



## DIRECTORS' COMMENTARY

## COMPANY OVERVIEW

Avanz Growth Markets Limited ("AGM" or the "Company") was incorporated and began operating on 24 July 2017 in Mauritius and holds a Global Business Licence in accordance with the Mauritian Companies Act 2001 and the Financial Services Act 2007 of Mauritius. The Company's registered office address is at c/o Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebène 72201, Mauritius. The Company is listed on the Official Market of the Stock Exchange of Mauritius Ltd ("SEM") since 9 April 2018 when its initial private placement was completed. AGM is an investment holding company focused on emerging markets private equity opportunities, primarily in Africa, Latin America, and emerging Asia. AGM makes investments with a view to achieving significant capital appreciation and returns.

## COMPANY REVIEW FOR THE YEAR ENDED 31 MARCH 2025

The Company is issuing its audited financial statements, which comprises activity from 1 April 2024 to 31 March 2025, as required under the SEM Listing Rules. The Company made its first investment in the Avanz EM Partnerships Feeder II, SPC ("AEMPF II") on 20 April 2018 and its second and third investments in the Avanz EM Direct Co-Investments Feeder III, SPC ("AEMF III") on 20 December 2018 and 20 December 2019, respectively. These investments have a current value of US\$12,001,673. The Company holds cash of US\$884,053 (including an amount of US\$550,000 placed on a fixed deposit account) representing 6.82% of total assets. The Company agreed to lend AEMF III a total amount of US\$100,000, of which US\$50,000 was disbursed during the year ended 31 March 2025.

AGM has made two great investments, generating a net Internal Rate of Return ("net IRR") to date of 7% to the Company. The invested capital was deployed to 93 underlying portfolio companies across the emerging markets ("EM"), 53% was invested in emerging Asia, 28% in Latin America and 19% in Africa. There are approximately 65 remaining active investments in the portfolio as of 31 March 2025 (2024: 74). During the year ended 31 March 2025, the Company received distributions from AEMPF II of \$449,843 (2024: \$416,234).

During the year ended 31 March 2025, emerging markets grew around 4–4.5%, showing resilience and outperforming developed markets. The performance was mixed with countries like China, Brazil, Chile and South Africa outperforming—benefiting from tech gains, commodities, and capital inflows—India continues to be a standout EM performer, with growth around 6.5%. The overarching narrative was one of resilience in the face of global uncertainty, supported by structural drivers. Global trade uncertainty continues to disrupt private markets investment activity. The dollar strengthened over the period on balance vs. most EM currencies with notable gains in Q2 and Q4. In Q1 2025, it eased slightly from December's high.

The Company reported a loss of US\$1,643,259 for the year ended 31 March 2025 (2024: US\$384,193) which comprised primarily of an unrealised loss on its investments of US\$1,443,937 (2024: US\$193,424). The Company's net asset value ("NAV") per share at 31 March 2025 was US\$1.31 (2024: US\$1.51). Excluding the one-off set up costs of US\$305,856 (out of which US\$165,718 is classified under professional fees, US\$137,898 under advisory fees and US\$2,240 under licence fees), which benefit all future shareholders of the Company, the adjusted NAV per share as at 31 March 2025 would be US\$1.34 (2024: US\$1.55).

## COMPANY OUTLOOK

AEMPF II has already returned 45% of the Company's invested capital in that fund, and the Company expects AEMF III to return 100% of invested capital and profits in the near term. This will create significant more liquidity for the Company while value is still to be generated by the fund managers from the 65 remaining investee businesses. Given the mature stage of the funds in which the Company invested, the focus is on crystallizing the value created and generating exit opportunities, as we have recently experienced. Most portfolio companies are in their later stages of pushing for growth to achieve the scale they need to attract buyers; a few are capitalizing on their inflection point and may see successful exits during 2025, but a majority will wait for more positive tailwinds and more potential buyers to emerge in 2026.

For EM, we expect steady but uneven growth (~3.7–3.9%), still outperforming developed economies. Leading the pack is India with solid growth (~6.5%) but moderating, followed by China (~4.5%). Africa and Latin America are expected to continue at a soft pace. For all EM, policy and trade uncertainty remain the main swing factors. Capital is flowing back into EM private markets selectively — secondaries/continuation funds are the primary near-term sources of exit liquidity (esp. China and Africa), India offers the best near-term strategic/PO exit prospects, which is positive for the Avanz portfolio in India which is targeting a near term exit, while Latin America should see modest capital flow concentrated in commodity, fintech and consumer champions.

Any forecast statement above, and the forecasts underlying such statements, are the responsibility of the board of directors (the "Board") of the Company and have not been reviewed or reported on by the Company's external auditors. The forecast is based on assumptions, including assumptions about regional, political and economic environments, as well as that a stable global macro-economic environment will prevail.

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	2025	2024
	US\$	US\$
<b>ASSETS</b>		
<b>Non-current assets</b>		
Financial assets at fair value through profit or loss	12,001,673	13,895,453
<b>Current assets</b>		
Loan receivable	50,000	-
Other receivables	18,729	6,628
Cash and cash equivalents	884,053	696,597
<b>Total assets</b>	<b>12,954,455</b>	<b>14,598,678</b>
<b>EQUITY CAPITAL AND RESERVES</b>		
Stated capital	9,646,862	9,646,862
Retained earnings	2,872,957	4,866,216
<b>Total equity</b>	<b>12,519,819</b>	<b>14,513,078</b>
<b>CURRENT LIABILITIES</b>		
Accruals and other payables	434,636	85,600
<b>Total liabilities</b>	<b>434,636</b>	<b>85,600</b>
<b>Total equity and liabilities</b>	<b>12,954,455</b>	<b>14,598,678</b>

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	US\$	US\$
<b>INCOME</b>		
Exchange difference	140	-
Other income	6,058	-
<b>Total income</b>	<b>6,198</b>	<b>-</b>
<b>EXPENSES</b>		
Professional fees	(52,278)	(38,251)
Travelling and accommodation fees	(14,163)	-
Audit fees	(22,650)	(49,450)
Accountancy fees	(11,100)	(10,900)
Other expenses	(4,278)	(3,630)
Directors' fees and CFO fees	(91,490)	(79,000)
Licence fees	(7,241)	(7,238)
Bank charges	(1,279)	(2,300)
Insurance cost	(1,041)	-
Net change in fair value of financial assets through profit or loss	(1,443,937)	(193,424)
<b>Total expenses</b>	<b>(1,649,457)</b>	<b>(384,193)</b>
<b>Loss before income tax</b>	<b>(1,643,259)</b>	<b>(384,193)</b>
Income tax expense	-	-
<b>Loss and comprehensive income for the year</b>	<b>(1,643,259)</b>	<b>(384,193)</b>

	2025	2024
<b>Basic and diluted loss per share</b>	<b>(0.1714)</b>	<b>(0.0401)</b>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	US\$	US\$
<b>Net cash used in operating activities</b>	<b>(212,387)</b>	<b>(208,789)</b>
<b>Net cash from investing activities</b>	<b>399,843</b>	<b>402,122</b>
<b>Net increase in cash and cash equivalents</b>	<b>187,456</b>	<b>193,333</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>696,597</b>	<b>503,264</b>
<b>Cash and cash equivalents at end of the year</b>	<b>884,053</b>	<b>696,597</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Stated capital	Retained earnings	Total equity
	US\$	US\$	US\$
<b>At 01 April 2024</b>	<b>9,646,862</b>	<b>4,866,216</b>	<b>14,513,078</b>
<b>Loss and comprehensive income for the year</b>	<b>-</b>	<b>(1,643,259)</b>	<b>(1,643,259)</b>
<b>Dividend payable</b>	<b>-</b>	<b>(350,000)</b>	<b>(350,000)</b>
<b>At 31 March 2025</b>	<b>9,646,862</b>	<b>2,872,957</b>	<b>12,519,819</b>
<b>Number of ordinary shares in issue</b>			<b>9,588,172</b>
<b>Net asset value per share</b>			<b>1.3058</b>
<b>At 01 April 2023</b>	<b>9,646,862</b>	<b>5,250,409</b>	<b>14,897,271</b>
<b>Loss and comprehensive income for the year</b>	<b>-</b>	<b>(384,193)</b>	<b>(384,193)</b>
<b>At 31 March 2024</b>	<b>9,646,862</b>	<b>4,866,216</b>	<b>14,513,078</b>
<b>Number of ordinary shares in issue</b>			<b>9,588,172</b>
<b>Net asset value per share</b>			<b>1.5136</b>

## NOTES TO THE FINANCIAL STATEMENTS

- The Company is required to publish its audited financial results for the year ended 31 March 2025 in terms of the SEM Listing Rule 12.19. The abridged audited financial statements for the year ended 31 March 2025 ("abridged audited financial statements") have been prepared in accordance with the measurement and recognition requirements of IFRS, the information contained in IAS 34: Interim Financial Reporting and the SEM Listing Rules.
- The abridged audited financial statements have been reviewed or reported on by the Company's external auditors, RSM (Mauritius) LLP. These abridged audited financial statements were approved by the Board on 27<sup>th</sup> August 2025.
- Copies of the abridged audited financial statements are available free of charge, upon request at the Registered Office of the Company at c/o Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebène 72201, Mauritius. Contact person: Mrs. Smitha Algoo-Bissonauth.
- This communiqué is issued pursuant to SEM Listing Rules 11.3 and 12.20. The Board accepts full responsibility for the accuracy of the information contained in this communiqué.

Intercontinental Trust Limited  
Company Secretary  
Perigeum Capital Ltd  
SEM Authorised Representative and Sponsor  
Date: 29<sup>th</sup> August 2025

