

Helios Fairfax Partners Corporation

News Release

TSX Stock Symbol: HFPC.U

TORONTO, July 29, 2021

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SECOND QUARTER FINANCIAL RESULTS

(Note: All dollar amounts in this news release are expressed in U.S. dollars except as otherwise noted. The financial results are prepared using the recognition and measurement requirements of International Financial Reporting Standards, except as otherwise noted, and are unaudited.)

Helios Fairfax Partners Corporation (TSX: HFPC.U) announces net earnings of \$0.1 million in the second quarter of 2021, compared to a net loss of \$4.2 million in the second quarter of 2020 (\$0.07 net loss per diluted share), principally reflecting decreased net change in unrealized losses.

Highlights in the second quarter of 2021 included the following:

- Net change in unrealized losses on investments of \$3.0 million principally comprised of decreases in the market price of the company's investments in the TopCo LP Class B Limited Partnership Interest (\$7.7 million), HFP Redemption Derivative (\$4.4 million), indirect equity interest in AGH (\$1.5 million), Nova Pioneer Bonds (\$1.5 million), partially offset by increases in the market price of the company's investments in Other Common Shares (\$3.9 million), Helios Fund IV Limited Partnership Interest (\$3.6 million), the TopCo LP Class A Limited Partnership Interest (\$3.5 million), and the Atlas Mara Facility (\$2.6 million).
- A performance fee of \$2.9 million was accrued for the period from January 1, 2021 to June 30, 2021. The performance fee, if any, will only be crystallized on December 31, 2023 at the end of the three year measurement period.
- The company reported net foreign exchange gains of \$5.2 million.
- At June 30, 2021 common shareholders' equity was \$609.6 million, or book value per share of \$5.59 with 109,118,253 shares outstanding, compared to \$599.7 million, or book value per share of \$5.50 with 109,118,253 shares outstanding, at December 31, 2020, an increase of 1.6%.

Subsequent to June 30, 2021:

- On July 1, 2021 the company's investment in Nova Pioneer Bonds was converted to a 56.3% equity interest in Ascendant Learning Limited, the Mauritius-based parent company of Nova Pioneer.
- On July 14, 2021 Atlas Mara and certain of its affiliates entered into a support and override agreement with its lenders, which formalized the restructuring plan to repay its outstanding debt obligations through orderly dispositions of certain of its underlying businesses.

There were 109.1 million and 59.0 million weighted average shares outstanding during the second quarters of 2021 and 2020 respectively. At June 30, 2021 there were 53,665,388 subordinate voting shares and 55,452,865 multiple voting shares outstanding.

HFP's detailed second quarter report can be accessed at its website www.heliosfairfax.com.

In presenting the company's results in this news release, management has included book value per basic share. Book value per basic share is calculated by the company as common shareholders' equity divided by the number of common shares outstanding.

Helios Fairfax Partners Corporation is an investment holding company whose investment objective is to achieve long term capital appreciation, while preserving capital, by investing in public and private equity securities and debt instruments in Africa and African businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, Africa.

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This press release may contain forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements may relate to the company's or an African Investment's future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, growth strategy, budgets, operations, financial results, taxes, dividends, plans and objectives of the company. Particularly, statements regarding future results, performance, achievements, prospects or opportunities of the company, an African Investment, or the African market are forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved".

Forward-looking statements are based on our opinions and estimates as of the date of this press release and they are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including but not limited to the following factors: the COVID-19 pandemic; geographic concentration of investments; financial market fluctuations; pace of completing investments; minority investments; reliance on key personnel and risks associated with the Investment Advisory Agreement; operating and financial risks of African investments; valuation methodologies involve subjective judgments; lawsuits; use of leverage; foreign currency fluctuation; investments may be made in foreign private businesses where information is unreliable or unavailable; significant ownership by Fairfax and Principal Holdco may adversely affect the market price of the subordinate voting shares; emerging markets; South African black economic empowerment; economic risk; weather risk; taxation risks; MLI; and trading price of subordinate voting shares relative to book value per share. Additional risks and uncertainties are described in the company's annual information form dated March 5, 2021 which is available on SEDAR at www.sedar.com and on the company's website at www.heliosfairfax.com. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the company. These factors and assumptions, however, should be considered carefully.

Although the company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The company does not undertake to update any forward-looking statements contained herein, except as required by applicable securities laws.