the required 75% vote, and thus was not passed. Hence, the life of the Fund came to an end on 30 June 2022 and as such the Board of the Fund commenced the process of winding up in accordance with the Fund documents and prepared the Unaudited Financial Statements for the period ended 31 March 2025 on the winding up basis.

Changes in accounting policies and disclosures

Standards and amendments to existing standards effective 1 January 2025

A number of new standards, amendments to standards and interpretations are effective for the first time for the financial year beginning on 01 January 2024. The Directors are currently assessing whether these standards amendments to standards and interpretations will have an impact on the financial statements of the Fund.

New standards and interpretations that are not yet effective and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 01 January 2025 and have not been applied in preparing these financial statements. The Directors are currently assessing whether these standards, amendments to standards and interpretations will affect the presentation of the financial statements of the Fund, and what the impact of early adoption would be.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Financial instruments

(i) Other receivables

Other receivables includes prepayments and amounts receivable from subsidiary. The amounts receivable from subsidiary are held for collection and these are recognised initially at fair value and subsequently at amortised cost.

(ii) Other payables

Other payables are stated at their nominal value.

(iii) Cash and cash equivalent

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(c) Foreign currency transaction

(i) Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The directors consider the United State Dollar ("USD") as the currency that most faithfully represents the economic effects of the underlying events, transactions and conditions. The financial statements are presented in USD, which is the Fund's functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Monetary assets and liabilities expressed in foreign currencies are translated into United States dollars at the market rate ruling at the end of the reporting period.

Foreign exchange gains and losses relating to financial assets carried at fair value through profit or loss are presented in profit or loss within "net change in unrealised gain or loss on financial assets designated at fair value through profit or loss".

Financial assets

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, available-for-sale investments, held-to-maturity investments or loans and receivables. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way purchases) are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

The Fund's financial assets include financial assets at fair value through profit or loss, cash and cash equivalents, loan to related party and other receivables.

The Fund determines the classification of their financial assets on initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial assets (Continued)

Financial assets at fair value through profit or loss

The category of financial assets at fair value through profit or loss is sub-divided into:

- Financial assets held for trading: financial assets are classified as held for trading if they are acquired for purpose of selling and or repurchasing in the near term. This category includes equities, debentures and other interest bearing investments and derivatives. These assets are acquired principally for the purpose of generating a profit from short-term fluctuations in price. The Fund's policy is not to apply hedge accounting.

- Financial instruments designated as at fair value through profit or loss upon initial recognition: these include investment in subsidiaries. These financial assets are designated upon initial recognition on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Fund, as set out in the Fund's offering document.

Investment in subsidiaries

In accordance with the exception under IFRS 10 Consolidated Financial Statements, an entity which meets the criteria of an investment entity is exempted from preparing consolidated financial statements. The Fund has determined that it meets this criterion and therefore does not consolidate its subsidiaries in the financial statements. Investments in subsidiaries are accounted for as financial assets at fair value through profit or loss.

(e) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted by the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

(g) Impairment of financial assets

At each reporting date, the Fund shall measure the loss allowance on amounts of its financial assets at amortised cost at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the debtors, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payments that are past due the individual credit terms.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk factors

The Fund's activities expose it to a variety of financial risks.

A description of the significant risk factors is given together with the risk management policies applicable.

The main risks arising from the Fund's financial instruments are foreign currency risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

(i) Foreign Currency risk

Foreign currency risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Fund is not significantly affected by market risk as most of the transactions are held in its functional currency only.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(b) Financial risk factors (Cont'd)

(ii) Credit risk

The Fund's credit risk is primarily attributable to its receivables. The amounts presented in the Statement of Financial Position are net of allowances for credit losses, estimated by the Fund's management based on prior experience and the current economic environment.

The Fund has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The Fund has policies in place to ensure that services are provided to customers with an appropriate credit history. Since the Fund trade only with recognised third parties, there is no requirement for collateral.

With respect to credit risk arising from other financial asset of the Fund, which comprise cash and cash equivalents, the Fund's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

(iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Fund aims at maintaining flexibility in funding by keeping committed credit lines available.

The following table below summarises the maturity profile of the Fund's financial liabilities at 31 March 2025 based on contractual undiscounted payments.

	Less than 3 months	No fixed terms of repayment	Total
<u>31-Mar-25</u>	USD	USD	USD
Other payables	505	3,956,937	3,957,442
<u>31-Dec-24</u>			
Other payables	505	3,664,916	3,665,421

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

The key assumptions and key sources of estimation uncertainty at the reporting date that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Determination of fair values of financial assets at fair value through profit or loss

Unquoted equity investments are designated at fair value through profit or loss and are subsequently carried in the statement of financial position at fair value.

The fair values of these financial instruments which are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each year end. The fair values are based on the net asset value (NAV) of the Special Purpose Vehicles (SPVs) in which the Fund invests and those NAV make use of valuation techniques for the valuation of underlying investments of the SPVs. Valuation techniques used include the use of discounted cash flow analysis, making the maximum use of market inputs and relying as little as possible on entity-specific inputs. Moreover, the Fund may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. The Board of directors review the valuations of the Fund's investments half yearly.

For the period ended 31 March 2025 and the year ended 31 December 2024, the Board of the Fund appointed Broll Valuation and Advisory Services (Pty) Limited, as they have substantial experience and reach throughout Africa and are well versed in the economies and markets in which the underlying assets of the Fund operate. The valuation reports as at 31 March 2025 provided by the external independent valuer were reviewed by the Audit and Risk Committee of the Fund and were approved by the Board of Directors.

Estimation of recoverable amounts on other receivables

In preparing these financial statements, the directors have made estimates of the recoverable amounts of other receivables and impaired those receivables where the carrying amounts exceeded recoverable amounts. The estimation of recoverable amounts involves an assessment of the financial condition of the debtors concerned and an estimate of the timing and the extent of cash flows likely to be received by the Fund.

The carrying value of other receivables, cash and cash equivalents and other payables are assumed to approximate their fair values due to their short-term nature.

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
	USD	USD
As at 1 January	13,671,898	26,881,874
Net change in unrealized loss	-	(13,209,976)
	<u>13,671,898</u>	<u>13,671,898</u>

NOVARE AFRICA FUND PCC, IN RESPECT OF ITS CELL, NOVARE AFRICA PROPERTY FUND I
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 01 JANUARY 2025 TO 31 MARCH 2025

12.

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Details of the investment in subsidiaries and associates as at 31 March 2025 and 31 December 2024 are as follows:

31-Mar-25

Name of company	Country of Incorporation	Number of shares	% holding	Cost USD	Fair value of Investment USD
Potgieter Limited	Mauritius	26,052,434	47.83	26,476,106	8,247,614
Sunshine Citi Ltd	Mauritius	63,318	11.03	6,331,800	727,269
Sunshine Property Ltd	Mauritius	90,001	27.52	9,076,784	957,663
Apo Mauritius Limited	Mauritius	3,052,632	100	19,631,059	3,739,352
				<u>61,515,749</u>	<u>13,671,898</u>

31-Dec-24

Name of company	Country of Incorporation	Number of shares	% holding	Cost USD	Fair value of Investment USD
Potgieter Limited	Mauritius	26,052,434	47.83	26,476,106	8,247,614
Sunshine Citi Ltd	Mauritius	63,318	11.03	6,331,800	727,269
Sunshine Property Ltd	Mauritius	90,001	27.52	9,076,784	957,663
Apo Mauritius Limited	Mauritius	3,052,632	100	19,631,059	3,739,352
				<u>61,515,749</u>	<u>13,671,898</u>

NOVARE AFRICA FUND PCC, IN RESPECT OF ITS CELL, NOVARE AFRICA PROPERTY FUND I
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 01 JANUARY 2025 TO 31 MARCH 2025

13.

6. OTHER RECEIVABLES

	31-Mar-25	31-Dec-24
	USD	USD
Prepayments	-	1,011
Amount receivable from subsidiaries	74,765	74,457
Other receivables	21,718	21,718
	<u>96,483</u>	<u>97,186</u>

7. CASH AND CASH EQUIVALENTS

	31-Mar-25	31-Dec-24
	USD	USD
Cash at bank and in hand	<u>560</u>	<u>1,439</u>

8. SHARE CAPITAL

	31-Mar-25		31-Dec-24	
	Number of shares	Amount USD	Number of shares	Amount USD
<i>Core shares</i>				
As at 31 March/ 31 December	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<i>Cell 1- Class A shares</i>				
As at 31 March/ 31 December	<u>716,207</u>	<u>71,109,358</u>	<u>716,207</u>	<u>71,109,358</u>

9. TAXATION

The Fund has a Global Business Licence for the purpose of the Financial Services Act 2007, and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the FSC, the Fund will be entitled (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income, its tax liability being computed at 15% on such income, or (b) an exemption of 80% on some of the specified income, including but not limited to foreign source dividends or interest income subject to meeting certain prescribed substance conditions. In addition, following the Finance Act 2023, the exemption available on interest derived by the Fund has been increased to 95% subject to meeting the prescribed conditions.

As at balance sheet date, the Fund had no tax liability.

Tax Reconciliation

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
	USD	USD
Loss before tax	<u>(293,603)</u>	<u>(14,417,951)</u>
Income tax at 15%	(44,040)	(2,162,693)
<u>Effect of</u>		
Income tax not subject to tax	-	-
Net investment loss not subject to tax	-	1,981,496
Unauthorised deductions	1	5,386
Tax losses for which no deferred income tax is recognised	<u>44,039</u>	<u>175,811</u>
	<u>-</u>	<u>-</u>

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15.

10. MANAGEMENT AGREEMENT

The Fund entered into a management agreement with Novare Fund Manager Limited ("The Manager") to provide investment management and advisory services to the Fund with effect from 1 December 2014. The Manager is entitled to a management fee of 1.5% (2024 - 1.5%) per annum of the total commitments of the Fund.

The Management Fee is payable quarterly in advance. The Manager had decided to waive its management fees for the period from 01 June 2021 to 30 June 2022. As of 01 July 2022, the management fee due is being accrued in the accounts of the Fund. Further, the Manager has agreed to postpone receipt of the amount due.

11. OTHER PAYABLES

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
	USD	USD
Amount payable to subsidiary and associates	3,934,669	3,606,053
Other Payables	22,268	21,718
Accruals	505	37,650
	<u>3,957,442</u>	<u>3,665,421</u>

12. NET ASSET VALUE

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
	USD	USD
Net asset value, excluding subscriptions pending allotment of shares	<u>9,810,776</u>	<u>10,104,379</u>
Number of Class A shares issued in Cell I	<u>716,207</u>	<u>716,207</u>
Net Asset Value per share	<u>13.70</u>	<u>14.11</u>