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 "**the Company**")

SUMMARISED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2020

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 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 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 worked closely with its investment advisor, Argo Investment Managers ("**Argo**"), to identify potential investments that meet its investment criteria.

The Company has completed six investments since its listing up to the reporting date.

The UK has been under various forms of restrictions since before the start of the current reporting period on 1 July 2020. A second wave of the pandemic commenced in late August 2020, and certain restrictions were intensified. Further tiers were added to the regional restrictions in September 2020, followed by a second national lockdown for a period of four weeks on 5 November 2020. England reverted to the system of regional tiers for the balance of December 2020, prior to the third national lockdown which commenced on 4 January 2021 and is still in place.

During the second and third lockdowns, all non-essential shops and the hospitality sector closed, and residents were restricted to their homes apart from certain specified exclusions which allow limited outings. Home working and schooling have been imposed, apart from specified cases. The December 2020 regional tier system introduced restrictions varying by region, with certain regions able to enjoy greater freedom than others. The most restricted tiers had a prohibition on any social interaction other than within households and required non-essential shops and all hospitality venues to close.

All of the Company's investments have continued operations despite the lockdowns and regional restrictions during the period. The impacts on employees, customers and trading are covered below.

Dentex Healthcare Group Limited ("Dentex")
www.dentexhealth.co.uk

Dentex completed a GBP 20 million equity round on 2 November 2020, with GBP 10 million being provided by new investors. GBP 10 million of the round was injected on completion, with the balance to be provided on a drawdown basis to fund the further acquisition of dental practices. Universal Partners committed to fund GBP 2.5 million of the equity round and injected GBP 1.25 million on completion. The equity raise was concluded at the same price per share at which Dentex is held by Universal Partners, resulting in no adjustment to the carrying value of this investment. Following the completion of this equity round, Universal Partners remains the single largest shareholder in the business with a 35.6% shareholding.

In January 2021, the UK government announced a further full lockdown in the UK with greater restrictions than the November lockdown.

However, unlike the March to June lockdown in 2020, the Chief Dental Officer (CDO) for England formally advised that dentistry is an essential service and dental practices are to remain open to provide a full range of dental treatment.

The government also confirmed all dental professionals and their teams as key workers, meaning that schools should admit children of dental practice team members.

Dentex has performed ahead of expectations since re-opening on 8 June 2020 at the end of the first UK lockdown, notwithstanding the impacts of the various regional restrictions and lockdowns imposed during the second half of 2020.

Dentex is well positioned to continue implementing its plan to acquire and manage high quality dental practices. Dentex has completed 5 acquisitions since November 2020 and has a strong pipeline of potential acquisitions, having signed heads of terms with several vendors.

YASA Limited ("YASA")
www.yasa.com

Momentum continues to build in favour of the switch to electrification in the automotive and aerospace industries, driven by environmental, regulatory, and political factors. YASA is acknowledged as one of the leaders in the field of high power motors and controllers and is engaged with leading brands in these sectors to assist with their development of energy efficient hybrid and electric only powertrains.

Notwithstanding the Covid-19 pandemic, YASA was able to fully operate its factory in Kidlington, Oxford and research facilities in Kidlington and Welshpool during the period. YASA delivered all scheduled motors to clients on time, and made strong progress in a number of programmes with new clients. The factory was restructured to ensure all production activities met the social distancing and other Covid-19 related manufacturing requirements, whilst all other staff who could work from home were assisted to do so. Client engagement for existing and new programmes was conducted remotely.

During the period, YASA was nominated by a well-known premium automotive manufacturer to supply a custom developed range of motors to a material new Battery Electric Vehicle programme. Although the Start of Production date is only scheduled for mid-2025, the nomination will result in a bespoke development programme funded by the client, followed by production and expected delivery of up to 1 million motors over the life of the programme. This is a substantial new opportunity for YASA, given it has previously worked primarily with niche supercar manufacturers.

In the aerospace field, YASA motors are now powering the ZeroAvia demonstrator aircraft in the UK. The ZeroAvia programme will proceed in phases, with the current phase encompassing a six seat aircraft with a single propeller driven by an electric motor, powered by a hydrogen fuel cell. Over time, larger concepts will be proven, culminating in electric flight in regional aircraft that will have capacity to carry up to 70 passengers over longer distances. The YASA motor is a powerplant of choice for the aerospace sector given its proven high continuous power output per kg of mass, and YASA is in discussions with various leading aerospace manufacturers regarding the use of YASA motors and controllers across a wide range of further applications.

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

SC Lowy is a specialist High Yield, Distressed and Private Credit Asset Manager, operating from offices in Hong Kong, Sydney, Seoul, Singapore, Mumbai, Milan, London and New York, with a market leading position in the Asia Pacific and EMEA markets. In addition to its credit activities, SC Lowy owns Cheoun Savings Bank in Seoul, South Korea and Solution Bank in Bologna, Italy.

SC Lowy's Primary Investment Fund continued to show strong relative and absolute returns, achieving a return of c. 4% net of fees over the quarter. The Primary Investment Fund now has a track record of achieving in excess of 9% net of fees per annum since 2010. The Special Situations Fund continued to achieve attractive exits on its positions, with a realised IRR on deals comfortably in excess of the target return of 15% net of fees.

Solution Bank continued to grow Operating Profits over the period and ended the year with a larger than expected maiden profit, confirming the turnaround implemented post acquisition in 2018. Choeun Savings Bank delivered profits in line with expectation and continued to deliver a Return on Equity in excess of 10%.

Staff in most of the territories that SC Lowy operates in were affected by Covid-19 related restrictions and were able to work remotely whilst seamlessly delivering a high level of service to clients. Trading volumes were at record levels due to the economic impact of Covid-19 on the markets that SC Lowy services, and the firm's leadership is confident that they continue to offer market leading trading and asset management services to their markets through the expected credit restructuring that will commence once the pandemic abates and these economies stabilise.

JSA Services Limited ("JSA")
www.jsagroup.co.uk

JSA underlined its resilience as a business by meeting its revised profit targets for its financial year to September 2020. Despite numerous Covid-19 related challenges, the business has continued to perform as expected in the new financial year and has met its financial targets for the first quarter to December 2020.

Despite the announcement of new lockdown measures in the UK during December, Net Fee Income in the umbrella business has met expectations. During December, overall volumes were back at pre Covid-19 and prior year levels and ahead in certain sectors (Construction and Professional). The closure of schools in January has resulted in a drop in Education volumes and this is expected to persist until at least the end of March.

Activity in the Personal Service Company ("**PSC**") business remains subdued due to the general economic malaise in the UK and the expected implementation of the IR35 labour legislation in April. Customer churn rates remain low, but this sector is not expected to show growth until the second half of the financial year, after the implementation of IR35. Management is developing detailed plans to capture growth opportunities in this market when they present themselves.

Given that the relevant legislation has been passed into law, the implementation of IR35 is expected to proceed as planned in April 2021. JSA expects to benefit materially from IR35 as it will encourage employment agencies to use larger, accredited payroll services providers such as JSA in future. As the deadline for implementation approaches, we expect that the level of enquiries and advice sought will increase sharply and JSA is well prepared for this potential spike in activity.

In line with its long-term strategy of being an industry consolidator, JSA continues to evaluate various potential acquisition targets. In late December 2020, JSA concluded Heads of Terms with one business and this transaction has now moved into the due diligence phase. Discussions are ongoing with various other potential targets.

TechStream Group ("TSG")
www.techstreamgroup.com

As expected, TSG experienced a reduction in net fee income ("**NFI**") during the quarter due to the various lock downs in the UK and other countries in which the group operates. NFI from permanent placements was affected to a greater extent than in the contractor book. After experiencing a difficult year during 2020, TSG has started the new year on a positive note and management are reporting a healthy pipeline of business for the first quarter. As a result of the slowdown in activity over the course of the year and due to working capital cyclicality over year end, Universal Partners agreed to provide a 9-month shareholder loan of £1.5 million to TSG in January 2021, to be used for working capital purposes. Certain management of TSG invested an additional £100k alongside the Universal Partners loan. The introduction of the shareholder loan also facilitated the renegotiation of the company's covenants with its lenders, who remain fully supportive of the business.

Various changes have been made to the senior leadership of TSG and the new team has settled in well. The operating model has been refined, group vision, mission and values statements have been refreshed and the business is well positioned for the future. As the trend of digital transformation and automation strengthens, demand for the niche Science, Technology, Engineering and Mathematics (STEM) skills that TSG is able to source and place is expected to show continued growth.

Brexit has caused a limited amount of disruption to the deployment of UK contractors into Europe, but TSG is working hard to ensure that visa issues are dealt with quickly and effectively.

Propelair
www.propelair.com

Propelair completed their funding round in December 2020, in terms of which they introduced some new shareholders. The company continues to increase the number of partners it works with in the UK and South Africa, and to build its pipeline of potential sales. Fulfilment of the pipeline has been adversely impacted by Covid-19 restrictions in the UK and South Africa, and the company has been unable to achieve its sales target as a result.

FINANCIAL REVIEW

While the Company's cash remains fully invested, interest earned on cash available remains negligible.

Dividend income of GBP 143,640 relates to an accrual raised on the preferred shares subscribed for by Universal Partners in TSG.

The board of directors of Universal Partners (the "**Board**") is of the opinion that, at the end of the quarter under review, the valuation of Techstream should remain unchanged compared to that previously reported. Accordingly, an amount equal to the dividend accrual of GBP 143,640 has been provided during the quarter.

The Company's investment in SC Lowy is reflected at its original cost and is denominated in US Dollars ("**USD**"). During the quarter, the translation effect of exchange rate movements between the USD and the GBP resulted in an unrealised foreign exchange loss of GBP 618,460.

Management fees paid during the quarter amounted to GBP 436,498 incurred in terms of the investment management agreement between the Company and Argo. General and administrative expenses amounting to GBP 89,233 were 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. These fees are paid as and when each investment is exited. During the quarter under review, there was a partial reversal of the accrual previously recognised, which had a positive impact on the income statement of GBP 152,034.

The Company incurred interest of GBP 86,212 during the quarter on the RMB term loan facility. An additional amount of GBP 1,250,000 was drawn down from the facility during the quarter for the investment in Dentex.

NET ASSET VALUE ("NAV")

The NAV per share as at 31 December 2020 was GBP 1.067 (30 June 2020: GBP 1.095).

LOSS PER SHARE

The loss per share for the quarter ended 31 December 2020 and loss per share for the six months ended 31 December 2020 are based on a loss after tax of GBP 1,109,237 and a loss after tax of GBP 2,003,977 for the Company respectively 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 are not 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 2020 ("**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 2020.

The directors are not aware of any circumstances or matters arising subsequent to 31 December 2020 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 9 February 2021.

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

10 February 2021

Intercontinental Trust Limited
Company secretary

For further information please contact:

South African corporate advisor and JSE sponsor	SEM authorised representative and sponsor	Company Secretary
Java Capital	Perigeum Capital	itl Intercontinental Trust Ltd
+27 11 722 3050	+230 402 0890	+230 403 0800

NOTES

Copies of these summarised unaudited financial statements as well as copies of the statement of direct or indirect interests 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, and at the offices of the JSE sponsor, Java Capital, 6th Floor, 1 Park Lane, Wierda Valley, Sandton.

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 DECEMBER 2020

	As at 31 December 2020 (Unaudited) GBP	As at 30 June 2020 (Audited) GBP
Assets		
Non-current assets		
Investments at fair value through profit or loss	87,931,292	87,806,011
Current assets		
Receivables and prepayments	93,074	96,146
Cash and cash equivalents	1,900,552	582,560
	1,993,626	**678,706**
Total assets	**89,924,918**	**88,484,717**
Equity		
Stated capital	71,847,164	71,847,164
Retained earnings	5,343,045	7,347,022
	77,190,209	**79,194,186**
Liabilities		
Non-current liabilities		
Borrowings	11,471,819	7,631,250
Current liabilities		
Payables and accruals	1,262,890	1,659,281
Total liabilities	**12,734,709**	**9,290,531**
Total equity and liabilities	**89,924,918**	**88,484,717**
NAV per share	**1.067**	**1.095**

ince

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 “**the Company**”)

UNIVERSAL PARTNERS

SUMMARISED UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2020

	Quarter ended 31 December 2020 (Unaudited) GBP	Quarter ended 31 December 2019 (Unaudited) GBP	Six months ended 31 December 2020 (Unaudited) GBP	Six months ended 31 December 2019 (Unaudited) GBP
Income				
Interest income	189	77,228	256	109,446
Dividend income	143,640	-	283,337	-
Other income	-	75,001	-	128,000
Total income	143,829	152,229	283,593	237,446
Expenditure				
Management fees	(436,498)	(409,452)	(876,091)	(715,710)
Transaction costs	(2,932)	-	(2,932)	-
Performance fees (accrued but not paid)	152,034	416,157	380,166	416,157
Interest paid	(86,212)	-	(151,139)	-
Amortisation of structuring fee	(28,125)	-	(56,250)	-
General and administrative expenses	(89,233)	(110,259)	(173,269)	(204,421)
Total expenditure	(490,966)	(103,554)	(879,515)	(503,974)
Operating (loss) / profit	(347,137)	48,675	(595,922)	(266,528)
Fair value loss on remeasurement of financial assets at fair value through profit or loss	(143,640)	-	(283,337)	-
Net foreign exchange losses	(618,460)	(764,712)	(1,124,718)	(371,856)
Loss before tax	(1,109,237)	(716,037)	(2,003,977)	(638,384)
Tax expense	-	-	-	-
Loss for the quarter / period	(1,109,237)	(716,037)	(2,003,977)	(638,384)
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 income for the quarter / period	**(1,109,237)**	**(716,037)**	**(2,003,977)**	**(638,384)**
	Pence	Pence	Pence	Pence
Basic and headline loss per share (pence)*	(1.53)	(0.99)	(2.77)	(0.88)

** The loss per share for the quarter ended 31 December 2020 and loss per share for the six months ended 31 December 2020 are based on a loss after tax of GBP 1,109,237 and a loss after tax of GBP 2,003,977 for the Company respectively and the weighted average number of shares in issue of 72,350,131 (31 December 2019: Based on a loss after tax of GBP 638,384 and the weighted average number of shares in issue of 72,350,131).*

SUMMARISED UNAUDITED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

	Six months ended 31 December 2020 (Unaudited) GBP	Six months ended 31 December 2019 (Unaudited) GBP	Year ended 30 June 2020 (Audited) GBP
Operating activities			
Loss for the period / year	(2,003,977)	(638,384)	(3,478,437)
Adjustments for:			
Fair value loss on remeasurement of investments at fair value through profit or loss	283,337	-	2,848,986
Interest income	(256)	(109,446)	(111,217)
Dividend income	(283,337)	-	(248,430)
Raising fees	-	-	(75,001)
Amortisation of structuring fee	56,250	-	56,250
Interest on borrowings	151,139	-	128,476
Net foreign exchange loss / (gain)	1,124,600	371,999	(364,661)
Net changes in working capital:			
Changes in receivables and prepayments	3,072	(221,770)	(224)
Changes in payables and accruals	(396,391)	(421,347)	(713,033)
Net cash flows utilised in operating activities	(1,065,563)	(1,018,948)	(1,957,291)
Investing activities			
Acquisition of investments	(1,250,000)	(11,887,030)	(11,882,981)
Loans advanced	-	(2,874,981)	(247,680)
Loans repaid	-	3,341,563	691,582
Interest received	256	25,813	111,217
Net cash flows used in investing activities	(1,249,744)	(11,394,635)	(11,327,862)
Financing activities			
Increase in borrowings	3,784,319	-	-
Interest paid	(151,139)	-	(128,476)
Payment of structuring fee	-	-	(225,000)
Net cash flows generated from / (used in) financing activities	3,633,180	-	(353,476)
Net change in cash and cash equivalents	1,317,873	(12,413,583)	(13,638,629)
Cash and cash equivalents at the beginning of the quarter / year	582,560	14,220,935	14,220,935
Effect of exchange rate changes on cash and cash equivalents	119	(141)	254
Cash and cash equivalents at the end of the quarter / year	**1,900,552**	**1,807,211**	**582,560**

SUMMARISED UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2020

	Stated capital GBP	Retained earnings GBP	Total GBP
Balance at 1 July 2019	**71,847,164**	**10,825,459**	**82,672,623**
Loss for the period	-	(638,384)	(638,384)
Other comprehensive income for the period	-	-	-
Transactions with shareholder	-	(638,384)	(638,384)
Balance at 31 December 2019	**71,847,164**	**10,187,075**	**82,034,239**

	Stated capital GBP	Retained earnings GBP	Total GBP
Balance at 1 July 2020	**71,847,164**	**7,347,022**	**79,194,186**
Loss for the period	-	(2,003,977)	(2,003,977)
Other comprehensive income for the quarter	-	-	-
Transactions with shareholder	-	(2,003,977)	(2,003,977)
Balance at 31 December 2020	**71,847,164**	**5,343,045**	**77,190,209**

ince