

SUMMARISED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2019

Universal Partners has a primary listing on the Official Market of the Stock Exchange of Mauritius Ltd ("SEM") and a secondary listing on the Alternative Exchange of the JSE Limited ("JSE").

PRINCIPAL ACTIVITY

The principal activity of the Company is to hold investments in high quality, growth businesses across Europe, with a particular focus on the United Kingdom ("UK"). The Company's investment mandate also allows up to 20% of total funds at the time an investment is made to be invested outside of the UK and Europe.

The Company's primary objective is to achieve strong capital appreciation in Pounds Sterling ("GBP") over the medium to long-term by investing in businesses that meet the investment criteria set out in the Company's investment policy.

BUSINESS REVIEW

Since its listing on the SEM and the JSE, the Company has been working closely with its investment advisor, Argo Investment Managers ("Argo"), to identify potential investments that meet its investment criteria.

The Company has completed five investments since its listing up to the reporting date and continues to build a pipeline of new investments.

Dentex Healthcare Group Limited ("Dentex")

www.dentexhealth.co.uk

Dentex currently owns 56 dental practices and continues to grow ahead of the original business case, due to the attractiveness of the Dentex co-ownership model and the increase in appetite for Private Dental Groups in the UK. The company has acquired further dental practices during the period. Dentex continues to roll out its platform of shared service support to acquired practices, allowing clinicians to focus on providing excellent clinical care, without the distractions resulting from administration that can be centrally provided. Enterprise and Equity Value continue to grow at a pleasing rate, and the acquisition pipeline shows that the Dentex proposition of partnership remains very attractive to many of the top clinicians in the UK.

During the period under review, Dentex raised a further GBP 10,000,000 capital through a rights issue in line with its growth strategy to acquire additional dental practices. Universal Partners participated in the rights issue and invested a further GBP 4,981,733 at GBP 1.70 per share. The Company has revalued its investment in Dentex accordingly.

YASA Limited ("YASA")

www.yasa.com

YASA continues to deliver an increasing number of high power density electric motors to clients. We expect that high profile clients will launch automotive platforms utilising YASA technology during 2019 and 2020, based on development programmes that are now reaching maturity.

YASA launched its controllers in April 2019. These have been in development over the last four years and discussions with potential clients have commenced. In the same way that YASA motors are able to provide more power per kilogram of weight in a more compact package, YASA controllers are more powerful per kilogram of weight, with more compact packaging.

YASA's leadership in electric propulsion in the aerospace and automotive sectors has led to YASA motors and controllers being chosen to power the Rolls Royce ACCEL ("Accelerating the Electrification of Flight") electric flight project, which aims to capture the electric aircraft speed record in 2020.

SC Lowy Partners ("SC Lowy")

www.sclowy.com

SC Lowy continues as a leading market maker in distressed and high yield debt, particularly in Asian Loans and Bonds. The company has increased its third party funds under management in its Primary Investment and Special Situations offerings, and has to date delivered top quartile returns relative to its peers.

Credito di Romagna, the Italian bank acquired by SC Lowy in 2018, has been re-branded as Solution Bank with effect from May 2019. Solution Bank is a specialty finance challenger bank operating in the Emilia Romagna region of Italy, focused on delivering traditional retail banking and wealth management services to individuals, and corporate and investment banking services to regional corporates. The bank has 125 employees, over 25,000 clients and €650 million of total assets.

Choeun Savings Bank, the group's wholly-owned South Korean bank, continues to perform well.

Propelair

www.propelair.com

Propelair continues to increase sales of its water efficient, enhanced hygiene toilets in the UK. A number of trials have commenced in South Africa, and the company expects to achieve the required approvals to commence installation in the next quarter.

In January 2019, the Company invested a further GBP 399,984 in Propelair by way of a rights issue to raise capital to fund the growth of its business in accordance with its growth strategy. The Company's shareholding in Propelair is now 14.4%.

JSA Services Limited ("JSA")

www.jsagroup.co.uk

JSA is a provider of Personal Service Companies, Umbrella and Payroll services to contractors and temporary workers in the UK. During the quarter under review, JSA has substantially completed the integration of the three companies acquired during the preceding quarter. In line with its stated growth strategy, the management of JSA remains focused on generating organic growth in its existing businesses, while building the pipeline of potential acquisition targets. Despite some short-term uncertainty created by the postponement of the Brexit date from 29 March to 31 October this year, the company continues to trade in line with expectations.

FINANCIAL REVIEW

For the period under review, income included interest earned from investing excess cash in interest bearing fixed deposits for periods of up to six months. The deposited funds will remain in short-term fixed deposits, money market and NCD instruments until such time as they are required for investments in accordance with the Company's investment policy.

Interest earned for the quarter amounted to GBP 38,476 which included interest of GBP 33,830 earned from cash balances and GBP 4,646 earned from providing a short-term loan facility to Propelair. The loan was repaid in full during the quarter.

As a result of the successful capital raise by Dentex in February 2019 at a price of GBP 1.70 per share, the Company revalued its investment in Dentex during the quarter. The net unrealised gain on investments recognised during the quarter is GBP 3,983,092. The revaluation, together with the additional investment made during the quarter has brought the value of the Company's investment in Dentex to GBP 30,060,988.

The Company's investment in SC Lowy is denominated in US Dollars ("USD"). During the quarter, the revaluation of the investment from USD to GBP resulted in a foreign exchange loss of GBP 305,555.

Management fees for the quarter were GBP 286,454, incurred in terms of the investment management agreement between the Company and Argo. During the quarter, general and administrative expenses amounting to GBP 628,941 were incurred. This amount includes an additional accrual of GBP 543,358 for a performance fee which is calculated based on the revaluation of the Company's investments. This fee may become payable to Argo in the event that the Company realises proceeds from the sale of investments in line with the revaluations.

NET ASSET VALUE ("NAV")

The NAV per share as at 31 March 2019 was GBP 1.070 (30 June 2018: GBP 1.032).

EARNINGS PER SHARE

The earnings per share of 3.87 pence for the quarter ended 31 March 2019 and the earnings per share of 6.07 pence for the quarter ended 31 March 2018 are based on the Company's profit after tax of GBP 2,800,361 and the profit after tax of GBP 4,389,077 for the quarter ended 31 March 2019 and the quarter ended 31 March 2018 respectively, based on 72,350,131 weighted average number of shares in issue for both reporting periods.

For the nine months ended 31 March 2019, the earnings per share of 3.81 pence was based on a profit after tax of GBP 2,753,880 and a weighted average number of shares in issue of 72,350,131. For the corresponding nine months in the prior financial year, the earnings per share of 5.55 pence was based on a profit after tax of GBP 4,018,665 and a weighted average number of shares in issue of 72,350,131.

DIVIDEND

In line with the Company's investment strategy to achieve long-term growth in NAV, dividends will not be declared on a regular basis. Accordingly, no dividend has been declared for the period under review.

BASIS OF PREPARATION

The summarised unaudited financial statements for the quarter and nine months ended 31 March 2019 ("summarised unaudited financial statements") have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standard (IAS) 34 – Interim Financial Reporting, the SEM Listing Rules, the Mauritian Securities Act 2005 and the JSE Listings Requirements.

The accounting policies and methods of computation adopted in the preparation of these summarised unaudited financial statements are consistent with those applied in the preparation of the audited financial statements for the year ended 30 June 2018.

The directors are not aware of any circumstances or matters arising subsequent to the quarter that require any additional disclosure or adjustment to these summarised unaudited financial statements.

AUDITORS

These summarised unaudited financial statements were approved by the board of directors of Universal Partners ("Board") on 14 May 2019. These summarised unaudited financial statements have not been reviewed or reported on by the Company's external auditors, Grant Thornton.

By order of the Board
15 May 2019

Intercontinental Trust Limited

Company secretary

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NOTES

Copies of these summarised unaudited financial statements as well as copies of the statement of direct or indirect interest of the Senior Officers of the Company pursuant to Rule 8(2)(m) of the Securities (Disclosure of Obligations of Reporting Issuers) Rules 2007 are available to the public upon request to the Company Secretary at the Registered Office of the Company at c/o Intercontinental Trust Limited, Level 3 Alexander House, 35 Cybercity, Ebene 72201, Mauritius.

This announcement is issued pursuant to the SEM Listing Rule 12.19, Section 88 of the Mauritian Securities Act 2005 and the JSE Listings Requirements.

The Board accepts full responsibility for the preparation of these summarised unaudited financial statements and for ensuring that the financial information has been correctly extracted from the underlying unaudited financial statements.

SUMMARISED UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	As at 31 March 2019 (Unaudited) GBP	As at 30 June 2018 (Audited) GBP
Assets		
Non-current assets		
Investments at fair value through profit and loss	63,720,485	54,657,723
Current assets		
Receivables and prepayments	80,000	160,000
Short-term financial asset	-	5,158,274
Cash and cash equivalents	15,005,414	15,534,242
	<u>15,085,414</u>	<u>20,852,516</u>
Total assets	<u>78,805,899</u>	<u>75,510,239</u>
Equity and Liabilities		
Equity		
Stated capital	71,847,164	71,847,164
Retained earnings	5,545,285	2,791,405
	<u>77,392,449</u>	<u>74,638,569</u>
Current liabilities		
Payables and accruals	1,413,450	871,670
	<u>1,413,450</u>	<u>871,670</u>
Total equity and liabilities	<u>78,805,899</u>	<u>75,510,239</u>
NAV per share	1.070	1.032

SUMMARISED UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2019

	Quarter ended 31 March 2019 (Unaudited) GBP	Quarter ended 31 March 2018 (Unaudited) GBP	Nine months ended 31 March 2019 (Unaudited) GBP	Nine months ended 31 March 2018 (Unaudited) GBP
Income				
Interest income	38,476	89,956	258,296	391,105
Other income	-	75,000	96,877	113,064
Total income	<u>38,476</u>	<u>164,956</u>	<u>355,173</u>	<u>504,169</u>
Expenditure				
Management fees	(286,454)	(276,439)	(888,084)	(677,939)
Transaction costs	-	(60,310)	(2,000)	(191,305)
General and administrative expenses	(628,941)	(88,018)	(790,187)	(265,148)
Total expenditure	<u>(915,395)</u>	<u>(424,767)</u>	<u>(1,680,271)</u>	<u>(1,134,392)</u>
Operating loss	(876,919)	(259,811)	(1,325,098)	(630,223)
Fair value gain on remeasurement of financial assets at fair value through profit or loss	3,983,092	5,227,691	3,983,092	5,227,691
Net foreign exchange (losses) / gains	(305,812)	(578,803)	95,886	(578,803)
Profit before tax	<u>2,800,361</u>	<u>4,389,077</u>	<u>2,753,880</u>	<u>4,018,665</u>
Tax expense	-	-	-	-
Profit for the period	<u>2,800,361</u>	<u>4,389,077</u>	<u>2,753,880</u>	<u>4,018,665</u>
Other comprehensive income				
Items that will not be reclassified subsequently to profit and loss	-	-	-	-
Items that will be reclassified subsequently to profit and loss	-	-	-	-
Other comprehensive income for the period, net of tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>2,800,361</u>	<u>4,389,077</u>	<u>2,753,880</u>	<u>4,018,665</u>
Basic and headline earnings per share*	<u>Pence</u> 3.87	<u>Pence</u> 6.07	<u>Pence</u> 3.81	<u>Pence</u> 5.55

* The earnings per share for the quarter ended 31 March 2019 and earnings per share for the nine months ended 31 March 2019 are based on profit before tax of GBP 2,800,361 and profit before tax of GBP 2,753,880 for the Company respectively and the weighted average number of shares in issue of 72,350,131 (31 March 2018: Based on profit before tax of GBP 4,018,665 and the weighted average number of shares in issue of 72,350,131).

There were no dilutive shares in issue. There were no reconciling items between the basic and headline earnings per share.

SUMMARISED UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 MARCH 2019

	Stated Capital GBP	Retained earnings / (accumulated loss) GBP	Total GBP
Balance at 1 July 2017	71,847,164	(665,999)	71,181,165
Profit for the period	-	4,018,665	4,018,665
Other comprehensive income for the period	-	-	-
Transactions with shareholder	<u>-</u>	<u>4,018,665</u>	<u>4,018,665</u>
Balance at 31 March 2018	<u>71,847,164</u>	<u>3,352,666</u>	<u>75,199,830</u>
Balance at 1 July 2018	71,847,164	2,791,405	74,638,569
Profit for the period	-	2,753,880	2,753,880
Other comprehensive income for the period	-	-	-
Transactions with shareholder	<u>-</u>	<u>2,753,880</u>	<u>2,753,880</u>
Balance at 31 March 2019	<u>71,847,164</u>	<u>5,545,285</u>	<u>77,392,449</u>

SUMMARISED UNAUDITED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 31 MARCH 2019

	Nine months ended 31 March 2019 (Unaudited) GBP	Nine months ended 31 March 2018 (Unaudited) GBP	Year ended 30 June 2018 (Audited) GBP
Operating activities			
Profit for the period / year	2,753,880	4,018,665	3,457,404
Adjustments for:			
Fair value gain on remeasurement of investments at fair value through profit or loss	(3,983,092)	(5,227,691)	(5,227,875)
Interest income accrued	(258,296)	(391,105)	(521,374)
Net foreign exchange (gains) / losses	(95,886)	579,543	(137,054)
Net changes in working capital:			
Changes in receivables and prepayments	-	27,454	27,454
Changes in payables and accruals	541,780	(13,260)	807,421
Net cash flows utilised in operating activities	<u>(1,041,614)</u>	<u>(1,006,394)</u>	<u>(1,594,024)</u>
Investing activities			
Acquisition of investments	(5,381,717)	(35,270,682)	(45,137,652)
Proceeds on disposal of investments	400,000	-	-
Loans advanced to subsidiaries	(4,163,000)	(5,040,000)	(5,080,000)
Loans repaid	9,562,498	-	-
Interest received	97,071	184,202	209,812
Net cash flows generated from / (utilised in) investing activities	<u>514,852</u>	<u>(40,126,480)</u>	<u>(50,007,840)</u>
Net change in cash and cash equivalents	(526,762)	(41,132,874)	(51,601,864)
Cash and cash equivalents at the beginning of the period / year	15,534,242	67,137,560	67,137,560
Effect of exchange rate changes on cash and cash equivalents	(2,066)	(740)	(1,454)
Cash and cash equivalents at the end of the period / year	<u>15,005,414</u>	<u>26,003,946</u>	<u>15,534,242</u>