

SUMMARISED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2018

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 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 35 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 continued to acquire practices, using the debt facilities provided 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 is very attractive to many of the top clinicians in the UK.

Dentex continues to grow strongly. Subsequent to the reporting date, the board of Dentex has decided to raise GBP 10 million of additional capital to acquire further practices, and thus enhance the value of the business. The Company has agreed to participate in the rights issue up to an amount of GBP 5.6 million.

YASA Limited ("YASA")

www.yasa.com

YASA continues to deliver the highest Power Density electric motors available globally to the automotive, aerospace and industrial sectors. The current electric land and water speed record holding vehicles are powered by YASA motors, and Rolls Royce has publicly announced its project to capture the electric air speed record, again powered by YASA motors. Given the accelerating pressure for the automotive and aerospace industries to move off fossil fuel powered propulsion systems, and YASA's recognised leadership in providing high power, lightweight and small footprint solutions, which can be packaged flexibly, we are confident that YASA will continue to show growth in revenue, Enterprise and Equity Value. A number of high profile hybrid petrol/electric vehicles, where YASA is integral to the powertrain, are due for launch during 2019. This will be positive for YASA in terms of the number of motors shipped.

SC Lowy Partners ("SC Lowy")

www.sclowy.com

SC Lowy continues to be a leading market maker in distressed and high yield debt. During the period under review, SC Lowy was the largest market maker in Asian Loans and Bonds, and is on track to increase its market share in European Loans via the acquisition of Credito di Romagna. SC Lowy's Primary Investment Fund achieved a positive return in a very difficult credit market during 2018, beating the credit hedge fund benchmark return and demonstrating its ability to grow net asset value even in adverse market conditions.

Propelair

www.propelair.com

Propelair continues to make progress in the sales of its water efficient, enhanced hygiene toilets, in the UK and in South Africa. The company's products are finding favour with large corporates who wish to improve their environmental credentials via a reduction in their water usage and carbon footprints. It has been estimated that one large client, which has had in excess of 30 million flushes since installation on their estate, has saved more than 250 million litres of water using the Propelair toilet. A number of trials are underway, which should lead to a substantial increase in sales.

In January 2019, after the period under review, 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, post this rights issue, was 15.6%.

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. The company continues to trade in line with expectations. Since Universal Partners' investment in JSA, and in line with its strategy, management has concluded deals to integrate three smaller competitors, cementing JSA's position as one of the top three providers in its space. The latest acquisition of a well-established provider of umbrella payroll services based in the north-east of England opens new markets for JSA, both geographically and in terms of industry sectors. A member of JSA senior management was appointed Chairman of the trade body for the industry, further recognising the leadership role that JSA fulfils. Over the quarter, JSA concluded negotiations for an enhanced debt facility that has been provided by a third party debt funder, which they were introduced to by Argo. The facility was used to finance the latest acquisition and to repay the bridging loan of GBP 4.025 million provided by the Company.

The above acquisitions, along with planned integration activities and a pipeline of further acquisitions, are expected to result in substantial increases in the Enterprise and Equity Value of JSA over time.

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. Interest earned on deposits amounted to GBP 34,595 for the quarter. 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.

Other income of GBP 85,330 for the quarter relates to raising fees earned by the Company from providing short-term loans to JSA and Propelair.

In October 2018, the Company advanced a short-term loan of GBP 4.025 million to JSA while JSA was finalising a loan facility with a third party debt funder. The proceeds of the loan were used to acquire businesses as part of JSA's growth acquisition strategy. In December 2018, JSA repaid the loan together with interest of GBP 54,260.

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 net gain in foreign currency of GBP 297,455.

Management fees for the quarter were GBP 289,535, incurred in terms of the investment management agreement between the Company and Argo. During the quarter, general and administrative expenses amounting to GBP 87,911 were incurred.

NET ASSET VALUE ("NAV")

The NAV per share as at 31 December 2018 was GBP 1.031 (30 June 2018: GBP 1.032).

PROFIT OR LOSS PER SHARE

The profit per share of 0.13 pence for the quarter ended 31 December 2018 and the loss per share of 0.29 pence for the quarter ended 31 December 2017 are based on the Company's profit before tax of GBP 92,984 and the loss before tax of GBP 210,827 for the quarter ended 31 December 2018 and the quarter ended 31 December 2017 respectively, based on 72,350,131 weighted average number of shares in issue.

For the six months ended 31 December 2018, the loss per share of 0.06 pence was based on a loss before tax of GBP 46,482 and a weighted average number of shares in issue of 72,350,131. For the corresponding six months in the prior financial year, the loss per share of 0.51 pence was based on a loss before tax of GBP 370,411 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 six months ended 31 December 2018 ("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 Listing Rules of the SEM, 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 in terms of IFRS and 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 the financial statements.

AUDITORS

These summarised unaudited financial statements were approved by the board of directors of Universal Partners ("Board") on 12 February 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
12 February 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 DECEMBER 2018

	As at 31 December 2018 (Unaudited) GBP	As at 30 June 2018 (Audited) GBP
Assets		
Non-current assets		
Investments at fair value through profit and loss	54,661,231	54,657,723
Current assets		
Receivables and prepayments	160,000	160,000
Short-term financial asset	138,000	5,158,274
Cash and cash equivalents	20,489,866	15,534,242
	20,787,866	20,852,516
Total assets	75,449,097	75,510,239
Equity and Liabilities		
Equity		
Stated capital	71,847,164	71,847,164
Retained earnings	2,744,923	2,791,405
	74,592,087	74,638,569
Current liabilities		
Payables and accruals	857,010	871,670
	857,010	871,670
Total equity and liabilities	75,449,097	75,510,239
NAV per share	1.031	1.032

SUMMARISED UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2018

	Quarter ended 31 December 2018 (Unaudited) GBP	Quarter ended 31 December 2017 (Unaudited) GBP	Six months ended 31 December 2018 (Unaudited) GBP	Six months ended 31 December 2017 (Unaudited) GBP
Income				
Interest income	88,855	186,614	219,820	301,150
Other income	85,330	8,981	96,877	38,064
Total income	174,185	195,595	316,697	339,214
Expenditure				
Management fees	(289,535)	(228,199)	(601,630)	(401,500)
Transaction costs	-	(89,496)	(2,000)	(130,996)
General and administrative expenses	(87,911)	(88,419)	(161,246)	(176,786)
Total expenditure	(377,446)	(406,114)	(764,876)	(709,282)
Operating loss	(203,261)	(210,519)	(448,179)	(370,068)
Fair value gain on remeasurement of financial assets at fair value through profit or loss	-	-	-	-
Net foreign exchange gains / (losses)	296,245	(308)	401,697	(343)
Profit / (loss) before tax	92,984	(210,827)	(46,482)	(370,411)
Tax expense	-	-	-	-
Profit / (loss) for the period	92,984	(210,827)	(46,482)	(370,411)
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	-	-	-	-
Total comprehensive income for the period	92,984	(210,827)	(46,482)	(370,411)
	Pence	Pence	Pence	Pence
Basic and headline profit / (loss) per share*	0.13	(0.29)	(0.06)	(0.51)

* The profit per share for the quarter ended 31 December 2018 and loss per share for the six months ended 31 December 2018 are based on profit before tax of GBP 92,984 and loss before tax of GBP 46,482 for the Company respectively and the weighted average number of shares in issue of 72,350,131 (31 December 2017: Based on loss before tax of GBP 370,411 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 loss per share.

SUMMARISED UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

	State d Capital GBP	Retained earnings / (accumulated loss) GBP	Total GBP
Balance at 1 July 2017	71,847,164	(665,999)	71,181,165
Loss for the period	-	(370,411)	(370,411)
Other comprehensive income for the period	-	-	-
Transactions with shareholder	-	(370,411)	(370,411)
Balance at 31 December 2017	71,847,164	(1,036,410)	70,810,754
Balance at 1 July 2018	71,847,164	2,791,405	74,638,569
Loss for the period	-	(46,482)	(46,482)
Other comprehensive income for the period	-	-	-
Transactions with shareholder	-	(46,482)	(46,482)
Balance at 31 December 2018	71,847,164	2,744,923	74,592,087

SUMMARISED UNAUDITED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

	Six months ended 31 December 2018 (Unaudited) GBP	Six months ended 31 December 2017 (Unaudited) GBP	Year ended 30 June 2018 (Audited) GBP
Operating activities			
(Loss) / profit for the period / year	(46,482)	(370,411)	3,457,404
<i>Adjustments for:</i>			
Fair value gain on remeasurement of investments at fair value through profit or loss	-	-	(5,227,875)
Interest income accrued	(219,820)	(153,288)	(521,374)
Net foreign exchange (gains) / losses	(401,697)	343	(137,054)
<i>Net changes in working capital:</i>			
Changes in receivables and prepayments	-	25,468	27,454
Changes in payables and accruals	(14,661)	(19,900)	807,421
Net cash flows utilised in operating activities	(682,660)	(517,788)	(1,594,024)
Investing activities			
Acquisition of investments	-	(33,380,600)	(45,137,652)
Proceeds on disposal of investments	400,000	-	-
Loans advanced to subsidiaries	(4,163,000)	(40,000)	(5,080,000)
Loans repaid	9,339,852	-	-
Interest received	63,242	153,288	209,812
Net cash flows generated from / (utilised in) investing activities	5,640,094	(33,267,312)	(50,007,840)
Net change in cash and cash equivalents	4,957,434	(33,785,100)	(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	(1,810)	(343)	(1,454)
Cash and cash equivalents at the end of the period / year	20,489,866	33,352,117	15,534,242