UNIVERSAL PARTNERS LIMITED
(Incorporated in the Republic of Mauritius)
(Registration number: 138035 C1/GBL)
SEM share code: UPL.N0000
JSE share code: UPL
ISIN: MU0526N00007
("**Universal Partners**" or "**UPL**" or "**the Company**")

UNIVERSAL PARTNERS

SUMMARISED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2024

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 in the United Kingdom ("**UK**") and Europe. The Company's investment mandate also allows up to 20% of total funds at the time an investment is made to be invested outside the UK and Europe.

BUSINESS REVIEW

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

The Company has made six investments since listing and has successfully concluded two exits.

An update on investments held at the reporting date is presented below.

PortmanDentex ("PD")
www.portmandentex.com

PD is one of Europe's largest dental care platforms, with over 400 dental practices in the UK, Ireland, the Nordics, Benelux, and France. In April 2023, UPL sold its shares in Dentex to PD for £30.3m cash and the balance for shares in PD, which resulted in UPL becoming a minority shareholder in PD following the merger between Portman and Dentex.

The final phase of the integration of the two businesses involved implementing an ERP system. The HR and CRM systems have been successfully integrated, with the accounting integration scheduled for completion in the next quarter. Efficiencies and cost savings are materialising, and PD is performing slightly ahead of their EBITDA budget for the first quarter ending December 2024. Demand for private dental services remains strong despite macroeconomic challenges. Additionally, measures are being introduced to strengthen recruitment, enhance succession planning, and ensure a stable supply of dental professionals.

Following negotiations with its existing lender, PD has secured a larger debt facility on attractive terms, provided that PD shareholders invest an additional £35m of equity. This equity will be raised via the issue of front ranking Loan Notes earning an attractive return. The Loan Notes will be subordinated to external debt but will rank ahead of the existing equity. UPL intends to follow its proportional right and to invest circa £1.5m in the Loan Notes.

The new facility includes an additional acquisition facility to accommodate PD's buy and build strategy. However, whilst PD is still actively considering further acquisition opportunities in the UK and the rest of Europe, management remains disciplined in pursuing only significantly value-enhancing acquisition opportunities.

Workwell ("WW")
www.workwellsolutions.com

Workwell provides employment (EOR), engagement (AOR), outsourcing and compliance services for mobile, remote and flexible labour. Workwell's solutions enable end hirers, recruitment businesses and job platforms to access global talent directly and indirectly, through permanent staff, freelancers and self-employed contractors.

On 3 February 2025, WW completed the acquisition of Eastridge Workforce Management ("**EWM**"), a prominent tech-enabled EOR provider based in San Diego, California, from Eastridge Workforce Solutions. This carve-out acquisition follows the company's recent acquisition of Precision Global Consulting Group ("**PGC**") Group in April 2024 and represents another significant step in Workwell's strategy to accelerate growth and expand its footprint in North America, the world's largest hiring market. The acquisition of EWM brings the group's total revenue to over $2 billion, with circa $400 million of revenue and over 40% of group management fees generated from North America, further solidifying the company's position in the region.

WW funded the acquisition of EWM using a committed debt facility provided to the group.

WW delivered a sound performance during the three months to December, the first quarter of the new financial year. While revenue was marginally below budget, this was offset by overhead savings, resulting in EBITDA that was on budget.

The top performer during the quarter was Workwell Global, comprising PGC in North America and Workwell International that services European clients. The Outsourcing division also showed good growth in revenue, both in the UK and internationally. The Accountancy Services division, which is focused on the UK market, grew its revenues marginally but felt the impact of a subdued economic environment.

Management continues to focus on integrating and consolidating the various companies within the group, with a view to maximising efficiencies and delivering cross-selling opportunities. Continued development of the IT platform remains a top priority, with the focus for Q2 being further integration of the PGC systems, additional portal security and functionality, as well as integration of the European operations into the proprietary Evertime pay and bill system.

Following the successful integration of PGC into the Workwell Group, the fair value of UPL's investment in WW has been adjusted to the price per share that was used for the rollover reinvestment from PGC shareholders in April 2024. This has resulted in an increase in fair value of £4.7m.

SC Lowy Partners ("**SC Lowy**")
www.sclowy.com

SC Lowy is a leading investment management group focused on credit investing & lending in Asia, Europe and the Middle East.

The group experienced a strong last quarter for their financial year ended December 2024 and is projecting a circa 40% increase in profit before tax ("**PBT**") for the year, subject to completion of the annual audit. Despite a small reduction in AUM, the Asset Management division is projected to double its EBITDA compared to the prior year, boosted by higher performance fees and a reduction in costs. Solution Bank (Italy) delivered profits in line with the record year experienced in 2023 and Cheoun Savings Bank (South Korea) is projected to increase PBT by 30%. Both banks remain well capitalised and continue to achieve attractive ROE ratios above 15%.

At the end of December, the board of SC Lowy decided wind down the PI fund and initiate an orderly return of capital to investors in the fund over the next 12-18 months. This decision was taken after careful consideration and following engagement with the larger investors in the fund, many of whom had served redemption notices. SC Lowy is in the process of establishing a replacement fund that better matches investor needs and believe that they will retain a fair proportion of the amounts distributed from the PI fund.

The performance of the Strategic Investment ("**SI**") funds continues to be excellent. Good progress is being made on raising funds for SI IV, with total commitments received of $135m following a second close in December. The deployment of capital raised for the Korea Real Estate Private Credit Fund has been rapid and it is expected that the anchor investor in the fund will provide further capital to capture additional investment opportunities that have been identified. Management intends to launch a credit fund focused on the MENAT region during 2025 and are projecting an increase in overall AUM for the year ahead.

Xcede Group (Formerly Techstream Group) ("Xcede")
www.xcede.com

Xcede is a global recruitment specialist operating in the UK, Europe and North America. It operates under two brands: Xcede and EarthStream. Xcede provides recruitment services in the data, software, cloud infrastructure, and cyber security markets, while EarthStream is a global energy recruitment specialist.

The previous report to shareholders detailed that a major debtor was experiencing liquidity problems and that it was uncertain whether this customer would be able to settle the amount owed to Xcede. On 21 November, the customer announced that it had filed for Chapter 11 bankruptcy proceedings in Texas, USA. This was an unprecedented event with the customer having raised substantial equity and debt investment from a variety of credible investors. The board of Xcede has subsequently decided to provide in full for the amount owed (circa £1.6m) by this customer, as there is no certainty that any of this debt will be recovered.

The impact of this provision on Xcede's results for the year ended December 2024 was severe. Accordingly, the board of UPL has decided to impair the value of the Loan Notes of this investment by an amount of £11.4m, writing it down to a nominal value of £1 as reflected in the financial results presented below.

Despite this setback, UPL believes that the management team at Xcede is performing well and that it is in the interests of UPL shareholders to provide ongoing financial support to Xcede. Accordingly, UPL advanced an additional £900,000 of funding at the end of January. This comprised restructuring the existing shareholder capital stack by eliminating UPL's front ranking loan notes and increasing our ordinary shareholding via a debt for equity swap arrangement, whilst ensuring that management retain a meaningful stake in the business. In return, the lenders to Xcede have extended the terms of their debt and provided short-term headroom to the business. We believe that Xcede now has the necessary financial headroom to deliver its business plan for 2025 and beyond.

While the recruitment sector in the UK remains depressed, Xcede has got off to a decent start for the new year and appears to be on track to deliver the budgeted profitability for the first quarter to end March. In line with the strategy to simplify and improve the business, the Singapore office is being closed. This follows the closure of the offices in South Africa and Spain and leaves the business focused on its major markets of the UK, DACH and the USA.

Propelair
www.propelair.com

Propelair has reinvented the toilet to deliver, through its unique IP and design, one of the most water efficient, economical and hygienic systems available. The Propelair toilet utilises 1.5 litres of water per flush versus a traditional toilet that uses around 9 litres of water per flush. In addition, it significantly reduces pathogen distribution and improves health and hygiene.

As previously reported, constructive progress is still being made in the Middle East and South Africa. However, the Company is still significantly behind its original business plan and, accordingly, we continue to value this investment at a nominal £1.

FINANCIAL REVIEW

The Company recognised a fair value gain of £5,462,896 for the quarter on the remeasurement of investments at fair value through profit or loss. This amount comprises the revaluation of WW as well as the exchange rate adjustment to the valuation in the Company's underlying investment in SC Lowy which is denominated in US Dollars.

As mentioned above, an amount of £11,356,570 was impaired during the quarter relating to the Company's investment in Xcede.

Management fees for the quarter amounted to £462,395 incurred in terms of the investment management agreement between the Company and Argo. General and administrative expenses amounting to £135,739 were also incurred. The accrual for performance fees is calculated on the revaluation of the Company's investments. These fees, which are recalculated quarterly, only become payable to Argo if the Company realises the expected profit on disposal of the investments. No performance fees are payable to Argo until a successful exit of an investment has been achieved. During the quarter under review, there was a net reversal of the accrual for performance fees previously recognised, which had a positive impact on the income statement of £281,076.

The Company incurred interest of £55,927 during the quarter on the RMB term loan facility.

NET ASSET VALUE ("NAV")

The NAV per share as at 31 December 2024 was £1.196 (R28.16) (30 June 2024: £1.292 (R29.69)).

LOSS PER SHARE

The loss per share of 8.61 pence for the quarter ended 31 December 2024 and earnings per share of 0.05 pence for the quarter ended 31 December 2023 are based on a loss after tax of £6,274,684 and a profit of £36,291 for the Company respectively. The weighted average number of shares in issue for the period was 72,894,199.

DIVIDEND

In line with the Company's strategy to maximise the value of the investments and return surplus cash flow from the sale of investments in the future, dividends are not declared on a regular basis. Accordingly, no dividend has been declared for the quarter under review.

BASIS OF PREPARATION

The summarised unaudited financial statements for the quarter and six months ended 31 December 2024 ("**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 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 2024.

The directors are not aware of any circumstances or matters arising after 31 December 2024 that require any additional disclosure or adjustment to these summarised unaudited financial statements.

AUDITORS

These summarised unaudited financial statements were approved by the Board on 11 February 2025. They have not been reviewed or reported on by the Company's external auditors, Nexia Baker & Arenson.

By order of the Board

12 February 2025

Intercontinental Trust Limited
Company secretary

For further information please contact:

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NOTES

Copies of these summarised unaudited financial statements 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 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 2024

	As at 31 December 2024 (Unaudited) GBP	As at 30 June 2024 (Audited) GBP
Assets		
Non-current assets		
Investments at fair value through profit or loss	89,192,267	84,374,682
Receivables	2,459,709	2,459,709
	91,651,976	**86,834,391**
Current assets		
Receivables and prepayments	139,527	11,176,698
Cash and cash equivalents	1,418,244	248,856
	1,557,771	**11,425,554**
Total assets	**93,209,747**	**98,259,945**
Equity		
Stated capital	72,641,018	72,641,018
Retained earnings	14,542,798	21,524,762
	87,183,816	**94,165,780**
Liabilities		
Non-current liabilities		
Borrowings	3,110,822	614,375
Current liabilities		
Payables and accruals	2,915,109	3,479,790
	2,915,109	**3,479,790**
Total liabilities	**6,025,931**	**4,094,165**
Total equity and liabilities	**93,209,747**	**98,259,945**
NAV per share	**1.196**	**1.292**
Number of shares in issue	**72,894,199**	**72,894,199**

SUMMARISED UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2024

	Quarter ended 31 December 2024 (Unaudited) GBP	Quarter ended 31 December 2023 (Unaudited) GBP	Six months ended 31 December 2024 (Unaudited) GBP	Six months ended 31 December 2023 (Unaudited) GBP
Income				
Interest income	1,421	1,044,750	284,887	1,292,850
Other income	-	50,000	-	60,800
Total income	1,421	1,094,750	284,887	1,353,650
Expenditure				
Management fees	(462,395)	(467,642)	(927,969)	(930,719)
Performance fees (accrued but not paid)	281,076	260,904	553,402	511,662
Interest paid	(55,927)	-	(84,384)	(15,459)
Amortisation of structuring fee	(8,333)	(8,333)	(16,667)	(61,764)
General and administrative expenses	(135,739)	(163,880)	(251,240)	(320,569)
Total expenditure	(381,318)	(378,951)	(726,858)	(816,849)
Operating (loss) / profit	(379,897)	715,799	(441,971)	536,801
Fair value gain / (loss) on remeasurement of financial assets at fair value through profit or loss	5,462,896	(679,034)	4,817,585	(469,805)
Impairment loss	(11,356,570)	-	(11,356,570)	-
Net foreign exchange loss	(1,113)	(474)	(1,008)	(998)
(Loss) / profit before tax	(6,274,684)	36,291	(6,981,964)	65,998
Tax expense	-	-	-	-
(Loss) / profit for the quarter / period	(6,274,684)	36,291	(6,981,964)	65,998
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 quarter / period, net of tax	-	-	-	-
Total comprehensive (loss) / income for the quarter / period	**(6,274,684)**	**36,291**	**(6,981,964)**	**65,998**
Weighted average number of shares in issue	**72,894,199**	**72,894,199**	**72,894,199**	**72,894,199**
	Pence	**Pence**	**Pence**	**Pence**
Basic and headline (loss) / earnings per share (pence)*	**(8.61)**	**0.05**	**(9.58)**	**0.09**

** The loss per share for the quarter ended 31 December 2024 and loss per share for the six months ended 31 December 2024 are based on a loss after tax of GBP 6,274,684 and a loss after tax of GBP 6,981,964 for the Company respectively and the weighted average number of shares in issue of 72,894,199 (31 December 2023: Based on a profit after tax of GBP 65,998 and the weighted average number of shares in issue of 72,894,199).*

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 SIX MONTHS ENDED 31 DECEMBER 2024

	Stated capital	Retained earnings	Total
	GBP	GBP	GBP
Balance at 1 July 2023	**72,641,018**	**21,803,598**	**94,444,616**
Profit for the period	-	65,998	65,998
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	65,998	65,998
Balance at 31 December 2023	**72,641,018**	**21,869,596**	**94,510,614**
Balance at 1 July 2024	**72,641,018**	**21,524,762**	**94,165,780**
Loss for the period	-	(6,981,964)	(6,981,964)
Other comprehensive income for the period	-	-	-
Total comprehensive loss for the period	-	(6,981,964)	(6,981,964)
Balance at 31 December 2024	**72,641,018**	**14,542,798**	**87,183,816**

SUMMARISED UNAUDITED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	Six months ended 31 December 2024 (Unaudited) GBP	Six months ended 31 December 2023 (Unaudited) GBP	Year ended 30 June 2024 (Audited) GBP
Operating activities			
(Loss) / profit for the period / year	(6,981,964)	65,998	(278,836)
Adjustments for:			
Fair value (gain) / loss on remeasurement of investments at fair value through profit or loss	(4,817,585)	469,805	253,580
Impairment loss	11,356,570	-	-
Interest income accrued	(284,887)	(1,292,850)	(1,358,537)
Amortisation of structuring fee	16,667	61,764	78,430
Interest on borrowings accrued	84,384	15,459	32,643
Raising fees (capitalised to loan)	-	(60,800)	(60,800)
Commitment fee accrued	79,779	90,637	181,043
Net changes in working capital:			
Changes in receivables and prepayments	6,527	(6,420)	(13,053)
Changes in payables and accruals	(564,681)	(536,083)	(1,143,617)
Net cash flows utilised in operating activities	(1,105,190)	(1,192,490)	(2,309,147)
Investing activities			
Acquisition of investments	-	(1,423,128)	(1,423,127)
Loans advanced to subsidiaries	(43,000)	(2,040,000)	(2,137,920)
Interest received	1,962	32,509	34,730
Net cash flows utilised in investing activities	(41,038)	(3,430,619)	(3,526,317)
Financing activities			
Loan received	2,400,000	-	500,000
Loan repaid	-	(9,000,000)	(9,057,702)
Interest paid	(84,384)	(421,021)	(380,503)
Payment of structuring fee	-	(100,000)	(100,000)
Net cash flows generated from / (utilised in) financing activities	2,315,616	(9,521,021)	(9,038,205)
Net change in cash and cash equivalents	1,169,388	(14,144,130)	(14,873,669)
Cash and cash equivalents at the beginning of the period / year	248,856	15,122,525	15,122,525
Cash and cash equivalents at the end of the period / year	**1,418,244**	**978,395**	**248,856**