



## **INTERIM REPORT**

**For the three months ended  
March 31, 2025**

## **Index to Management's Discussion and Analysis**

Notes to Management's Discussion and Analysis	2
Forward-Looking Statements	2
Specified Financial Measures	3
Business Overview	3
Investment Restrictions	3
Overview of African Operating Environment	3
Business Developments	4
Capital Transactions	4
Portfolio Investments	5
Cautionary Statement Regarding Financial Information of Significant Portfolio Investments	5
Private Portfolio Investments	6
Results of Operations	18
Consolidated Balance Sheet Summary	20
Financial Risk Management	21
Capital Resources and Management	21
Book Value per Share	21
Liquidity	21
Contractual Obligations	23
Concentration Risk	24
Related Party Transactions	25
Accounting and Disclosure Matters	25
Other	26
Quarterly Data	26
Glossary of Non-GAAP and Other Financial Measures	26
Supplementary Financial Measures	26
Non-GAAP Financial Measures	26

## **Management's Discussion and Analysis** **(as of May 13, 2025)**

*(Figures and amounts are in US\$ and \$ thousands except share and per share amounts and as otherwise indicated. Figures may not add due to rounding.)*

### **Notes to Management's Discussion and Analysis**

- (1) The Management's Discussion and Analysis ("MD&A") presents management's view of the financial condition and results of operations of Helios Fairfax Partners Corporation ("HFP" or the "company") as at and for the three months ended March 31, 2025 and should be read in conjunction with the interim consolidated financial statements thereof and the audited annual consolidated financial statements and notes thereto for the year ended December 31, 2024 for additional commentary and information. Additional information relating to the company, including its annual information form, can be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Additional information can also be accessed from the company's website [www.heliosinvestment.com/helios-fairfax-partners](http://www.heliosinvestment.com/helios-fairfax-partners).
- (2) Unless otherwise noted, consolidated financial information of the company within this MD&A is derived from the interim consolidated financial statements of the company prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements, including International Accounting Standard 34 Interim Financial Reporting, and is presented in U.S. dollars which is also the functional currency of the company and its consolidated subsidiaries.
- (3) Throughout this MD&A, the term "Portfolio Investments" refers to deployed capital invested in private portfolio investments as disclosed in note 5 (Portfolio Investments) to the interim consolidated financial statements for the three months ended March 31, 2025.

### **Forward-Looking Statements**

This MD&A may contain forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements may relate to the company's or a Portfolio 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, a Portfolio 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 MD&A 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: geopolitical risks; inflation and fluctuating interest rates; tariffs; financial market fluctuations; pace of completing investments; minority investments; reliance on key personnel and risks associated with the Investment Advisory Agreement; concentration risk in Portfolio Investments, including geographic concentration and with respect to Class A and Class B limited partnership interests in the Portfolio Advisor; operating and financial risks of Portfolio Investments; valuation methodologies involve subjective judgments; lawsuits; cybersecurity and technology; reliance on third parties; use of leverage; foreign currency fluctuation; investments may be made in foreign private businesses where information is unreliable or unavailable; significant ownership by Fairfax Financial Holdings Limited ("Fairfax") and HFP Investments Holdings SARL ("Principal Holdco") may adversely affect the market price of the subordinate voting shares; emerging markets; South African black economic empowerment; South Africa's grey-listing; economic risk; climate change, natural disaster, and weather risks; 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 28, 2025, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the company's website at [www.heliosinvestment.com/helios-fairfax-partners](http://www.heliosinvestment.com/helios-fairfax-partners). 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.

### **Specified Financial Measures**

The company discloses specified financial measures that are calculated using methodologies that are not in accordance with IFRS Accounting Standards. The presentation of specified financial measures in this manner should not be considered as the only measure of our performance and should not be considered as a substitute for similar financial measures calculated in accordance with IFRS Accounting Standards. These financial measures do not have a standardized meaning prescribed under IFRS Accounting Standards and are therefore unlikely to be comparable to similar financial measures presented by other companies. The company uses these financial measures in managing the business and believes these financial measures provide helpful information to investors. Reconciliations of the specified financial measures to the most directly comparable financial measures calculated and presented in accordance with IFRS Accounting Standards have been presented, where applicable, within this MD&A. Refer to the Glossary of Non-GAAP and Other Financial Measures located at the end of this MD&A for details.

### **Business Overview**

HFP is an investment holding company whose 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 ("Portfolio Investments").

The company makes its investments either directly or through one of its wholly-owned subsidiaries, which include a South Africa-based subsidiary HFP South Africa Investments Proprietary Limited ("SA Sub") and a Mauritius-based subsidiary HFP Investments Limited ("Mauritius Sub").

HFA Topco, L.P. ("TopCo LP" or the "Portfolio Advisor") is the portfolio advisor of the company and, through its sub-advisor, Helios Investment Partners LLP ("Helios" or the "Manager"), provides investment management services, investment advisory services and investment administration services to the company. TopCo LP is also the investment vehicle through which HFP receives cash flows from its entitlement to certain Helios fee streams, including carried interest and Excess Management Fees from TopCo LP Class A and B Limited Partnership units, respectively, from current and future funds managed by Helios Holdings Group or any of its affiliates (the "Helios Funds" or "Helios Strategies").

### **Investment Restrictions**

The company will not make a Portfolio Investment if, after giving effect to such investment, the total invested amount of such investment would exceed 20.0% of the company's total assets at the time of the investment, provided, however, that the company is permitted to complete up to two Portfolio Investments where, after giving effect to each such investment, the total invested amount of each such investment would be equal to or no more than 25.0% of the company's total assets (the "Investment Concentration Restriction").

The company intends to make multiple different investments as part of its prudent investment strategy. Portfolio Investments may be financed through equity or debt offerings as part of the company's objective to reduce its cost of capital and provide returns to shareholders. At March 31, 2025, the company determined that it was in compliance with the Investment Concentration Restriction.

### **Overview of African Operating Environment**

The long-term demographic and technological trends that make Africa an attractive investment destination remain intact. Africa's young and rapidly growing population continues to underpin its strategic importance to the global labour force, while an expanding base of urban, digitally savvy consumers is driving innovation across the continent. This digital transformation, supported by rising internet penetration and the expansion of mobile-based services, has been a critical engine for economic diversification and sets the stage for sustained long-term growth.

Recent macroeconomic data indicates that Sub-Saharan Africa's real GDP grew at an estimated 3.6% in 2024, with projections rising to 4.2% in 2025. Although high inflation has long been a feature of the region's economic environment, current forecasts suggest a gradual easing from approximately 18.1% in 2024 to approximately 12.3% in 2025. This decline reflects, in part, favourable base effects and the impact of recent fiscal and monetary adjustments. While persistently high inflation remains a challenge, many households and businesses have adapted to operating under these conditions.

Efforts to strengthen fiscal positions in Sub-Saharan Africa have yielded some positive signals. Recent initiatives across the continent have unlocked substantial multilateral funding and improved access to external financing—a development further bolstered by a more favourable global interest-rate environment. These measures are expected to ease fiscal constraints and provide additional room for structural reforms. However, pressures remain, notably from high debt-service obligations and limited fiscal headroom in many economies.

Recent changes to and cancellations of certain United States global aid programs may have an impact on the overall African economy as certain African countries that receive aid from these programs may see some disruption. In addition, the recent tariff actions by the United States, retaliatory measures by other governments, and the possibility of a prolonged trade war may cause additional disruption in global trade, which could further impact inflation, interest rates, and currency volatility based on government policy responses and could impact the overall African economy.

Recent well-received bond issuances in select markets have underscored a renewed investor confidence in Africa's debt markets, even as external factors such as global trade uncertainties and shifts in energy policy in major economies pose potential risks. Currency volatility persists, and while recent fiscal interventions have helped lay a stronger foundation for key regional currencies, ongoing external shocks and geopolitical uncertainties could still impact investor sentiment in the near term.

Projected improvements in GDP growth and inflation moderation, coupled with supportive structural reforms and easing global interest rates, provide a promising backdrop for sustained recovery. This positive momentum is tempered by several challenges. Structural imbalances, fiscal constraints, and the inherent volatility of external factors, including fluctuating commodity prices and geopolitical risk, continue to challenge the region's economic trajectory.

Africa's long-term fundamentals remain extremely attractive due to demographic shifts in combination with urbanization, as well as a dynamic digital economy that is fostering rapid adoption and a growing culture of innovation. At the same time, the region is navigating a complex macroeconomic environment. The balance between these positive long-term trends and the current challenges underscores the complexity of the region's economic landscape as it moves into 2025.

## **Business Developments**

### **Capital Transactions**

In 2022, the company closed a \$70,000 secured, revolving demand credit facility (the "RMB Facility") with FirstRand Bank Limited (acting through its Rand Merchant Bank division) ("FirstRand"), bearing interest based on the Secured Overnight Financing Rate ("SOFR") plus 6.88%, payable quarterly. The RMB Facility matures on March 3, 2027, and was undrawn at March 31, 2025.

In November 2024, the Facility Agreement between the company and FirstRand was amended. The amendment reflects changes to certain financial covenants as follows: an increase in the Asset Cover Ratio and the replacement of the Asset Cover Ratio (listed) with an Asset Cover Ratio incorporating the fair value of Seven Rivers rather than the fair value of listed Portfolio Investments. Additionally, the requirement for an adjusted tangible net worth of at least \$350,000 has been removed. The amendment also reflects a decrease in the facility limit from \$70,000 to \$65,000 in 2025, and to \$60,000 in 2026. This decrease can be waived by the lender.

Refer to note 7 (Borrowings) to the interim consolidated financial statements for the three months ended March 31, 2025 for additional details.

## **Portfolio Investments**

### **Cautionary Statement Regarding Financial Information of Significant Portfolio Investments**

HFP has agreed to voluntarily provide, within its MD&A, summarized unaudited financial information prepared for TopCo LP. TopCo LP prepares its financial statements in accordance with IFRS Accounting Standards. Such unaudited financial information is the responsibility of TopCo LP's management team and has been prepared by them using recognition, measurement and presentation principles consistent with IFRS Accounting Standards.

The company's investment in TopCo LP ("Significant Portfolio Investment") has a fiscal year which ends on December 31. Summarized financial information of the company's Significant Portfolio Investment has generally been provided for the periods subsequent to the company's investment and to the extent that the most recent interim financial information is available to the company's management.

HFP has no knowledge that would indicate that the Significant Portfolio Investment's summarized financial information contained herein requires material modifications. However, readers are cautioned that the Significant Portfolio Investment's summarized financial information contained in this MD&A may not be appropriate for their purposes.

## Summary of Portfolio Investments

The table below provides a summary of the company's Portfolio Investments:

	Initial Year of Acquisition	December 31, 2024	Capital Deployed	Realization, Distribution, and Transfer	Change in Fair Value	March 31, 2025
<b>Alternative Asset Management</b>						
TopCo LP Class A Limited Partnership Interest	2020	20,560	—	—	1,681	22,241
TopCo LP Class B Limited Partnership Interest	2020	75,835	—	—	(4,886)	70,949
<b>Total</b>		96,395	—	—	(3,205)	93,190
<b>Helios Managed Investments</b>						
<u>Co-Investments</u>						
Helios Fund IV Limited Partnership Interest	2021	64,436	—	—	4,280	68,716
Trone Common Shares	2021	20,569	—	—	7,031	27,600
Taj Holdings Limited Partnership Interest	2024	16,133	—	—	—	16,133
		101,138	—	—	11,311	112,449
<u>Seeding Investments</u>						
NBA Africa Common Shares	2021	39,726	—	—	—	39,726
HSEG Common Shares	2023	56,300	—	—	—	56,300
HSEG Loan Facility	2024	12,474	—	—	306	12,780
Digital Ventures \$40M Facility	2022	35,459	2,424	—	965	38,848
Digital Ventures \$1M Facility	2022	704	61	—	10	775
Seven Rivers Common Shares	2023	36,231	—	—	3,240	39,471
		180,894	2,485	—	4,521	187,900
<b>Total</b>		282,032	2,485	—	15,832	300,349
<b>Legacy Non-Core Investments</b>						
Indirect Equity Interest in Nova Pioneer	2021	16,496	—	—	(4,065)	12,431
Indirect Equity Interest in AGH	2017	26	—	(26)	—	—
<b>Total</b>		16,522	—	(26)	(4,065)	12,431
<b>Total Portfolio Investments</b>		394,949	2,485	(26)	8,562	405,970

## Private Portfolio Investments

### Cautionary Statement Regarding the Valuation of Private Portfolio Investments

In the absence of an active market for the company's Private Portfolio Investments (with the exception of Seven Rivers being a level 2 investment, valued with reference to market input), fair values of these investments are determined by management using industry accepted valuation methodologies after considering the history and nature of the business, operating results and financial conditions, outlook and prospects, general economic, industry and market conditions, contractual rights relating to the investment, public market comparables (if available) and, where applicable, other pertinent considerations. The process of valuing investments for which no active market exists is inevitably based on inherent uncertainties and the resulting values may differ from values that would have been used had an active market existed. The amounts at which the company's Private Portfolio Investments could be disposed of may differ from the fair values assigned and those differences may be material.

Alternative Asset Management

TopCo LP

TopCo LP, an affiliate of the Helios Holdings Group, is a limited partnership established under the laws of Guernsey and controlled by its general partner, HFA GP (Guernsey) Limited, an affiliate of the Helios Holdings Group.

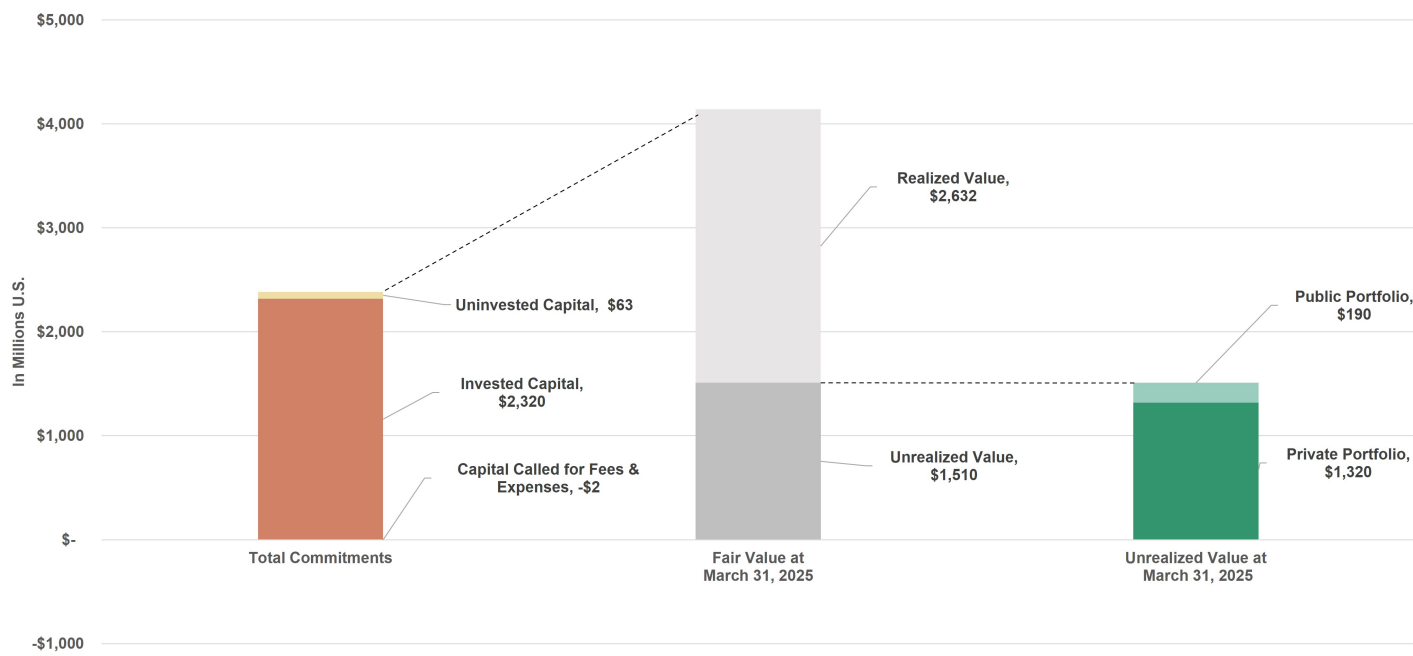
Business Overview

TopCo LP is the investment vehicle through which HFP receives cash flows from its entitlement to certain Helios fee streams, including Excess Management Fees and carried interest. TopCo LP is the portfolio advisor of the company and its consolidated subsidiaries and has entered into a sub-advisory agreement with the Manager to provide the investment and advisory services to HFP, for which it receives investment advisory fees.

The Helios fee streams to which TopCo LP is entitled are currently derived from private equity funds managed by Helios and future Helios Strategies. Each fund was formed with the purpose of investing in African businesses or other businesses with customers, suppliers or businesses primarily conducted in, or dependent on, Africa. In each fund, the general partner receives a 20% carried interest above an 8% hurdle and a management fee which varies with time and other factors.

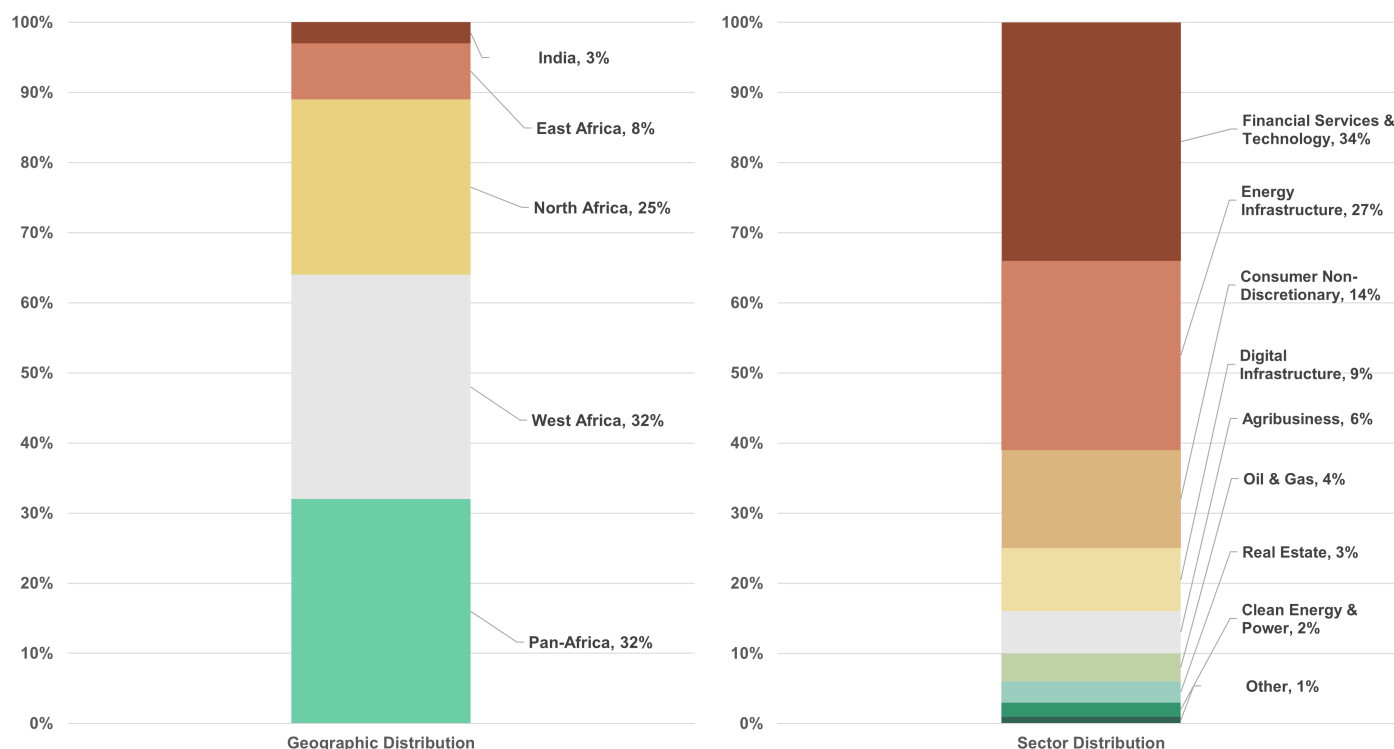
Helios Fund II, in which TopCo LP is entitled to a 25% share of the general partner’s carried interest, is a private equity fund domiciled in the Cayman Islands that was formed in 2009 with \$908,500 in committed capital; Helios Fund III (from which TopCo LP is entitled to 25% carried interest) is a private equity fund domiciled in the Cayman Islands that was formed in 2014 with \$1,117,000 in committed capital; and Helios Fund IV (from which TopCo LP is entitled to 50% carried interest) is a private equity fund domiciled in the Cayman Islands that was formed in 2020 with \$355,000 in committed capital.

As at March 31, 2025, the status and composition of the Helios Funds was as follows:





As at March 31, 2025, the composition of the Helios Funds' unrealized portfolio was as follows:



For the three months ended March 31, 2025, the companies in which the Funds have invested experienced a 1.1% decrease in fair value, adjusted for any liquidity or amounts invested. This decline was primarily driven by a decline in the fair value of a private company specializing in floating infrastructure for the transportation, storage, and regasification of liquefied natural gas (LNG), a public financial services company, and a private real estate developer focused on youth housing within Helios Fund III's portfolio. The decrease was partially offset by increased valuations of Helios Fund IV companies driven by revenue and profitability growth in the underlying businesses and increase in trading multiples.

As at March 31, 2025, the five largest investments in the Helios Funds by unrealized value, were: (i) a private company operating in the gas distribution sector principally in Nigeria; (ii) a private company operating an electronic payments platform across Pan-Africa; (iii) a private company providing corporate and specialty reinsurance solutions across Pan-Africa; (iv) a private company operating in the agricultural sector in Egypt; and (v) a private education group specializing in affordable quality higher education across Francophone Africa.

Summarized below is unrealized carried interest from the Helios Funds as at March 31, 2025 and December 31, 2024. Unrealized carried interest represents the amount of carried interest that would have been realized if all the portfolio investments in the respective Helios Funds were to be exited at their reporting date fair values.

Unrealized carried interest  
(unaudited - US\$ thousands)

	March 31, 2025	December 31, 2024
Total unrealized carried interest	31,827	27,056
TopCo LP's share of the unrealized carried interest	15,914	13,528

Total unrealized carried interest increased by \$4,771 at March 31, 2025 compared to December 31, 2024. TopCo LP's share of unrealized carried interest increased by \$2,386 at March 31, 2025 compared to December 31, 2024. The increase was driven primarily by increased valuations of Helios Fund IV companies driven by revenue and profitability growth in the underlying businesses and an increase in trading multiples.

## *Key Business Drivers, Events, and Risks*

TopCo LP is structured to accumulate and distribute carried interest proceeds from the carried interest recipients and Excess Management Fees from the Helios Holdings Group to HFP by virtue of HFP's TopCo LP Class A and Class B Limited Partnership Interests respectively, and the investment and advisory fees from HFP to the Helios Holdings Group.

### *TopCo LP Class A Limited Partnership Interest*

HFP is entitled to receive carried interest proceeds received by TopCo LP, through its ownership of TopCo LP Class A Limited Partnership Interest, when relevant amounts become available for distribution. The company may be subject to clawback obligations with respect to its TopCo LP Class A Limited Partnership Interest to the extent it has received carried interest proceeds and a clawback is required. At March 31, 2025 and December 31, 2024, the company was not subject to any clawback obligations with respect to its TopCo LP Class A Limited Partnership Interest.

HFP is committed to contribute its pro rata share, being 50% of Management Team Commitments that are required to be made in respect of the Helios Fund IV and Helios CLEAR Fund. In addition, HFP is committed to contribute its pro rata share, being 50% of the lesser of \$15,000 or 2% of the aggregate commitments that are required to be made in respect of any fund or investment vehicle in which HFP earns carried interest. Contributions in excess of this limit require consultation in good faith with the company and with Fairfax. This commitment is funded from capital contributed via HFP's TopCo LP Class A Limited Partnership Interest. HFP's Management Team Commitment is not subject to management fees and carried interest.

At March 31, 2025, the company's net capital contribution to TopCo LP in respect of Management Team Commitments was \$5,327 (December 31, 2024 - \$5,327) and the remaining capital commitment was \$2,173 (December 31, 2024 - \$2,173).

### *TopCo LP Class B Limited Partnership Interest*

TopCo LP receives management fees from certain Helios Holdings Group entities and pays all expenses incurred, to the extent of management fee revenue available, which results in Excess Management Fees to be paid to HFP. HFP's ownership of TopCo LP Class B Limited Partnership Interest entitles HFP to receive the Excess Management Fees after a six-month holding period by TopCo LP.

At March 31, 2025 and December 31, 2024, HFP held all of the issued and outstanding Class A and Class B Limited Partnership Interests of TopCo LP.

## *Valuation and Consolidated Financial Statement Impact*

### *TopCo LP Class A Limited Partnership Interest*

At March 31, 2025, the company estimated the fair value of its TopCo LP Class A Limited Partnership Interest using a sum-of-the-parts valuation comprised of:

- (i) Fair value of carried interest proceeds from Helios Funds, which were determined using a discounted cash flow analysis based on multi-year free cash flow forecasts with the following assumptions:
  - a. discount rates at 30.7% (December 31, 2024 - 29.8%);
  - b. target exit multiples of invested capital averaging 1.8x to 3.1x across Helios Funds II, III, and IV (December 31, 2024 - 1.9x to 3.1x);
  - c. forecasted exit dates ranging from 2025 to 2028 for Helios Funds II and III, and from 2025 to 2030 for Helios Fund IV (December 31, 2024 - 2025 to 2028 and 2025 to 2030); and
  - d. free cash flow forecasts based on estimates of carried interest proceeds derived for each fund in accordance with waterfall provisions, prepared by Helios' management.
- (ii) Fair value of TopCo LP's indirect interest in Helios Fund IV arising from its \$7,500 Management Team Commitment which was valued based on the net asset value of Helios Fund IV; TopCo LP's interest in Helios Fund IV does not bear management fees or carried interest.

The limited partnership agreement for each Helios Fund includes a distribution waterfall provision, which is common in private equity fund structures, and requires that proceeds (generated following realizations or partial realizations of the relevant fund's investments or as other income becomes available to the relevant fund for distribution) be distributed in accordance with each specific waterfall provision.

### Free Cash Flow Forecast Inputs

The primary drivers of free cash flow estimates are the exit assumptions on Helios Funds' underlying portfolio investments, including the planned exit strategy, target exit multiples of invested capital and timing of exit. The target exit multiple of invested capital for an underlying portfolio investment is equal to the fund's expected total proceeds divided by the expected total cost from initial investment to exit. Carried interest proceeds which may arise from future Helios Funds have been excluded from free cash flow estimates. In the event that the target exit amount and timings are not met and delayed in future periods, this may result in a negative and potentially significant impact on the fair value of the company's TopCo LP Class A Limited Partnership Interest.

### Current Model Assumptions

The following table provides a summary of inputs used in the company's internal valuation model to estimate the fair value of the company's investment in the TopCo LP Class A Limited Partnership Interest at March 31, 2025:

Valuation Technique	Model Inputs	Inputs at March 31, 2025	Inputs at December 31, 2024	Description
Discounted cash flow and net asset value	Discount rates	30.7%	29.8%	Based on the company's assessment of risk premiums to the appropriate risk-free rate of the economic environment of the investment.
	Target exit dates	2025-2030	2025 to 2030	Based on the timing of the fund's expected disposition of the underlying portfolio investment.
	Exit multiple of invested capital	1.8x to 3.1x	1.9x to 3.1x	Calculated as the fund's expected total proceeds divided by the expected total cost from initial investment to exit.
	HFP's share of carried interest	25% - 50%	25% - 50%	Reflected HFP's entitlement to carried interest proceeds received by TopCo LP, through its ownership of TopCo LP Class A Limited Partnership Interest.

The continued growth in these underlying companies' businesses is expected to yield attractive exit valuations, subject to prevailing market conditions at the time of exit. Helios Fund IV, which forms all of the fair value of carried interest proceeds, is actively evaluating exit options for their portfolio investments with carried interest proceeds expected to be realized beginning in 2028.

At March 31, 2025, the company's internal valuation model indicated that the fair value of its TopCo LP Class A Limited Partnership Interest was \$22,241 (December 31, 2024 - \$20,560).

The increase in fair value of TopCo LP Class A Limited Partnership Interest from the December 31, 2024 fair value of \$20,560 was driven mainly by improved expectation of the value to be realized from the underlying investments, primarily in the reinsurance sector of Helios Fund IV.

The valuation of TopCo LP Class A Limited Partnership Interest is particularly sensitive to the expected value and timing of exits when the overall fund returns are close to the 8% preferred investor return, as is the case for Helios Fund II and Helios Fund III.

### Subsequent to March 31, 2025

Subsequent to March 31, 2025, the company funded a capital call of \$803 from TopCo LP for its share of HIP Equity IV Management Team Commitment in Helios Fund IV.

### TopCo LP Class B Limited Partnership Interest

At March 31, 2025, the company estimated the fair value of its TopCo LP Class B Limited Partnership Interest using a discounted cash flow analysis based on multi-year probability-weighted free cash flow forecasts and an assumed discount rate. At March 31, 2025, free cash flow forecasts were based on Excess Management Fee forecasts prepared by Helios' management.

### Free Cash Flow Forecast Inputs

The primary drivers of the free cash flow estimates are the forecasted growth in management fee revenue over eight years through the creation of new Helios private equity funds, as well as new Helios Strategies such as Helios Digital Ventures, Helios Sports and Entertainment Group, Helios Seven Rivers Fund, and Helios CLEAR. The \$5.1 million in management fee revenue from existing funds for the three months ended March 31, 2025 could potentially increase to \$86.9 million in management fee revenue from existing and future funds over the eight year forecasting period, implying a compound annual growth rate of 17.0%. Growth in profit margins is expected to be driven by growth in management fee revenue, combined with expected operating leverage. In the event that the Helios Funds and Helios Strategies do not achieve the forecasted growth in management fee revenue in future periods, this may result in a negative impact on the fair value of the company's TopCo LP Class B Limited Partnership Interest.

### Current Model Assumptions

The following table provides a summary of inputs used in the company's internal valuation model to estimate the fair value of the company's investment in the TopCo LP Class B Limited Partnership Interest at March 31, 2025:

Valuation Technique	Model Inputs	Inputs at March 31, 2025	Inputs at December 31, 2024	Description
Discounted cash flow	Discount rate	17.4%	17.1%	Included certain risk premiums commensurate with the risks inherent in the probability-weighted expected future cash flows.
	Growth in management fee revenue	17.0%	20.2%	Represented the compound annual growth rate in management fee revenue over eight years from \$31.3 million to \$86.9 million (December 31, 2024 - \$20.7 million to \$89.0 million), before taking into account probability weightings.
	Long term pre-tax profit margin	33.1%	33.8%	Estimated by Helios' management based on probability-weighted management fee income and expected operating leverage, resulting in expected long term pre-tax profit margins that were comparable to publicly listed global private equity asset managers.
	Long term growth rate	4.5%	4.5%	Based on the expected long term sustainable growth rate of the economic environments and sectors in which the investment operates.

At March 31, 2025, the company's internal valuation model indicated that the fair value of its TopCo LP Class B Limited Partnership Interest was \$70,949 (December 31, 2024 - \$75,835).

The decrease in fair value of TopCo LP Class B Limited Partnership Interest from the December 31, 2024 fair value of \$75,835 was driven primarily by a reduction in the forecasted management fee revenue from a venture capital strategy focused on early-stage technology businesses in Africa. This reduction reflects fundraising challenges due to delays in securing commitments from key investors. The decrease was also partially driven by an increase in the discount rate to reflect increased uncertainty in certain forecast assumptions. These factors were partially offset by an increase in forecasted management fee revenue from a strategy focused on the sports and entertainment sector in Africa, which made significant fundraising progress during the quarter and is expected to close investor commitments imminently, resulting in a higher associated probability weighting.

In 2024, the company, as the TopCo Class B Limited Partner, made the business decision to have the TopCo LP Class B Limited Partnership Interest absorb certain Helios expenses of \$5,109, exceeding the management fees received by the TopCo Limited Partnership. This decision maintains the fund-raising momentum of the new Helios Funds and Helios Strategies which are anticipated to generate capital appreciation and future distributions of Excess Management Fees and carried interest proceeds to the company.

## TopCo LP's Summarized Financial Information

Summarized below is TopCo LP's balance sheet at March 31, 2025.

### Balance Sheet

(unaudited - US\$ thousands)

	<b>March 31, 2025</b>
<b>Assets</b>	
Cash and cash equivalents	123
Equity interest in limited partnerships	22,241
Future net fee related earnings	70,949
Accounts receivable	21
Due from affiliates	3,005
<b>Total Assets</b>	<b>96,339</b>
<b>Liabilities</b>	
Due to affiliates	4,157
Accrued expenses	126
Deferred income	3,975
Amounts due to Class A interest holder	22,241
Amounts due to Class B interest holder	70,949
<b>Total Liabilities</b>	<b>101,448</b>
<b>Net Deficit Attributable to Partners</b>	<b>(5,109)</b>

Summarized below is selected information from TopCo LP for the three months ended March 31, 2025.

### Excess Management Fees

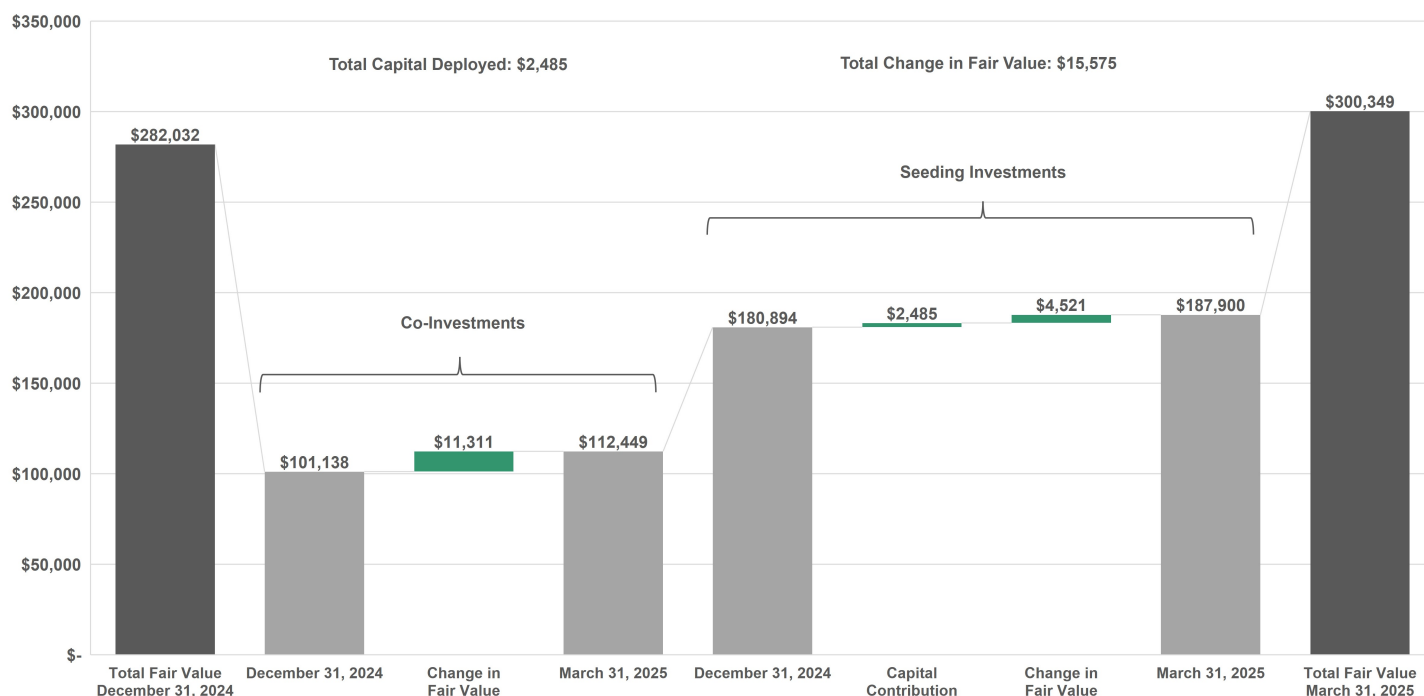
(unaudited - US\$ thousands)

	<b>Three months ended March 31, 2025</b>
Gross management fees	5,061
Gross expenses	5,061
Excess Management Fees to HFP	—

### Helios Managed Investments

As at March 31, 2025, the company has deployed \$219,313 into Helios Managed Investments representing \$67,172 in direct or co-investments and \$152,141 to accelerate the development of new strategies. Since the company's initial investments, the fair value has increased by \$81,036 (36.9%) to \$300,349 as a result of the strong performance of the underlying investee companies.

In the first quarter of 2025 the company deployed capital of \$2,485 in Helios Managed Investments. The company recognized an increase in the total fair value of these investments of \$15,832. The activities during the first quarter of 2025 are outlined in the table below.



## Co-Investments

### Helios Fund IV

Helios Investors IV, L.P. (“Helios Fund IV”) is a limited partnership based in the Cayman Islands, structured to receive and deploy capital from limited partners with the objective of earning returns from investments directly or indirectly in Africa. Helios Fund IV is controlled by its general partner, Helios Investors Genpar IV, Ltd. (“Helios Fund IV GP”).

In 2021, the company committed to invest \$50,000 in Helios Fund IV. As agreed with the Helios Fund IV GP, the company was admitted to Helios Fund IV as a “Listed Fund” under the terms of Helios Fund IV’s limited partnership agreement, as amended and restated (the “Helios Fund IV LPA”), meaning that the company will not incur any management fees nor any carried interest payable to Helios Fund IV GP with respect to its investment in Helios Fund IV, which would otherwise be incurred in accordance with the Helios Fund IV LPA.

As of March 31, 2025, Helios Fund IV has \$355 million in committed capital and has made investments in: (i) TTMFS Singapore, a private company that provides electronic payment processing services globally (including Africa); (ii) Africa Specialty Risks, a private reinsurance company established in 2020 operating across Africa; (iii) BIM Stores Morocco, a private company operating in the discount grocery retail space in Morocco; (iv) Trone, a private company operating in medical devices, in vitro diagnostics and pharmaceuticals in Morocco and Francophone Africa; (v) IXAfrica, a private company developing and operating hyperscale-ready data centers in Kenya; (vi) MDC, a carrier neutral data center in Morocco; and (vii) M2P Solutions, an infrastructure API and Banking-as-a-Service (BaaS) provider headquartered in India, rapidly expanding across Africa and the wider region.

At March 31, 2025, the company had funded aggregate capital calls of \$35,511, representing 14.1% (December 31, 2024 - \$35,511 and 14.1%) of the limited partnership interest in Helios Fund IV based on committed capital.

At March 31, 2025, the company’s remaining capital commitment to Helios Fund IV was \$14,489 (December 31, 2024 - \$14,489), which may be called at any time by Helios Fund IV GP in accordance with the Helios Fund IV LPA.

At March 31, 2025, the company estimated the fair value of its investment in Helios Fund IV Limited Partnership Interest to be \$68,716 (December 31, 2024 - \$64,436).

The increase in fair value of the company’s investment in Helios Fund IV Limited Partnership Interest from the December 31, 2024 fair value of \$64,436 was largely due to the significant appreciation in the fair value of the underlying investments, particularly in the healthcare, reinsurance, and data center sectors, supported by revenue growth, improved profitability and reduced net leverage in the underlying businesses, as well as higher trading multiples and currency appreciation driven by market conditions.

Since the company's initial investment, the fair value of Helios Fund IV has increased by \$33,205 (93.5%) as a result of the strong performance of the underlying investee companies.

#### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company funded a capital call of \$5,355 for its limited partnership interest in Helios Fund IV.

#### *Trone Holdings*

Trone Investment Holdings (UK) ("Trone Holdings") is a holding company based in London, United Kingdom, created for the purpose of holding an equity interest in a Moroccan medical technology distribution group ("Trone"). Trone distributes and maintains medical imaging and diagnostic equipment, and produces and distributes contrast pharmaceuticals for imaging.

At March 31, 2025 and December 31, 2024, the company had invested \$15,528 for a 22.0% equity interest in Trone Holdings. Helios Fund IV holds the remaining 78.0% equity interest in Trone Holdings. Trone Holdings, together with the founding partner and management of Trone, holds the entire equity interest in SPV Rayon Holdings ("SPV Rayon"), a Moroccan holding company which owns 100.0% of Trone's operating businesses.

At March 31, 2025, the company estimated the fair value of its 22.0% equity interest in Trone Holdings to be \$27,600 (December 31, 2024 - \$20,569).

The increase in fair value of the company's investment in Trone Holdings from the December 31, 2024 fair value of \$20,569 was driven primarily by a combination of enhanced company performance, marked by stronger profitability and reduced net leverage, and favorable market conditions, including higher trading multiples and currency appreciation.

Since the company's initial investment, the fair value of Trone Holdings has increased by \$12,072 (77.7%).

#### *Taj Holdings*

Taj Joint Holdings LP ("Taj Holdings") is a limited partnership based in Guernsey, established for the purpose of investing in Taj Investment Holdings Ltd. ("Taj Investment"), a Guernsey-based holding company with an equity interest in M2P Solutions Private Ltd. ("M2P Solutions"). M2P Solutions is an infrastructure API and Banking-as-a-Service (BaaS) provider headquartered in India and rapidly expanding across Africa and the wider region.

In 2024, the company committed and fully funded \$16,133 for a 100.0% limited partnership interest in Taj Holdings. Taj Holdings, in turn, invested the full amount in Taj Investment for a 24.0% equity interest. Helios Fund IV holds the remaining 76.0% equity interest in Taj Investment. HFP's investment in Taj Holdings is not subject to management fees and carried interest.

At March 31, 2025, the company remains the sole limited partner of Taj Holdings. At March 31, 2025, the company estimated the fair value of its investment in Taj Holdings to be \$16,133.

#### *Seeding Investments*

The investment in NBA Africa is a seeding investment for Helios' sports and entertainment strategy.

#### *NBA Africa*

NBA Africa, LLC ("NBA Africa"), is an entity formed by the National Basketball Association ("NBA") to conduct the league's business in Africa including the Basketball Africa League, a partnership between the NBA and the International Basketball Federation. HFP's investment in NBA Africa is the company's first investment into the sports and entertainment sector, a strategy that was launched in 2021.

In 2021, the company invested \$30,000 in exchange for an equity interest in NBA Africa.

In 2024, the company legally transferred its 100% interest in U.S. Holdco, which is the beneficial and registered owner of the equity interest in NBA Africa, to HSEG at the fair value of \$39,163, in exchange for 39,163,251 ordinary shares in HSEG. Subsequently, HSEG legally transferred the interest in U.S. Holdco, including the equity interest in NBA Africa, to HSEH in exchange for 39,163,251 ordinary shares in HSEH. The transfer of U.S. Holdco, and the equity interest in NBA Africa, did not meet the derecognition criteria, as the company retains control over the asset through its equity interest in HSEG and HSEH, and thus, NBA Africa continues to be reflected on the company's consolidated balance sheet.

At March 31, 2025, the company estimated the fair value of its investment in NBA Africa to be \$39,726 (December 31, 2024 - \$39,726).

#### *Helios Sports and Entertainment Group*

Helios Sports and Entertainment Group Ltd. ("HSEG") is a wholly owned subsidiary incorporated in Guernsey that invests in brands, companies and assets in the African sports and entertainment ecosystem.

In 2023, the company established HSEG by investing \$11,000 in cash and transferring a \$21,050 Event Horizon Loan in exchange for ordinary shares. Through HSEG and its subsidiary, the company subscribed to a 25% equity interest in Zaria Group Limited ("Zaria") for nominal value and committed up to \$12,000 in funding, with \$4,000 advanced as a loan during 2023. HSEG also subscribed to preference shares in The Malachite Group ("TMG"), which holds the "Afro Nation" business. The preference shares accrue dividends at a fixed rate of 12%, compounding semi-annually.

In 2024, the company subscribed for an additional \$12,950 of ordinary shares in HSEG and transferred its 100% interest in U.S. Holdco, the beneficial owner of the equity interest in NBA Africa, to HSEG for \$39,163, in exchange for ordinary shares. The company also provided a \$12,000 loan facility to HSEG, which funded HSEG's \$15,000 investment in PFL Africa (PTY) Limited ("PFL Africa"), a regional league of the Professional Fighters League.

At March 31, 2025, the company had invested \$57,000, comprising a \$12,000 loan to HSEG and equity contributions of \$45,000 for a 100% ownership in HSEG. Through HSEG's subsidiary, the company indirectly holds an equity interest and an option in TMG, a junior loan and an equity interest in Zaria, and an equity interest in PFL Africa.

At March 31, 2025, the fair value of the company's equity investment in HSEG was estimated to be \$56,300 (December 31, 2024 - \$56,300) and the fair value of the HSEG Loan Facility was estimated at \$12,780 (December 31, 2024 - \$12,474). In addition, the fair value of the legally transferred equity interest in NBA Africa, had a fair value of \$39,726 (December 31, 2024 - \$39,726) (see discussion under the header "NBA Africa").

#### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company entered into a subscription agreement with two institutional investors for \$50,000 of HSEG's \$75,000 third-party Series B fundraising round. Their funding is conditional on HFP securing an additional \$25,000 and satisfying other customary closing conditions.

Subsequent to March 31, 2025, the company entered into an amended and restated loan agreement to increase the existing HSEG Loan Facility from \$12,000 to \$13,500. The proceeds of \$1,500 were advanced by HSEG to HSEH and subsequently drawn down by Zaria in accordance with its loan note facility. The repayment of the HSEG Loan Facility and capitalized or accrued interest in full on its maturity date is dependent on the closing of the third-party Series B fundraising round.

#### *Digital Ventures Facilities*

Helios Digital Ventures LP ("HDV"), a limited partnership domiciled in Guernsey, is a venture capital fund with a focus on investing in early-stage technology businesses in thematic areas such as financial services, food security, healthcare, human capital and sustainability.



On May 30, 2022, the company entered into a loan facility agreement for \$40,000 with HDV (the “Digital Ventures \$40M Facility”). The Digital Ventures \$40M Facility is available to fund approved investments consistent with the strategy of HDV. Concurrently, the company entered into a loan facility for \$1,000 with Obashe Trust (“Obashe”), a company domiciled in the United States (the “Digital Ventures \$1M Facility”). Obashe is the sole limited partner of HDV. The Digital Ventures \$1M Facility is available to fund Obashe’s limited partnership commitment to HDV pro rata with the investments made with funds drawn on the Digital Ventures \$40M Facility. The facilities provide the company with the opportunity to include early-stage growth investments in its Portfolio Investments.

In the first quarter of 2025, the company funded drawdowns of \$2,424 and \$61 on the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility, respectively. As at March 31, 2025, drawdowns of \$34,440 were funded for the Digital Ventures \$40M Facility and drawdowns of \$701 were funded for the Digital Ventures \$1M Facility.

The funds were used by HDV to invest in Paymob, a leading merchant acquirer in Egypt; Nomba, a provider of accessible and affordable fintech services; Conduit, which enables businesses in emerging markets to access financial products built on blockchain technology; Moment, which offers integrated payments and other financial services to businesses and consumers; Galatea Bio, a biotechnology company specializing in genomics and drug discovery with the mission to enable precision health at scale for all; and SeamlessHR, a cloud-based HR and payroll software platform digitizing employee lifecycle management in Africa.

The Digital Ventures \$40M Facility bore interest at a rate of 8% per annum, accrued and capitalized quarterly, was unsecured and matured on May 30, 2023. Effective June 1, 2023, the Digital Ventures \$40M Facility was amended to extend the maturity date to June 1, 2024. Effective May 31, 2024, the Digital Ventures \$40M Facility was further amended to extend the maturity date to May 31, 2025. All other terms of the facility remain unchanged. Upon maturity of the Digital Ventures \$40M Facility, the company expects to become a limited partner of HDV.

The Digital Ventures \$1M Facility bears interest at a rate of 6% per annum, accrued and capitalized quarterly, is unsecured and matures on June 7, 2037.

At March 31, 2025, the company estimated the fair values of the amounts drawn on the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility to be \$38,848 and \$775 (December 31, 2024 - \$35,459 and \$704).

In the first quarter of 2025, the company recorded interest income of \$748 (2024 - \$444) within the consolidated statements of earnings (loss) and comprehensive earnings (loss) related to the Digital Ventures \$40M Facility.

In the first quarter of 2025, the company recorded interest income of \$10 (2024 - \$8) within the consolidated statements of earnings (loss) and comprehensive earnings (loss) related to the Digital Ventures \$1M Facility.

#### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company funded drawdowns of \$675 on the Digital Ventures \$40M Facility.

#### *Helios Seven Rivers Fund*

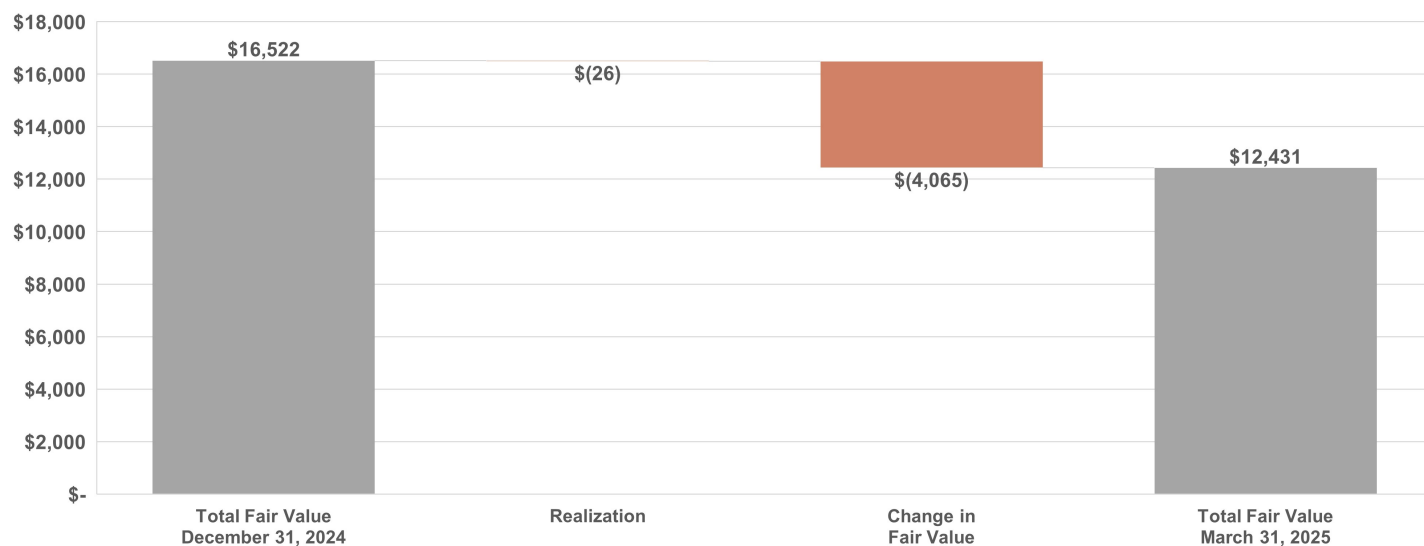
Helios Seven Rivers Fund Ltd. (“Seven Rivers”) was incorporated in the Cayman Islands to focus on investing in publicly traded African equity and credit securities, utilizing a macro hedging overlay to manage systemic risk. Seven Rivers’ objective is to invest in securities that exhibit highly profitable unit economics and long growth runways to achieve strong absolute returns over a long horizon, while minimizing drawdowns and NAV volatility.

In 2023, the company seeded this new strategy by contributing its investment in Other Common Shares of \$15,841 and cash of \$14,159, for a total investment of \$30,000, in exchange for a 93.7% equity interest in Seven Rivers. As of March 31, 2025, the company has an equity interest of 90.9% in Seven Rivers.

At March 31, 2025, the fair value of the company’s investment in Seven Rivers was \$39,471. Since the company’s initial investment, the fair value of Seven Rivers has increased by \$9,471 (31.6%) due to the strong performance of the underlying portfolio.

## Legacy Non-core Investments

In the first quarter of 2025, the company exited its investment in indirect equity interest in AGH realizing \$26 in cash. The activities during the first three months of 2025 are outlined in the table below.



### Indirect equity interest in Nova Pioneer

Nova Pioneer Education Group ("Nova Pioneer") is a Pan-African independent school network offering preschool through secondary education. Nova Pioneer is wholly-owned by Ascendant Learning Limited ("Ascendant"), its Mauritius-based parent entity.

At March 31, 2025 and December 31, 2024, the company had invested an aggregate of \$38,811 for a 56.3% equity interest in Ascendant ("Indirect equity interest in Nova Pioneer").

At March 31, 2025, the company estimated the fair value of its indirect equity interest in Nova Pioneer to be \$12,431 (December 31, 2024 – \$16,496).

The decrease in fair value from the December 31, 2024 fair value of \$16,496 was primarily driven by updated financial performance expectations and market conditions, which were reflected in the inputs used for the valuation.

### Indirect equity interest in AGH

The company previously held an indirect equity interest in AFGRI Group Holdings Proprietary Limited ("AGH") through its investment in Joseph Investment Holdings ("Joseph Holdings"). On July 28, 2023, the company entered into a Sale and Purchase Agreement (as amended by a First Addendum in 2024) to dispose of its investment in Joseph Holdings.

In 2023, the company completed the sale of a portion of its investment (the "Tranche 1 Sale") for proceeds of \$14,000. In 2024, the company completed the sale of an additional portion (the "Tranche 2 Sale") for proceeds of \$2,374.

In the first quarter of 2025, the company completed the sale of its remaining investment (the "Tranche 3 Sale") for proceeds of \$26. As a result, the company fully derecognized its indirect equity interest in AGH.

The Sale and Purchase Agreement includes an Anti-Embarrassment Clause, which provides for potential additional consideration in the event of specified disposals occurring within 24 months from August 29, 2023; a Claw Back Clause, providing for a potential liability of up to \$8,200 in the event of material agreement terminations occurring within 24 months from August 29, 2023; and an Indemnity Clause, allowing the acquirer to claim amounts of up to \$16,400 related to certain ongoing claims within 24 months from July 28, 2023. As at March 31, 2025, management has assessed the probability of receipt or payment under these clauses as remote. Accordingly, the fair value of the related contingent assets and liabilities is considered nominal.

## Results of Operations

HFP's consolidated statements of earnings (loss) and comprehensive earnings (loss) for the three months ended March 31, 2025 are shown in the following table:

	First quarter	
	2025	2024
<b>Income</b>		
Interest	1,315	1,752
Net gains (losses) on investments	7,266	(661)
Net foreign exchange losses	(132)	(342)
	<b>8,449</b>	<b>749</b>
<b>Expenses</b>		
Investment and advisory fees	1,069	1,152
Transaction costs	10	1,178
General and administration expenses	2,616	1,771
Other expenses	2,314	—
Interest expense	459	443
	<b>6,468</b>	<b>4,544</b>
<b>Earnings (loss) before income taxes</b>	<b>1,981</b>	<b>(3,795)</b>
Provision for income taxes	1,117	886
<b>Net earnings (loss) and comprehensive earnings (loss)</b>	<b>864</b>	<b>(4,681)</b>
<b>Net earnings (loss) per share</b>	<b>\$ 0.01</b>	<b>\$ (0.04)</b>

Total income of \$8,449 in the first quarter of 2025 increased compared to total income of \$749 in the first quarter of 2024, primarily due to net gains on investments compared to net losses on investments.

Net gains (losses) on investments for the first quarter of 2025 and 2024 were comprised as follows:

	First quarter					
	2025			2024		
	Net realized losses	Net change in unrealized gains (losses)	Net gains (losses)	Net realized gains (losses)	Net change in unrealized gains (losses)	Net gains (losses)
<b>Net gains (losses) on investments:</b>						
Limited partnership investments	—	1,075	1,075	—	(3,367)	(3,367)
Common shares	(15,883)	22,089	6,206	—	2,345	2,345
Loans	—	(15)	(15)	—	361	361
	<b>(15,883)</b>	<b>23,149</b>	<b>7,266</b>	<b>—</b>	<b>(661)</b>	<b>(661)</b>

Net realized losses on investments of \$15,883 in the first quarter of 2025 were comprised of a realized loss on the disposal of Indirect equity interest in AGH. There were no net realized gains or losses in the first quarter of 2024.

Net change in unrealized gains on investments of \$23,149 in the first quarter of 2025 was principally comprised of unrealized gains on Trone (\$7,031), Helios Fund IV (\$4,280), Seven Rivers (\$3,240), and TopCo LP Class A Limited Partnership Interest (\$1,681) and the reversal of previously recognized unrealized losses on Indirect equity interest in AGH (\$15,883), partially offset by unrealized losses on TopCo LP Class B Limited Partnership Interest (\$4,886) and Indirect equity interest in Nova Pioneer (\$4,065).

Net change in unrealized losses on investments of \$661 in the first quarter of 2024 was principally comprised of unrealized losses on TopCo LP Class A Limited Partnership Interest (\$4,154) and TopCo LP Class B Limited Partnership Interest (\$4,634), partially offset by unrealized gains on Helios Fund IV (\$5,421), Trone (\$1,616), and HSEG (\$1,093).

Net foreign exchange gains (losses) for the first quarter of 2025 and 2024 were comprised as follows:

	First quarter	
	2025	2024
	Net losses	Net gains (losses)
<b>Net foreign exchange gains (losses) on:</b>		
Cash and cash equivalents	(98)	(175)
Common shares	—	(113)
Loans	—	(127)
Other	(34)	73
	<b>(132)</b>	<b>(342)</b>

Net foreign exchange losses of \$132 in the first quarter of 2025 were principally a result of the fluctuation of the South African rand and Canadian dollar relative to the U.S. dollar during the period.

Net foreign exchange losses of \$342 in the first quarter of 2024 were principally a result of the weakening of the South African rand relative to the U.S. dollar during the period.

Total expenses of \$6,468 in the first quarter of 2025 increased from total expenses of \$4,544 in the first quarter of 2024, principally as a result of payment of the initial startup costs of Seven Rivers.

The investment and advisory fees are calculated and payable quarterly as 0.5% of the value of undeployed capital and 1.5% of the company's common shareholders' equity less the value of undeployed capital and the fair value of TopCo LP. In the first quarter of 2025, investment and advisory fees recorded within the consolidated statements of earnings (loss) and comprehensive earnings (loss) were \$1,069 (2024 - \$1,152).

At March 31, 2025, no performance fee was accrued to TopCo LP (December 31, 2024 - \$nil), as the Adjusted Book Value per Share of \$2.99 (December 31, 2024 - \$2.95) was less than the hurdle per share at that date of \$3.60. No performance fee (2024 - \$nil) was recorded within the consolidated statements of earnings (loss) and comprehensive earnings (loss) for the first quarter of 2025.

General and administrative expenses of \$2,616 in the first quarter of 2025, increased from \$1,771 in the first quarter of 2024, principally as a result of increased consulting fees incurred in the first quarter of 2025.

Transaction costs of \$10 in the first quarter of 2025 and \$1,178 in the first quarter of 2024 include expenses attributable to investment activities and include legal and other professional services related to the investment process.

During the first quarter of 2025, the company recorded \$442 of standby fees related to the revolving credit facility and \$17 related to the lease liability for a total of \$459 within interest expense. In the first quarter of 2024, interest expense of \$443 comprised \$422 of standby fees related to the revolving credit facility and \$21 related to the lease liability.

The provision for income taxes of \$1,117 in the first quarter of 2025 differed from the provision of income taxes that would be determined by applying the company's Canadian statutory income tax rate of 26.5% to the company's earnings before income taxes primarily as a result of the tax rate differential on income and losses outside of Canada, the change in unrecorded tax benefit of losses and temporary differences, and other permanent differences, partially offset by the non-taxable portion of unrealized gains and losses on investments and realized gains and foreign exchange effects.

The provision for income taxes of \$886 in the first quarter of 2024 differed from the recovery of income taxes that would be determined by applying the company's Canadian statutory income tax rate of 26.5% to the company's losses before income taxes primarily as a result of the tax rate differential on income outside of Canada, non-taxable losses on investments, and realized gains and foreign exchange effects, partially offset by change in unrecorded tax benefit of losses and temporary differences.

The company reported net earnings of \$864 (net earnings of \$0.01 per basic and diluted share) in the first quarter of 2025 compared to a net loss of \$4,681 (a net loss of \$0.04 per basic share and diluted share) in the first quarter of 2024. The change from net loss to net earnings primarily reflected net gains on investments compared to net losses on investments, partially offset by increased general and administrative fees, increased provision for income taxes, and the company's business decision to pay the initial startup costs of Seven Rivers.

### Consolidated Balance Sheet Summary

The assets and liabilities reflected on the company's consolidated balance sheet at March 31, 2025 were primarily impacted by changes in the Portfolio Investments, including the funding of the Digital Ventures \$40M Facility.

	March 31, 2025	December 31, 2024
<b>Assets</b>		
Cash and cash equivalents	31,305	38,320
Portfolio Investments	405,970	394,949
Total cash and investments	437,275	433,269
Interest receivable	494	762
Income taxes refundable	—	437
Other receivables from related parties	211	126
Other assets	1,568	1,347
Property and equipment	1,139	1,176
Total assets	440,687	437,117
<b>Liabilities</b>		
Accounts payable and accrued liabilities	5,909	6,594
Payable to related parties	3,159	846
Income taxes payable	35	—
Lease liability	461	471
Deferred income taxes	14,203	13,265
Total liabilities	23,767	21,176
<b>Equity</b>		
Common shareholders' equity	416,920	415,941
	440,687	437,117

### Total Assets

Total assets at March 31, 2025 of \$440,687 increased compared to total assets of \$437,117 at December 31, 2024. The increase was principally comprised of the following:

*Total cash and investments* increased to \$437,275 at March 31, 2025 from \$433,269 at December 31, 2024.

*Cash and cash equivalents* decreased to \$31,305 at March 31, 2025 from \$38,320 at December 31, 2024, primarily as a result of the funding of the Digital Ventures \$40M Facility and operating expenses.

*Portfolio Investments* – The company is actively seeking investment opportunities in Africa and will continue to redirect capital from its cash and cash equivalents into Portfolio Investments as and when those opportunities are identified. For more information about recent Portfolio Investments, see the Portfolio Investments section of this MD&A.

## **Total Liabilities**

Total liabilities at March 31, 2025 of \$23,767 increased compared to \$21,176 at December 31, 2024. The increase was principally comprised of the following:

*Deferred income taxes* increased to \$14,203 at March 31, 2025 from \$13,265 at December 31, 2024, primarily due to increases in the fair value of the company's investments meeting the deferred tax recognition criteria, specifically investments in Trone and Helios Fund IV, compared to the increase in tax basis, resulting in higher taxes expected on future settlement.

*Accounts payable and accrued liabilities* of \$5,909 at March 31, 2025 decreased compared to \$6,594 at December 31, 2024, primarily due to decreased accruals relating to operating expenses due to the timing of receipt of related invoices.

*Payable to related parties* of \$3,159 at March 31, 2025 increased compared to \$846 at December 31, 2024, primarily due to the accrual of \$2,314 payable to HIP Guernsey Ltd. for initial startup costs of Seven Rivers.

*Income tax payable* of \$35 at March 31, 2025 changed from an income tax receivable of \$437 at December 31, 2024, primarily due to receipt of funds related to prior years and higher estimated taxes payable in the current year.

## **Financial Risk Management**

The primary goals of the company's financial risk management program are to ensure that the outcomes of activities involving elements of risk are consistent with the company's objectives and risk tolerance, while maintaining an appropriate balance between risk and reward and protecting the company's consolidated balance sheets from events that have the potential to materially impair its financial strength. There were no significant changes in the types of the company's risk exposures, or the processes used by the company for managing those risk exposures at March 31, 2025 compared to those identified at December 31, 2024 and disclosed in the company's 2024 Annual Report.

## **Capital Resources and Management**

For a detailed analysis, refer to note 12 (Financial Risk Management, under the heading Capital Management) to the interim consolidated financial statements for the three months ended March 31, 2025.

## **Book Value per Share**

Common shareholders' equity at March 31, 2025 was \$416,920 (December 31, 2024 - \$415,941). The company's book value per share at March 31, 2025 was \$3.85 compared to \$3.84 at December 31, 2024, representing a increase in 2025 of 0.3%, primarily due to net earnings of \$0.01 at March 31, 2025.

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Common shareholders' equity	<b>416,920</b>	415,941
Number of common shares outstanding	<b>108,179,127</b>	108,179,127
Book value per share	<b>\$3.85</b>	\$3.84

## **Liquidity**

There are uncertainties related to the timing and amount of fundraising for the new Helios Strategies, and related to cash flows from exiting investments, which may impact liquidity. The development stage of certain Helios Strategies and the illiquid nature of the company's investments do not currently generate sufficient operating cash flows to fund short term obligations. This may require the Company to obtain liquidity by drawing on the RMB Facility of which \$70,000 is available to be drawn based on current financial covenants. Per the RMB Facility Agreement, funds borrowed under the RMB Facility shall be used towards making investments and paying investment-related fees and expenses.

Cash and cash equivalents, readily realizable investments, and the RMB Facility (refer to note 7) at March 31, 2025 provide liquidity to meet the company's known significant commitments over the next twelve months. Readily realizable investments include the company's Level 2 investment (refer to note 6). The company has the ability to sell all or a portion of its Level 2 investment to supplement its liquidity requirements.

At March 31, 2025 and December 31, 2024, the company determined that a performance fee of \$nil should be accrued to TopCo LP. Refer to the Contractual Obligations section of this MD&A for details on the settlement of the performance fees, if any, at the end of the second calculation period, December 31, 2026.

The company may be subject to clawback obligations with respect to its TopCo LP Class A Limited Partnership Interest to the extent it has received carried interest proceeds, and a clawback is required. The risk is partially mitigated by escrow accounts established by each Helios Fund in accordance with their respective governing documents. At March 31, 2025 and December 31, 2024, the company was not subject to any clawback obligations with respect to its TopCo LP Class A Limited Partnership Interest.

The company may be subject to clawback and indemnity obligations with respect to the sale of Indirect equity interest in AGH, should certain clauses in the Sale and Purchase Agreement be triggered. On December 4, 2023, through Mauritius Sub, the company and Fairfax entered into an Indemnity Agreement, pursuant to which Fairfax agreed to pay up to \$8,200 for the Claw Back Clause and indemnify the company for Indemnified Losses incurred as per the Sale and Purchase Agreement dated July 28, 2023. The company has not attributed any value to these assets, as management has assessed the probability of receiving payment due to these clauses being triggered as remote. At March 31, 2025, the company was not subject to any clawback or indemnity obligations with respect to its indirect equity interest in AGH.

The company may be subject to capital call obligations with respect to its TopCo LP Class A and Class B Limited Partnership Interests to cover its pro rata share of expenses incurred by TopCo LP and TopCo LP's share of commitments to the general partners of the Helios Funds, the risk of which is partially mitigated by the six-month holding period of Excess Management Fees Proceeds by TopCo LP. The company has also made a business decision to allow TopCo LP Class B Limited Partnership Interest to absorb initial startup costs for the new Helios Strategies in excess of management fees for the year ending December 31, 2025, as needed.

Highlights in the first three months of 2025 (with comparisons to the first three months of 2024) of the major components of the statements of cash flows are presented in the following table:

	<b>First three months</b>	
	<b>2025</b>	<b>2024</b>
<b>Operating activities</b>		
Cash used in operating activities, excluding net purchases of investments, and receipt of Excess Management Fees	<b>(4,414)</b>	(441)
Net purchases of investments	<b>(2,459)</b>	(6,422)
Receipt of Excess Management Fees	—	991
<b>Investing activities</b>		
Property and equipment	—	(323)
<b>Financing activities</b>		
Purchases of subordinate voting shares for cancellation	—	(200)
Principal elements of lease payments	<b>(10)</b>	(9)
<b>Decrease in cash and cash equivalents during the period</b>	<b>(6,883)</b>	(6,404)

Cash used in operating activities, excluding net purchases of investments and receipt of Excess Management Fees of \$4,414 in the first three months of 2025 increased from cash used in operating activities, excluding net purchases of investments and receipt of Excess Management Fees of \$441 in the first three months of 2024 primarily due to the payment of operating and other expenses.

Net purchases of investments of \$2,459 in the first three months of 2025 comprised purchases of investments related to funding of the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility. Net purchases of investments of \$6,422 in the first three months of 2024 related to the funding of various loan facilities.

Receipt of Excess Management Fees of \$991 in the first three months of 2024 relates to the receipt of Excess Management Fees from TopCo LP Class B Limited Partnership Interest. There was no receipt of Excess Management Fees in the first three months of 2025.

Property and equipment of \$323 in the first three months of 2024 represents leasehold improvements related to the company's new office space, purchase of machinery and equipment and furniture and fixtures related items. No property and equipment additions were made in the first three months of 2025.

Purchases of subordinate voting shares of \$200 in the first three months of 2024 related to the cash paid for the company's purchases for cancellation of 75,710 subordinate voting shares under the terms of the normal course issuer bid that were settled in the period. The company's normal course issuer bid expired on June 22, 2024.

Principal elements of lease payments of \$10 in the first three months of 2025 (2024 - \$9) related to the principal element of the cash payment of the lease liability related to the company's office space.

### Contractual Obligations

The following tables present the company's commitments, and contractual obligations by their contractual maturity date at March 31, 2025 and December 31, 2024:

	March 31, 2025				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Digital Ventures \$40M Facility	5,560	5,560	—	—	—
Digital Ventures \$1M Facility	299	299	—	—	—
Helios Fund IV Commitment	14,489	14,489	—	—	—
Zaria Loan Commitment	5,250	5,250	—	—	—
HSEH Guarantee <sup>(1)</sup>	5,000	5,000	—	—	—
TopCo LP Management Team Commitment	2,173	2,173	—	—	—
Due to related parties	3,159	3,159	—	—	—
Accounts payable and accrued liabilities	5,909	5,909	—	—	—
Lease commitments	1,580	161	385	359	675
Income taxes payable	35	35	—	—	—
	<b>43,454</b>	<b>42,035</b>	<b>385</b>	<b>359</b>	<b>675</b>

(1) HSEH provided a guarantee of \$5,000 on behalf of TMG, securing the payment of a portion of the purchase consideration for an acquisition made by TMG (refer to note 13 (Related Party Transactions) to the interim consolidated financial statements for the three months ended March 31, 2025).

	December 31, 2024				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Digital Ventures \$40M Facility	7,984	7,984	—	—	—
Digital Ventures \$1M Facility	360	360	—	—	—
Helios Fund IV Commitment	14,489	14,489	—	—	—
Zaria Loan Commitment	5,250	5,250	—	—	—
HSEH Guarantee <sup>(1)</sup>	5,000	5,000	—	—	—
TopCo LP Management Team Commitment	2,173	2,173	—	—	—
Due to related parties	846	846	—	—	—
Accounts payable and accrued liabilities	6,594	6,594	—	—	—
Lease commitments	1,610	160	385	358	707
	<b>44,306</b>	<b>42,856</b>	<b>385</b>	<b>358</b>	<b>707</b>

(1) HSEH provided a guarantee of \$5,000 on behalf of TMG, securing the payment of a portion of the purchase consideration for an acquisition made by TMG (refer to note 13 (Related Party Transactions) to the interim consolidated financial statements for the three months ended March 31, 2024).



Under the terms of the Investment Advisory Agreement (defined in note 13 (Related Party Transactions) to the interim consolidated financial statements for the three months ended March 31, 2025), the company is contractually obligated to pay TopCo LP an investment and advisory fee and, if applicable, a performance fee. These fees will vary based on the company's common shareholders' equity and book value per share. In the first quarter of 2025, investment and advisory fees recorded within the consolidated statements of earnings (loss) and comprehensive earnings (loss) were \$1,069 (2024 - \$1,152).

At March 31, 2025 and December 31, 2024, the company determined that a performance fee of \$nil should be accrued to TopCo LP as the Adjusted Book Value per Share of \$2.99 at March 31, 2025 (December 31, 2024 - \$2.95) (before factoring in the impact of the performance fee) was less than the hurdle per share at that date of \$3.60. Refer to note 13 (Related Party Transactions) to the interim consolidated financial statements for the three months ended March 31, 2025 for discussion on the performance fee.

### Concentration Risk

The company's investments are primarily concentrated in Africa and in African businesses or businesses with customers, suppliers or business primarily conducted in, or dependent on, Africa. As a result, the company's performance is particularly sensitive to economic changes in the countries in Africa in which it invests. The market value of the company's investments, the income generated by the company and the company's performance will be particularly sensitive to changes in the economic condition, interest rates, and regulatory environment of African countries in which the company has investments. Adverse changes to the economic condition, interest rates or regulatory environment in those African countries may have a material adverse effect on the company's business, cash flows, financial condition and results of operations.

The composition of the company's Portfolio Investments by industry sector is presented in the following table:

	March 31, 2025	December 31, 2024
Asset management <sup>(2)</sup>	93,190	96,395
Food and agriculture	—	26
Financial services <sup>(1)</sup>	81,387	78,588
Education	12,431	16,496
Entertainment	96,026	96,026
Infrastructure	1,680	6,150
Retail and distribution <sup>(1)</sup>	68,490	63,587
Insurance <sup>(1)</sup>	16,080	15,078
Other	36,686	22,603
	<b>405,970</b>	<b>394,949</b>

(1) Helios Fund IV, Seven Rivers, and HSEG have been allocated to industry sectors based on underlying investment holdings.

(2) The returns of TopCo LP Class A and Class B Limited Partnership Interests are tied to the performance of Helios Holdings Group.

During the first three months of 2025, the company's exposure to concentration risk by sector through its Portfolio Investments changed as follows:

- Asset management sector decreased primarily due to unrealized losses on TopCo LP Class B Limited Partnership Interest, partially offset by unrealized gains on TopCo LP Class A Limited Partnership Interest.
- Food and agriculture sector decreased due to the disposal of Indirect equity interest in AGH.
- Financial services sector increased primarily due to additional funding of the Digital Ventures Facilities.
- Education sector decreased primarily due to unrealized loss on the Indirect equity investment in Nova Pioneer.
- Infrastructure sector decreased primarily due to a rebalancing of the investment portfolio held by Seven Rivers.
- Retail and distribution sector increased primarily due to unrealized gains on Helios Fund IV and Trone, partially offset by a rebalancing of the investment portfolio held by Seven Rivers.
- Insurance sector increased primarily due to unrealized gains on Helios Fund IV.
- Other increased due to a rebalancing of the investment portfolio held by Seven Rivers.

Helios is the sub-advisor of TopCo LP, which is portfolio advisor of the company and provides investment management services, investment advisory services and investment administration services to HFP and its subsidiaries. As of March 31, 2025, the company is exposed to concentration risk as the investments in entities managed by Helios Holdings Group entities represent a significant portion of the company's Portfolio Investments.

In accordance with the company's bylaws, the company will not make a Portfolio Investment if, after giving effect to such investment, the total invested amount of such investment would exceed 20.0% of the company's total assets at the time of the investment, provided, however, that the company is permitted to complete up to two Portfolio Investments where, after giving effect to each such investment, the total invested amount of each such investment would be equal to or no more than 25.0% of the company's total assets (the "Investment Concentration Restriction").

The company intends to make multiple different investments as part of its prudent investment strategy. Portfolio Investments may be financed through equity or debt offerings as part of the company's objective to reduce its cost of capital and provide returns to shareholders.

At March 31, 2025 and December 31, 2024, the company determined that it was in compliance with the Investment Concentration Restriction.

## **Related Party Transactions**

The company's related party transactions are disclosed in note 13 (Related Party Transactions) to the interim consolidated financial statements for the three months ended March 31, 2025.

## **Accounting and Disclosure Matters**

### **Management's Report on Internal Control over Financial Reporting**

The company's management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined under National Instrument 52-109). The company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS Accounting Standards, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The company's management assessed the effectiveness of the company's internal control over financial reporting as of March 31, 2025. In making this assessment, the company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control - Integrated Framework (2013). Based on that assessment, the company's management concluded that its internal control over financial reporting was effective as of March 31, 2025.

As previously reported in its MD&A for the year ended December 31, 2023, the company's management concluded that a material weakness had been identified as the controls over the accuracy of the inputs and the reasonableness of the assumptions used in the level 3 valuation process at the Manager were not effective. Specifically, the controls implemented by the Manager and relied upon by the company did not include effective review and monitoring to (i) verify the accuracy of valuation model inputs; and (ii) assess the reasonability of valuation assumptions.

To address the previously reported material weakness related to the level 3 valuation process, a plan was developed and implemented throughout fiscal 2024 which included the following remediating controls: (i) enhancing the review process to include peer review and detailed analysis of all available information; and ii) additional training for staff involved in the process.

During the first quarter of fiscal 2025 and prior to the filing of the consolidated interim financial statements for the three-month period ending March 31, 2025, the remediation and testing of the newly designed controls was completed. In the opinion of the company's management, the remediated controls are appropriately designed and have been operating effectively for a sufficient period of time to provide reasonable assurance as to their effectiveness. The company's management has determined that our internal control over financial reporting was effective as of March 31, 2025.

Except for the changes in connection with the implementation of the remediation plan discussed above, there were no changes in the company's internal control over financial reporting during the year ended December 31, 2024 and the three-month period ending March 31, 2025 that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

## Other

### Quarterly Data (unaudited)

<i>US\$ thousands, except per share amounts</i>	<b>March 31, 2025</b>	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Income (loss)	<b>8,449</b>	(17,938)	8,357	(11,392)	749	(65,609)	3,147	5,092
Expenses	<b>6,468</b>	27,625	4,071	4,344	4,544	5,294	4,467	4,261
Provision for (recovery of) income taxes	<b>1,117</b>	(3,949)	250	795	886	9,996	494	(3,157)
Net earnings (loss)	<b>864</b>	(41,614)	4,036	(16,531)	(4,681)	(80,899)	(1,814)	3,988
Net earnings (loss) per share	<b>\$ 0.01</b>	\$ (0.38)	\$ 0.04	\$ (0.15)	\$ (0.04)	\$ (0.75)	\$ (0.02)	\$ 0.04
Net earnings (loss) per diluted share	<b>\$ 0.01</b>	\$ (0.38)	\$ 0.04	\$ (0.15)	\$ (0.04)	\$ (0.75)	\$ (0.02)	\$ 0.04

Income (loss) is primarily comprised of net gains (losses) on investments, net foreign exchange gains (losses), interest and dividends. Net earnings in the first quarter of 2025 was primarily due to net gains on investments, the timing of which are not predictable, and lower transaction fees, partially offset by higher general and administrative expenses and the payment of the initial startup costs of Seven Rivers.

Individual quarterly results have been (and may in the future be) affected by increased expenses impacted by the change in fair value of the company's Portfolio Investments which may result in higher performance fees, if applicable, and investment and advisory fees.

## Glossary of Non-GAAP and Other Financial Measures

Management analyzes and assesses the financial position of the consolidated company in various ways. Certain of the measures included in the MD&A do not have a prescribed meaning under IFRS Accounting Standards and may not be comparable to similar measures presented by other companies.

### Supplementary Financial Measures

**Book value per share** - The company considers book value per share a key performance measure in evaluating its objective of long-term capital appreciation, while preserving capital. Book value per share is a key performance measure of the company and is closely monitored. This measure is calculated by the company as common shareholders' equity divided by the number of common shares outstanding. Those amounts are presented in the consolidated balance sheets and note 8 (Common Shareholders' Equity under the heading Common Stock) respectively within the interim consolidated financial statements for the three months ended March 31, 2025.

### Non-GAAP Financial Measures

**Adjusted book value per share** - This measure adjusts common shareholders' equity in the book value per share calculation to remove the fair value of TopCo LP Class A and B Limited Partnership Interests and any undeployed cash received in respect of TopCo LP distributions at the end of the current reporting period as presented in note 5 (Portfolio Investments) within the interim consolidated financial statements for the three months ended March 31, 2025. This measure is also closely monitored as it is used to calculate the performance fee, if any, to TopCo LP for the benefit of the Manager.

**Cash used in operating activities, excluding net purchases of investments, and receipt of Excess Management Fees** - This measure provides the cash generated by (used in) the company's head office operations, primarily comprised of cash inflows (outflows) from interest and dividend income, interest expense, investment and advisory fees, current income taxes, and general and administration expenses, and excludes the impact of purchases and sales of investments, receipt of Excess Management Fees, and receipt of carried interest.

**Compound annual growth (decline) rate** - The company uses the compound annual growth (decline) rate to measure performance of certain of the above-noted metrics over a specified period of time. Compound annual growth (decline) rate is calculated using the formula:  $(\text{ending value} / \text{beginning value})^{(1 / \text{number of years})} - 1$ .

**Unrealized carried interest** – provides a measure of the amount of carried interest that would be allocatable to TopCo LP if all the Portfolio Investments in the respective Helios Funds were to be exited at their fair values at the reporting date.

## **Index to Interim Consolidated Financial Statements**

Consolidated Balance Sheets	29
Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss)	30
Consolidated Statements of Changes in Equity	31
Consolidated Statements of Cash Flows	32
Notes to Interim Consolidated Financial Statements	
1. Business Operations	33
2. Basis of Presentation	33
3. Summary of Material Accounting Policies	33
4. Critical Accounting Estimates and Judgments	34
5. Portfolio Investments	35
6. Fair Value Measurement	41
7. Borrowings	46
8. Common Shareholders' Equity	46
9. Share-Based Incentive Plans	48
10. Net Earnings (Loss) per Share	49
11. Income Taxes	50
12. Financial Risk Management	51
13. Related Party Transactions	57
14. Property and equipment	62
15. Other Assets	63
16. General and Administration Expenses	63
17. Legal Proceedings	64
18. Supplementary Cash Flow Information	64

**Consolidated Balance Sheets***as at March 31, 2025 and December 31, 2024**(unaudited - US\$ thousands)*

	<b>Notes</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>
<b>Assets</b>			
Cash and cash equivalents	6, 18	<b>31,305</b>	38,320
Portfolio Investments	5, 6, 13	<b>405,970</b>	394,949
Total cash and investments		<b>437,275</b>	433,269
Interest receivable		<b>494</b>	762
Income taxes refundable	11	<b>—</b>	437
Other receivables from related parties	13	<b>211</b>	126
Other assets	15	<b>1,568</b>	1,347
Property and equipment	14	<b>1,139</b>	1,176
Total assets		<b>440,687</b>	437,117
<b>Liabilities</b>			
Accounts payable and accrued liabilities		<b>5,909</b>	6,594
Payable to related parties	13	<b>3,159</b>	846
Income taxes payable	11	<b>35</b>	—
Lease liability	14	<b>461</b>	471
Deferred income taxes	11	<b>14,203</b>	13,265
Total liabilities		<b>23,767</b>	21,176
<b>Equity</b>			
Common shareholders' equity	8	<b>416,920</b>	415,941
		<b>440,687</b>	437,117

*See accompanying notes.*

# Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss)

for the three months ended March 31, 2025 and 2024

(unaudited - US\$ thousands except per share amounts)

		First quarter	
	Notes	2025	2024
<b>Income</b>			
Interest	6	1,315	1,752
Net gains (losses) on investments	6	7,266	(661)
Net foreign exchange losses	6	(132)	(342)
		8,449	749
<b>Expenses</b>			
Investment and advisory fees	13	1,069	1,152
Transaction costs		10	1,178
General and administration expenses	13, 16	2,616	1,771
Other expenses	13	2,314	—
Interest expense	7	459	443
		6,468	4,544
<b>Earnings (loss) before income taxes</b>		1,981	(3,795)
Provision for income taxes	11	1,117	886
<b>Net earnings (loss) and comprehensive earnings (loss)</b>		864	(4,681)
<b>Net earnings (loss) per share</b>	10	\$ 0.01	\$ (0.04)
<b>Shares outstanding (weighted average)</b>	10	108,179,127	108,128,215

See accompanying notes.

**Consolidated Statements of Changes in Equity**  
for the three months ended March 31, 2025 and 2024  
(unaudited - US\$ thousands)

	Subordinate voting shares	Multiple voting shares	Share- based payments, net	Warrants	Contributed surplus	Retained earnings (deficit)	Common share- holders' equity
<b>Balance as of January 1, 2025</b>	<b>252,101</b>	<b>260,354</b>	<b>8,381</b>	<b>5,557</b>	<b>385,609</b>	<b>(496,061)</b>	<b>415,941</b>
Net earnings for the period	—	—	—	—	—	864	864
Amortization of share-based payments (note 8)	—	—	115	—	—	—	115
<b>Balance as of March 31, 2025</b>	<b>252,101</b>	<b>260,354</b>	<b>8,496</b>	<b>5,557</b>	<b>385,609</b>	<b>(495,197)</b>	<b>416,920</b>
<b>Balance as of January 1, 2024</b>	252,535	260,354	8,342	5,557	385,609	(437,801)	474,596
Net loss for the period	—	—	—	—	—	(4,681)	(4,681)
Purchases for cancellation (note 8)	(614)	—	—	—	—	414	(200)
Amortization of share-based payments (note 8)	—	—	94	—	—	—	94
<b>Balance as of March 31, 2024</b>	<b>251,921</b>	<b>260,354</b>	<b>8,436</b>	<b>5,557</b>	<b>385,609</b>	<b>(442,068)</b>	<b>469,809</b>

See accompanying notes.



## Consolidated Statements of Cash Flows

for the three months ended March 31, 2025 and 2024

(unaudited - US\$ thousands)

	Notes	First quarter	
		2025	2024
<b>Operating activities</b>			
Net earnings (loss)		864	(4,681)
Items not affecting cash and cash equivalents:			
Capitalized interest on loans and bonds	5	(1,296)	(758)
Other expenses	13	2,314	—
Deferred income taxes	11	938	734
Share-based compensation expense	9	115	94
Depreciation of property and equipment	14	37	24
Net (gains) losses on investments	6	(7,266)	661
Net foreign exchange (gains) losses	6	132	342
Purchases of investments	5, 18	(2,485)	(6,422)
Disposals of investments	5, 18	26	—
Receipt of Excess Management Fees	5	—	991
Changes in operating assets and liabilities:			
Interest receivable		268	(221)
Accounts payable and accrued liabilities		(685)	561
Income taxes refundable		472	2,695
Other receivables from related parties		(85)	—
Payable to related parties		(1)	48
Other		(221)	60
Cash used in operating activities		(6,873)	(5,872)
<b>Investing activities</b>			
Purchase of property plant and equipment	14	—	(323)
Cash used in investing activities		—	(323)
<b>Financing activities</b>			
Subordinate voting shares - purchases for cancellation	8	—	(200)
Principal elements of lease payments	14	(10)	(9)
Cash used in financing activities		(10)	(209)
<b>Decrease in cash and cash equivalents</b>		(6,883)	(6,404)
Cash and cash equivalents - beginning of period		38,320	95,913
Foreign currency translation		(132)	(177)
<b>Cash and cash equivalents - end of period</b>	18	31,305	89,332

See accompanying notes.

## **Notes to Interim Consolidated Financial Statements**

*for the three months ended March 31, 2025 and 2024*

*(unaudited - US\$ thousands except share and per share amounts and as otherwise indicated)*

### **1. Business Operations**

Helios Fairfax Partners Corporation (“the company” or “HFP”) is an investment holding company whose 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 (“Portfolio Investments”).

Fairfax Financial Holdings Limited (“Fairfax”) and HFP Investments Holdings SARL (“Principal Holdco”) are the company’s ultimate controlling parties. Refer to note 13 for details on voting rights and equity interest in the company.

The company makes its investments either directly or through one of its wholly-owned subsidiaries, which include a South Africa-based subsidiary HFP South Africa Investments Proprietary Limited (“SA Sub”) and a Mauritius-based subsidiary HFP Investments Limited (“Mauritius Sub”).

HFA Topco, L.P. (“TopCo LP” or the “Portfolio Advisor”) is the portfolio advisor of the company and, through its sub-advisor, Helios Investment Partners LLP (“Helios” or the “Manager”), provides investment management services, investment advisory services and investment administration services to the company.

The company is federally incorporated and is domiciled in Ontario, Canada. The principal office of the company is located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 1301, Toronto, ON, M5J 2J2.

### **2. Basis of Presentation**

The company's interim consolidated financial statements for the three months ended March 31, 2025, have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) applicable to the preparation of interim financial statements, including International Accounting Standard 34 Interim Financial Reporting. Accordingly, certain information and disclosures normally included in annual consolidated financial statements prepared in accordance with IFRS Accounting Standards have been omitted or condensed. These interim consolidated financial statements should be read in conjunction with the company’s annual consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS Accounting Standards.

These interim consolidated financial statements were approved for issue by the company’s Board of Directors on May 13, 2025.

### **3. Summary of Material Accounting Policies**

The material accounting policies applied to the preparation of these interim consolidated financial statements are as set out in the company's annual consolidated financial statements for the year ended December 31, 2024, prepared in accordance with IFRS Accounting Standards, except as noted below. Those policies and methods of computation have been consistently applied to all periods presented except as described below.

#### ***New accounting pronouncements adopted in 2025***

On January 1, 2025, the company adopted *Amendments to IAS 21 - Lack of Exchangeability*, which had no impact on the company’s consolidated financial statements.

## ***New accounting pronouncements issued but not yet effective***

### ***Presentation and Disclosures in Financial Statement (IFRS 18)***

On April 9, 2024, the IASB issued a new standard - IFRS 18 *Presentation and Disclosures in Financial Statements* in response to investors' concerns about the comparability and transparency of entities' performance reporting. The new requirements introduced in IFRS 18 will help to achieve comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosures required for some management-defined performance measures will also enhance transparency. The new standard will be effective for annual reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and so comparative information needs to be prepared under IFRS 18. The company is assessing the impact of the new standard on its interim and annual consolidated financial statements.

### ***Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments***

On May 30, 2024, the IASB issued amendments to the classification and measurement requirements of financial instruments under IFRS 9 and IFRS 7. These amendments clarify the classification of financial assets, including those with environmental, social, and governance (ESG) features, and provide guidance on the derecognition of financial liabilities settled through electronic payment systems. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. The company is currently assessing the impact of these amendments on its consolidated financial statements.

### ***Annual Improvements to IFRS Accounting Standards (includes Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7)***

On July 18, 2024, the IASB issued narrow-scope amendments to various IFRS standards as part of its Annual Improvements project. These include amendments to:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted. The company is currently assessing the impact of these amendments on its consolidated financial statements.

## **4. Critical Accounting Estimates and Judgments**

### ***Determination of Investment Entity Status, Valuation of Private Portfolio Investments, and Income Taxes***

In the preparation of the company's interim consolidated financial statements, management has made a number of critical estimates and judgments in the determination of its investment entity status and that of its subsidiary, Helios Seven Rivers Fund, the valuation of Private Portfolio Investments, and the provision for income taxes in a manner consistent with those as described in the company's annual consolidated financial statements for the year ended December 31, 2024.

## 5. Portfolio Investments

### *Summary of the Company's Portfolio Investments*

A summary of the company's Portfolio Investments as at March 31, 2025 and December 31, 2024 were as follows:

	Fair Value as at March 31, 2025	Fair Value as at December 31, 2024
<b>Private Portfolio Investments</b>		
<b>Limited partnership interests</b>		
TopCo LP Class A Limited Partnership Interest	22,241	20,560
TopCo LP Class B Limited Partnership Interest	70,949	75,835
TopCo LP Limited Partnership Interest	93,190	96,395
Helios Fund IV Limited Partnership Interest	68,716	64,436
Taj Holdings Limited Partnership Interest	16,133	16,133
Other Limited Partnership Interest	84,849	80,569
<b>Total Limited Partnership Interest</b>	<b>178,039</b>	<b>176,964</b>
<b>Common shares</b>		
Trone Common Shares	27,600	20,569
NBA Africa Common Shares	39,726	39,726
HSEG Common Shares	56,300	56,300
Seven Rivers Common Shares	39,471	36,231
Indirect Equity Interest in Nova Pioneer	12,431	16,496
Indirect Equity Interest in AGH	—	26
<b>Total Common Shares</b>	<b>175,528</b>	<b>169,348</b>
<b>Loans</b>		
HSEG Loan Facility	12,780	12,474
Digital Ventures \$40M Facility	38,848	35,459
Digital Ventures \$1M Facility	775	704
<b>Total Loans</b>	<b>52,403</b>	<b>48,637</b>
<b>Total Portfolio Investments</b>	<b>405,970</b>	<b>394,949</b>

### **Private Portfolio Investments**

The company's Private Portfolio Investments are as follows:

#### **Limited Partnership Investments**

##### *TopCo LP*

At March 31, 2025 and December 31, 2024, HFP held all of the issued and outstanding Class A and Class B Limited Partnership Interests of TopCo LP, a limited partnership established under the laws of Guernsey and controlled by its general partner, HFA GP (Guernsey) Limited, an affiliate of Helios Holdings Limited ("HHL"). HFA GP (Guernsey) Limited is jointly owned by the co-CEOs of the company.

HFP is entitled to receive carried interest proceeds received by TopCo LP, through its ownership of TopCo LP Class A Limited Partnership Interest, when relevant amounts become available for distribution. The company may be subject to clawback obligations with respect to its TopCo LP Class A Limited Partnership Interest to the extent it has received carried interest proceeds and a clawback is required. At March 31, 2025 and December 31, 2024, the company was not subject to any clawback obligations with respect to its TopCo LP Class A Limited Partnership Interest.

TopCo LP also entered into contractual arrangements with certain Helios Holdings Group entities, pursuant to which the Helios Holdings Group entities entitled to receive management fees assigned on an irrevocable equitable basis their respective rights to receive all management fees to TopCo LP. TopCo LP agreed to pay all expenses incurred, to the extent of management fee revenue available, in order to receive the management fees ("Excess Management Fees"). HFP's ownership of TopCo LP Class B Limited Partnership Interest entitles HFP to receive Excess Management Fees after a six-month holding period by TopCo LP.

TopCo LP is a limited partner of HIP Equity IV, L.P. ("HIP Equity IV"). HFP is committed to contribute \$7,500 to TopCo LP in respect of Management Team Commitments for Helios Fund IV. HFP is also committed to contribute its pro rata share, being 50% of Management Team Commitments that are required to be made in respect of the Helios CLEAR Fund. In addition, HFP is committed to contribute its pro rata share, being 50% of the lesser of \$15,000 or 2% of the aggregate commitments that are required to be made in respect of any fund or investment vehicle in which HFP earns carried interest. Contributions in excess of this limit require consultation in good faith with the company and with Fairfax. This commitment is funded from capital contributed via HFP's TopCo LP Class A Limited Partnership Interest. HFP's Management Team Commitment is not subject to management fees and carried interest.

At March 31, 2025, HFP's net capital contribution to TopCo LP in respect of Management Team Commitments represents an indirect equity interest of 2% in Helios Fund IV (December 31, 2024 - 2%).

At March 31, 2025, the company had funded aggregate capital calls of \$5,327 (December 31, 2024 - \$5,327) from TopCo LP for its share of HIP Equity IV Management Team Commitment in Helios Fund IV. At March 31, 2025, the company's remaining capital commitment to TopCo LP with respect to the Helios Fund IV Management Team Commitment was \$2,173 (December 31, 2024 - \$2,173).

At March 31, 2025, the fair value of the company's investment in TopCo LP Limited Partnership Interests was \$93,190 (December 31, 2024 - \$96,395), comprised of the fair value of its TopCo LP Class A Limited Partnership Interest of \$22,241 (December 31, 2024 - \$20,560), which includes the fair value of TopCo LP's interest in the Management Team Commitment for Helios Fund IV, and the fair value of its TopCo LP Class B Limited Partnership Interest of \$70,949 (December 31, 2024 - \$75,835).

The increase in fair value of TopCo LP Class A Limited Partnership Interest from the December 31, 2024 fair value of \$20,560 was driven mainly by improved expectation of the value to be realized from the underlying investments, primarily in the reinsurance sector of Helios Fund IV.

The decrease in fair value of TopCo LP Class B Limited Partnership Interest from the December 31, 2024 fair value of \$75,835 was driven primarily by a reduction in the forecasted management fee revenue from a venture capital strategy focused on early-stage technology businesses in Africa. This reduction reflects fundraising challenges due to delays in securing commitments from key investors. The decrease was also partially driven by an increase in the discount rate to reflect increased uncertainty in certain forecast assumptions. These factors were partially offset by an increase in forecasted management fee revenue from a strategy focused on the sports and entertainment sector in Africa, which made significant fundraising progress during the quarter and is expected to close investor commitments imminently, resulting in a higher associated probability weighting.

#### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company funded a capital call of \$803 from TopCo LP for its share of HIP Equity IV Management Team Commitment in Helios Fund IV.

#### *Helios Fund IV*

In 2021, the company committed to investing \$50,000 in Helios Fund IV, a limited partnership based in the Cayman Islands, structured to receive and deploy capital from limited partners with the objective of earning returns from investments directly or indirectly in Africa. As agreed with the Helios Fund IV GP, the company was admitted to Helios Fund IV as a "Listed Fund" under the terms of Helios Fund IV's limited partnership agreement, as amended and restated (the "Helios Fund IV LPA"), meaning that the company will not incur any management fees nor any carried interest payable to Helios Fund IV GP with respect to its investment in Helios Fund IV, which would otherwise be incurred in accordance with the Helios Fund IV LPA.

At March 31, 2025, the company had funded aggregate capital calls of \$35,511, representing 14.1% (December 31, 2024 - \$35,511 and 14.1%) of the limited partnership interest in Helios Fund IV based on committed capital.

At March 31, 2025, the company's remaining capital commitment to Helios Fund IV was \$14,489 (December 31, 2024 - \$14,489), which may be called at any time by Helios Fund IV GP in accordance with the Helios Fund IV LPA.

At March 31, 2025, the company estimated the fair value of its investment in Helios Fund IV Limited Partnership Interest to be \$68,716 (December 31, 2024 - \$64,436).

The increase in fair value of the company's investment in Helios Fund IV Limited Partnership Interest from the December 31, 2024 fair value of \$64,436 was largely due to the significant appreciation in the fair value of the underlying investments, particularly in the healthcare, reinsurance, and data center sectors, supported by revenue growth, improved profitability and reduced net leverage in the underlying businesses, as well as higher trading multiples and currency appreciation driven by market conditions.

#### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company funded a capital call of \$5,355 for its limited partnership interest in Helios Fund IV.

#### *Taj Holdings*

Taj Joint Holdings LP ("Taj Holdings") is a limited partnership based in Guernsey, established for the purpose of investing in Taj Investment Holdings Ltd. ("Taj Investment"), a Guernsey-based holding company with an equity interest in M2P Solutions Private Ltd. ("M2P Solutions").

In 2024, the company committed and fully funded \$16,133 for a 100.0% limited partnership interest in Taj Holdings. Taj Holdings, in turn, invested the full amount in Taj Investment for a 24.0% equity interest. Helios Fund IV holds the remaining 76.0% equity interest in Taj Investment. HFP's investment in Taj Holdings is not subject to management fees and carried interest. At March 31, 2025, the company remains the sole limited partner of Taj Holdings.

#### **Common Shares**

##### *NBA Africa*

HFP US Investments, Inc. ("U.S. Holdco") is a wholly-owned holding company, formed for the sole purpose of investing in NBA Africa, LLC ("NBA Africa"), an entity formed by the National Basketball Association ("NBA").

In 2021, the company, through its U.S. Holdco invested \$30,000 in exchange for an equity interest in NBA Africa.

In 2024, the company legally transferred its 100% interest in U.S. Holdco, which is the beneficial and registered owner of the equity interest in NBA Africa, to HSEG at the fair value of \$39,163, in exchange for 39,163,251 ordinary shares in HSEG. Subsequently, HSEG legally transferred the interest in U.S. Holdco, including the equity interest in NBA Africa, to HSEH in exchange for 39,163,251 ordinary shares in HSEH. The transfer of U.S. Holdco, and the equity interest in NBA Africa, did not meet the derecognition criteria, as the company retains control over the asset through its equity interest in HSEG and HSEH, and thus, NBA Africa continues to be reflected on the company's consolidated balance sheet.

##### *Trone Holdings*

At March 31, 2025 and December 31, 2024, the company had invested \$15,528 for a 22.0% equity interest in Trone Investment Holdings (UK) ("Trone Holdings"), a holding company based in London, United Kingdom, created for the purpose of holding an equity interest in a Moroccan medical technology distribution group ("Trone"). Helios Fund IV holds the remaining 78.0% equity interest in Trone Holdings. Trone Holdings, together with the founding partner and management of Trone, holds the entire equity interest in SPV Rayon Holdings ("SPV Rayon"), a Moroccan holding company which owns 100.0% of Trone's operating businesses.

At March 31, 2025, the company estimated the fair value of its 22.0% equity interest in Trone Holdings to be \$27,600 (December 31, 2024 - \$20,569).

The increase in fair value of the company's investment in Trone Holdings from the December 31, 2024 fair value of \$20,569 was driven primarily by a combination of enhanced company performance, marked by stronger profitability and reduced net leverage, and favorable market conditions, including higher trading multiples and currency appreciation.

### *Helios Seven Rivers Fund*

Helios Seven Rivers Fund Ltd. ("Seven Rivers") was incorporated in the Cayman Islands to focus primarily on investing in publicly traded financial instruments, including equities and credit, listed either on local African exchanges or non-African exchanges or traded OTC. In all cases the securities are issued by entities that are domiciled in Africa or are expected to generate a significant share of the revenues or profits from African sources.

In 2023, the company seeded this new strategy by contributing its investment in Other Common Shares of \$15,841 and cash of \$14,159, for a total investment of \$30,000, in exchange for a 93.7% equity interest in Seven Rivers. As of March 31, 2025, the company has an equity interest of 90.9% in Seven Rivers.

### *Helios Sports and Entertainment Group*

Helios Sports and Entertainment Group Ltd. ("HSEG") is a wholly owned subsidiary of the company, incorporated under the laws of Guernsey. HSEG holds investments in the African sports and entertainment ecosystem through its wholly owned subsidiary, Helios Sports and Entertainment Holdings Ltd. ("HSEH"), which is also incorporated under the laws of Guernsey.

In 2023, the company capitalized HSEG with a cash investment of \$11,000 and the transfer of the Event Horizon Loan at a fair value of \$21,050, in exchange for ordinary shares. Through HSEH, HSEG acquired a 25% equity interest in Zaria Group Limited ("Zaria"), incorporated in Guernsey, and made a financial commitment of up to \$12,000. A portion of this commitment was fulfilled via a \$4,000 unsecured loan to Zaria, bearing interest at 3-month SOFR plus 5% and maturing in June 2033. In 2024, an additional \$2,750 was advanced under the loan, increasing the balance to \$6,750. The loan includes provisions for an interest adjustment and cash sweep feature based on Zaria's post-2028 cash flows. Zaria is an associate of the company.

In 2023, HSEG, through HSEH, also subscribed for preference shares in The Malachite Group ("TMG"), incorporated in the United Kingdom, representing a 57.92% undiluted equity interest. The preference shares accrue a fixed dividend of 12% per annum, compounding semi-annually, and contain a conversion feature contingent upon achieving cumulative return targets by November 2030. TMG is a subsidiary of the company.

In 2024, the company further invested \$12,950 in HSEG and transferred its 100% interest in U.S. Holdco, the beneficial and registered owner of the equity interest in NBA Africa, to HSEG at a fair value of \$39,163. U.S. Holdco was subsequently transferred by HSEG to HSEH.

In 2024, HSEG, through HSEH, made a \$15,000 investment in PFL Africa (PTY) Limited ("PFL Africa"), a new regional league of the Professional Fighters League, incorporated in the United Kingdom. Following the investment, the company indirectly holds a 21.7% undiluted equity interest in PFL Africa, which is an associate of the company.

Additionally, HSEH provided a \$5,000 guarantee on behalf of TMG in 2024 and obtained an option to subscribe for additional shares in TMG.

At March 31, 2025, the company invested \$45,000 and has a 100% equity interest in HSEG, excluding the transfer of the equity interest in NBA Africa.

### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company entered into a subscription agreement with two institutional investors for \$50,000 of HSEG's \$75,000 third-party Series B fundraising round. Their funding is conditional on HFP securing an additional \$25,000 and satisfying other customary closing conditions.

### *Indirect equity interest in Nova Pioneer*

Nova Pioneer Education Group ("Nova Pioneer") is a Pan-African independent school network offering preschool through secondary education and is wholly-owned by Ascendant Learning Limited ("Ascendant"), its Mauritius-based parent entity.

At March 31, 2025 and December 31, 2024, the company had invested an aggregate of \$38,811 for a 56.3% equity interest in Ascendant ("Indirect equity interest in Nova Pioneer").

At March 31, 2025, the company estimated the fair value of its indirect equity interest in Nova Pioneer to be \$12,431 (December 31, 2024 – \$16,496).

The decrease in fair value from the December 31, 2024 fair value of \$16,496 was primarily driven by updated financial performance expectations and market conditions, which were reflected in the inputs used for the valuation.

#### *Indirect equity interest in AGH*

The company previously held an indirect equity interest in AFGRI Group Holdings Proprietary Limited ("AGH") through its investment in Joseph Investment Holdings ("Joseph Holdings"). On July 28, 2023, the company entered into a Sale and Purchase Agreement (as amended by a First Addendum in 2024) to dispose of its investment in Joseph Holdings.

In 2023, the company completed the sale of a portion of its investment (the "Tranche 1 Sale") for proceeds of \$14,000. In 2024, the company completed the sale of an additional portion (the "Tranche 2 Sale") for proceeds of \$2,374.

In the first quarter of 2025, the company completed the sale of its remaining investment (the "Tranche 3 Sale") for proceeds of \$26. As a result, the company fully derecognized its indirect equity interest in AGH.

The Sale and Purchase Agreement includes an Anti-Embarrassment Clause, which provides for potential additional consideration in the event of specified disposals occurring within 24 months from August 29, 2023; a Claw Back Clause, providing for a potential liability of up to \$8,200 in the event of material agreement terminations occurring within 24 months from August 29, 2023; and an Indemnity Clause, allowing the acquirer to claim amounts of up to \$16,400 related to certain ongoing claims within 24 months from July 28, 2023. As at March 31, 2025, management has assessed the probability of receipt or payment under these clauses as remote. Accordingly, the fair value of the related contingent assets and liabilities is considered nominal.

### **Loans**

#### *Digital Ventures Facilities*

In 2022, the company entered into a loan facility agreement for \$40,000 with Helios Digital Ventures LP ("HDV"), a limited partnership domiciled in Guernsey (the "Digital Ventures \$40M Facility"). HDV is a venture capital fund with a focus on investing in digital infrastructure across Africa. Concurrently, the company entered into a loan facility for \$1,000 with Obashe Trust ("Obashe"), a trust domiciled in the United States (the "Digital Ventures \$1M Facility"). Obashe is the sole limited partner of HDV. Both facilities allow for multiple drawdowns.

The Digital Ventures \$40M Facility bore interest at a rate of 8% per annum, accrued and capitalized quarterly, was unsecured and matured on May 30, 2023. Effective June 1, 2023, the Digital Ventures \$40M Facility was amended to extend the maturity date to June 1, 2024. Effective May 31, 2024, the Digital Ventures \$40M Facility was further amended to extend the maturity date to May 31, 2025. All other terms of the facility remain unchanged.

The Digital Ventures \$1M Facility bears interest at a rate of 6% per annum, accrued and capitalized quarterly, is unsecured and matures on June 7, 2037.

In the first quarter of 2025, the company funded drawdowns of \$2,424 and \$61 on the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility, respectively. As of March 31, 2025, the company had funded aggregate drawdowns of \$34,440 and \$701 on the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility, respectively.

At March 31, 2025, the company's remaining capital commitments to the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility were \$5,560 and \$299, respectively (December 31, 2024 - \$7,984 and \$360), which may be called at any time in accordance with the respective loan facility agreements.

#### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company funded drawdowns of \$675 on the Digital Ventures \$40M Facility.



### *HSEG Loan Facility*

In 2024, the company entered into a loan facility agreement for \$12,000 with HSEG (the “HSEG Loan Facility”). The HSEG Loan Facility bears interest at a rate of the 6-month SOFR reference rate plus an adjustment of 0.10% and a margin of 4.275% per annum, accrued and capitalized semi-annually, is unsecured, and matures on the earlier of June 30, 2025, or the completion of a bona fide transaction for raising capital by HSEG where securities are issued and sold to a third party. The loan is to be fully repaid by the maturity date. Pursuant to the loan agreement, drawdowns of \$12,000 were funded in 2024 and the proceeds were solely used to fund HSEG’s investment in PFL Africa.

### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company entered into an amended and restated loan agreement to increase the existing HSEG Loan Facility from \$12,000 to \$13,500. The proceeds of \$1,500 were advanced by HSEG to HSEH and subsequently drawn down by Zaria in accordance with its loan note facility.

### **Investment Income**

An analysis of investment income for the three months ended March 31 is summarized in the table that follows:

	<b>First quarter</b>	
	<b>2025</b>	<b>2024</b>
<b>Interest:</b>		
Cash and cash equivalents	<b>281</b>	891
Loans	<b>1,034</b>	861
	<b>1,315</b>	1,752

### *Net gains (losses) on investments and net foreign exchange gains (losses)*

	<b>First quarter</b>	
	<b>2025</b>	<b>2024</b>
	<b>Net gains (losses)</b>	<b>Net gains (losses)</b>
<b>Net gains (losses) on investments:</b>		
Limited partnership investments	<b>1,075</b>	(3,367)
Common shares	<b>6,206</b>	2,345
Loans	<b>(15)</b>	361
	<b>7,266</b>	(661)
<b>Net gains (losses) on investments:</b>		
Net realized gains (losses) on investments	<b>(15,883)</b>	—
Reversal of previously recorded unrealized gains (losses) on investments	<b>15,883</b>	—
Change in unrealized gains (losses) on investments held at period end	<b>7,266</b>	(661)
	<b>7,266</b>	(661)

	First quarter	
	2025	2024
	Net gains (losses)	Net gains (losses)
<b>Net foreign exchange gains (losses) on:</b>		
Cash and cash equivalents	(98)	(175)
Common shares	—	(113)
Loans	—	(127)
Other	(34)	73
	<b>(132)</b>	<b>(342)</b>

## 6. Fair Value Measurement

### Fair Value Hierarchy

#### Classification

The company's use of quoted market prices (Level 1), valuation models using observable market information as inputs (Level 2) and valuation models without observable market information as inputs (Level 3) in the valuation of securities by type of issuer was as follows:

	March 31, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Cash and cash equivalents</b>	<b>31,305</b>	—	—	<b>31,305</b>	38,320	—	—	38,320
<b>Portfolio Investments:</b>								
Limited partnership investments	—	—	178,039	178,039	—	—	176,964	176,964
Common shares	—	39,471	136,057	175,528	—	36,231	133,117	169,348
Loans	—	—	52,403	52,403	—	—	48,637	48,637
<b>Total Portfolio Investments</b>	<b>—</b>	<b>39,471</b>	<b>366,499</b>	<b>405,970</b>	<b>—</b>	<b>36,231</b>	<b>358,718</b>	<b>394,949</b>
<b>Total cash and investments</b>	<b>31,305</b>	<b>39,471</b>	<b>366,499</b>	<b>437,275</b>	<b>38,320</b>	<b>36,231</b>	<b>358,718</b>	<b>433,269</b>
	<b>7.2%</b>	<b>9.0%</b>	<b>83.8%</b>	<b>100.0%</b>	<b>8.8%</b>	<b>8.4%</b>	<b>82.8%</b>	<b>100.0%</b>

### Fair Value Measurements

#### Process for Level 3 Fair Value Determination

The fair values of HFP's Private Portfolio Investments cannot be derived from an active market and accordingly, are determined using industry accepted valuation techniques and models determined quarterly. Market observable inputs are used where possible, with unobservable inputs used where necessary.

Estimates and judgments for Private Portfolio Investments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company utilizes valuation personnel from Helios to assist with the valuation of its investment portfolio. Detailed valuations are performed for those financial instruments that are priced internally, while external pricing received from independent pricing service providers are evaluated by the company for reasonableness. The company's Chief Financial Officer oversees the valuation function and regularly reviews valuation processes and results, including at each quarterly reporting period. Significant valuation matters, particularly those requiring extensive judgment, are communicated to the company's Valuation Committee. The Valuation Committee consists of members who are knowledgeable and experienced in the fair value techniques for the Portfolio Investments held by the company. The Valuation Committee provides administration and oversight of the company's valuation policies and procedures and is responsible for reviewing and approving the valuation results every quarter.

Transfers between fair value hierarchy levels are considered effective from the beginning of the reporting period in which the transfer is identified. During the first three months of 2025, there were no transfers of financial instruments between Level 1 and Level 2 and there were no transfers of financial instruments into or out of Level 3 as a result of changes in the observability of valuation inputs. The changes in fair value of the company's Private Portfolio Investments (classified as Level 2 and 3) are disclosed in note 5.

### Level 3 Reconciliation

The following table presents the reconciliations for investments held by the company included in Level 3 of the fair value hierarchy:

First quarter of 2025						
	Fair value as at January 1	Gain (loss) included in net income (loss)	Purchases/ Contributions	Sales/ Distributions/ Redemptions /Reductions	Transfers into/(out of) Level 3	Fair value as at March 31
<b>Portfolio Investments</b>						
Limited partnership interest	176,964	1,075	—	—	—	178,039
Common shares	133,117	2,966	—	(26)	—	136,057
Loans	48,637	(15)	3,781	—	—	52,403
<b>Total Portfolio Investments</b>	<b>358,718</b>	<b>4,026</b>	<b>3,781</b>	<b>(26)</b>	<b>—</b>	<b>366,499</b>

(1) Total net change in unrealized losses on investments is (\$23,149). Within this change, the unrealized losses on investment for Level 3 investments still held as of March 31, 2025 is (\$4,026).

First quarter of 2024						
	Fair value as at January 1	Gain (loss) included in net income (loss)	Purchases/ Contributions	Sales/ Distributions/ Redemptions /Reductions	Transfers into/(out of) Level 3	Fair value as at March 31
<b>Portfolio Investments</b>						
Limited partnership interest	207,753	(3,367)	—	—	—	204,386
Common shares	113,259	2,690	—	—	—	115,949
Loans	30,163	234	7,181	—	—	37,578
<b>Total Portfolio Investments</b>	<b>351,175</b>	<b>(443)</b>	<b>7,181</b>	<b>—</b>	<b>—</b>	<b>357,913</b>

(1) Total net change in unrealized losses on investments is (\$661). Within this change, the unrealized losses on investment for Level 3 investments still held as of December 31, 2024 is (\$243).

### Level 3 Significant Unobservable Inputs

The following table outlines key information with respect to the valuation technique and significant unobservable inputs related to financial instruments categorized within Level 3 as at March 31, 2025:

Investments	Valuation technique	Significant unobservable inputs	Inputs at March 31, 2025	Inputs at December 31, 2024	Relationship of unobservable inputs to fair value
Limited partnership investments					
TopCo LP Class A Limited Partnership Interest	Discounted cash flow and net asset value of Management Team Commitment	Discount rates	30.7%	29.8%	Increases (decreases) in discount rates (decrease) increase fair value
		Target exit dates	2025-2030	2025 to 2030	Increases (decreases) in target exit dates (decrease) increase fair value
		Exit multiple of invested capital	1.8x to 3.1x	1.9x to 3.1x	Increases (decreases) in exit multiples increase (decrease) fair value
TopCo LP Class B Limited Partnership Interest	Discounted cash flow	Discount rate	17.4%	17.1%	Increases (decreases) in discount rates (decrease) increase fair value
		Growth in management fee revenue	17.0%	20.2%	Increases (decreases) in growth in management fee revenue increase (decrease) fair value
		Long term pre-tax profit margin	33.1%	33.8%	Increases (decreases) in long term pre-tax profit margin increase (decrease) fair value
		Long term growth rate	4.5%	4.5%	Increases (decreases) in growth rates increase (decrease) fair value
Common shares					
Trone	Market multiples	Multiples of EBITDA	10.5x	9.7x	Increases (decreases) in multiples of EBITDA increase (decrease) fair value
NBA Africa	Discounted cash flow	After-tax discount rate	17.6%	17.6%	Increases (decreases) in discount rates (decrease) increase fair value
		Growth in revenue	43.0%	43.0%	Increases (decreases) in growth in revenue increase (decrease) fair value
		Terminal revenue multiple	7.0x	7.0x	Increases (decreases) in terminal revenue multiple increase (decrease) fair value
Helios Sports and Entertainment Group	Risk adjusted offer price	Deal risk discount rate	20.0%	20.0%	Increases (decreases) in discount rates (decrease) increase fair value
Indirect equity interest in Nova Pioneer	Revenue multiple and discounted cash flow	Revenue multiple	2.0x	2.5x	Increases (decreases) in multiples of revenue increase (decrease) fair value
		Discount rate	18.3%	17.5%	Increases (decreases) in discount rate (decrease) increase fair value
Loans					
Digital Ventures \$40M Facility <sup>(1)</sup>	Expected recovery	Expected recovery rate	100.0%	N/A	Increases (decreases) in expected recovery rate increase (decrease) fair value
HSEG Loan Facility	Discounted cash flow	Discount rate	8.8%	9.0%	Increases (decreases) in discount rates (decrease) increase fair value

(1) The investment was valued using a discounted cash flow analysis at December 31, 2024. At March 31, 2025, the valuation technique was changed from a discounted cash flow analysis to an expected recovery model. This change reflects management's assessment of the most appropriate valuation technique in light of current repayment expectations. The fair value of the investment remains unchanged. Although repayment by the maturity date is not expected, full recovery continues to be expected, since the value of the underlying assets held by HDV currently exceeds the principal and interest of the loan facility.

### Level 3 Sensitivity Analysis

In the course of measuring fair value of financial instruments classified as Level 3, valuation techniques used incorporate assumptions that are based on unobservable inputs. Significant changes in any of the unobservable inputs would result in a significantly higher or lower fair value measurement. The following table illustrates the potential impact on net earnings (loss) of various combinations of changes in unobservable inputs in the company's internal valuation model for its financial instruments classified as Level 3 at March 31, 2025:

March 31, 2025						
Investments	Fair value of Investment	Valuation technique	Significant unobservable inputs <sup>(1)</sup>	Sensitivity Factor	Hypothetical \$ change effect on fair value measurement	Hypothetical \$ change effect on net earnings (loss) <sup>(1)</sup>
Limited partnership investments:						
TopCo LP Class A Limited Partnership Interest	\$22,241	Discounted cash flow and net asset value of Management Team Commitment	Discount rates	Increase/(decrease) 200 bps	(813) / 887	(705) / 770
			Target exit dates	Increase/(decrease) 1 year	(5,314) / 6,143	(4,610) / 5,329
			Exit multiple of invested capital	Increase/(decrease) 5%	2,049 / (1,891)	1,777 / (1,640)
TopCo LP Class B Limited Partnership Interest	\$70,949	Discounted cash flow	Discount rate	Increase/(decrease) 200 bps	(12,762) / 17,765	(11,071) / 15,411
			Growth in management fee revenue	Implied CAGR of management fee revenue of 15.5% to 18.4%	21,201 / (21,201)	18,392 / (18,392)
			Long term pre-tax profit margin	Increase/(decrease) 1000 bps	13,404 / (13,404)	11,628 / (11,628)
			Long term growth rate	Increase/(decrease) 50 bps	1,783 / (1,650)	1,547 / (1,432)
Common shares						
Trone	\$27,600	Market multiples	Multiples of EBITDA	Increase/(decrease) 0.5x	1,733 / (1,733)	1,504 / (1,504)
NBA Africa	\$39,726	Discounted cash flow	After-tax discount rate	Increase/(decrease) 100 bps	(2,472) / 2,646	(2,144) / 2,295
			Growth in revenue	Increase/(decrease) 5%	2,422 / (2,360)	2,101 / (2,047)
			Terminal revenue multiple	Increase/(decrease) 0.5x	2,999 / (2,999)	2,601 / (2,601)
Helios Sports and Entertainment Group	\$56,300	Risk adjusted offer price	Deal risk discount rate	Increase 850 bps/(decrease) 2000 bps	(10,034) / 23,974	(8,704) / 20,797
Indirect equity interest in Nova Pioneer	\$12,431	Revenue multiple and discounted cash flow	Revenue multiple	Increase/(decrease) 0.5x	2,519 / (2,519)	2,185 / (2,185)
			Discount rate	Increase/(decrease) 100 bps	(806) / 928	(699) / 805
Loans						
Digital Ventures \$40M Facility	\$38,848	Expected recovery	Expected recovery rate	Increase/(decrease) 5%	- / (1,942)	- / (1,685)
HSEG Loan Facility	\$12,780	Discounted cash flow	Discount rate	Increase/(decrease) 200 bps	(58) / 59	(50) / 52

(1) For the purpose of this sensitivity analysis, the hypothetical \$ change effect on net earnings (loss) includes an income tax impact that is calculated using the company's marginal tax rate. Actual income tax expense (recovery) may differ significantly when earnings (losses) are realized.

December 31, 2024

Investments	Fair value of Investment	Valuation technique	Significant unobservable inputs <sup>(1)</sup>	Sensitivity Factor	Hypothetical \$ change effect on fair value measurement	Hypothetical \$ change effect on net earnings (loss) <sup>(1)</sup>
Limited partnership investments:						
TopCo LP Class A Limited Partnership Interest	20,560	Discounted cash flow and net asset value of Management Team Commitment	Discount rates	Increase/(decrease) 200 bps	(817) / 898	(709) / 779
			Target exit dates	Increase/(decrease) 1 year	(4,543) / 6,289	(3,941) / 5,456
			Exit multiple of invested capital	Increase/(decrease) 5%	2,221 / (1,283)	1,927 / (1,113)
TopCo LP Class B Limited Partnership Interest	75,835	Discounted cash flow	Discount rate	Increase/(decrease) 200 bps	(14,002) / 19,610	(12,146) / 17,011
			Growth in management fee revenue	Implied CAGR of management fee revenue of 18.6% to 21.7%	21,551 / (21,551)	18,696 / (18,696)
			Long term pre-tax profit margin	Increase/(decrease) 1000 bps	13,745 / (13,745)	11,924 / (11,924)
			Long term growth rate	Increase/(decrease) 50 bps	1,926 / (1,778)	1,670 / (1,543)
Common shares						
Trone	20,569	Market multiples	Multiples of EBITDA	Increase/(decrease) 0.5x	1,624 / (1,624)	1,409 / (1,409)
NBA Africa	39,726	Discounted cash flow	After-tax discount rate	Increase/(decrease) 100 bps	(2,472) / 2,646	(2,144) / 2,295
			Growth in revenue	Increase/(decrease) 5%	2,422 / (2,360)	2,101 / (2,047)
			Terminal revenue multiple	Increase/(decrease) 0.5x	2,999 / (2,999)	2,601 / (2,601)
Helios Sports and Entertainment Group	56,300	Risk adjusted offer price	Deal risk discount rate	Increase 850 bps/(decrease) 2000 bps	(10,034) / 23,974	(8,704) / 20,797
Indirect equity interest in Nova Pioneer	16,496	Revenue multiple and discounted cash flow	Revenue multiple	Increase/(decrease) 0.5x	2,614 / (2,614)	2,267 / (2,267)
			Discount rate	Increase/(decrease) 100 bps	(988) / 1,145	(857) / 993
Loans						
Digital Ventures \$40M Facility	35,459	Discounted cash flow	Discount rate	Increase/(decrease) 200 bps	(259) / 266	(225) / 230
HSEG Loan Facility	12,474	Discounted cash flow	Discount rate	Increase/(decrease) 200 bps	(113) / 116	(98) / 101

(1) For the purpose of this sensitivity analysis, the hypothetical \$ change effect on net earnings (loss) includes an income tax impact that is calculated using the company's marginal tax rate. Actual income tax expense (recovery) may differ significantly when earnings (losses) are realized.

**Discount rates** were based on the company's assessment of risk premiums to the appropriate risk-free rate of the economic environment of the investment. For expected future cash flows which were probability-weighted, risk premiums commensurate with the risks inherent in the expected cash flows were applied.

**Target exit date** for an underlying portfolio investment is the timing of the fund's expected disposition of the investment.

**Exit multiple of invested capital** for an underlying portfolio investment is equal to the fund's expected total proceeds divided by the expected total cost from initial investment to exit.

**Growth in management fee revenue** represents the compound annual growth rate in management fee revenue over eight years from \$31.3 million to \$86.9 million (December 31, 2024 - \$20.7 million to \$89.0 million), before taking into account probability weightings.

**Long term pre-tax profit margins** were estimated by Helios' management based on pre-tax management fee-related earnings margins. Pre-tax profit margins are forecasted to increase over an eight-year period driven primarily by growth in management fee revenue and operating leverage. Fee-related earnings on future fundraising initiatives were probability weighted, resulting in expected long term pre-tax profit margins that were comparable to publicly listed global private equity asset managers.

**Long term growth rates** were based on the expected long term sustainable growth rate of the economic environments and sectors in which the investment operates.

**Multiples of EBITDA** were based on the expected valuation contribution of a certain business unit to the investee as a whole and were assessed with reference to peer comparative multiples.

**Expected recovery rate** reflects management's best estimate of the value of an asset based on the expected cash flows of the borrower.

The following investments have been excluded from the sensitivity analysis above as the company determined that there were no significant unobservable inputs suited for a sensitivity analysis for the investment in certain limited partnership interests and common shares or in the case of the investments in loans, the impact of the sensitivity analysis is not significant.

Investments	Valuation technique at		Fair value of investment at
	March 31, 2025	December 31, 2024	March 31, 2025
<b>Limited partnership investments:</b>			
Helios Fund IV limited partnership interest	Net asset value	Net asset value	\$68,716
Taj Holdings Limited Partnership Interest	Transaction price	Transaction price	\$16,133
<b>Common shares:</b>			
Seven Rivers	Net asset value	Net asset value	\$39,471
<b>Loans:</b>			
Digital Ventures \$1M Facility	Discounted cash flow	Discounted cash flow	\$775

## 7. Borrowings

### *Revolving Credit Facility*

In 2022, the company closed a \$70,000 secured revolving credit facility (the “RMB Facility”) with FirstRand Bank Limited (“FirstRand”), bearing interest based on SOFR plus 6.88%, payable quarterly. In addition, the company will pay a standby fee of 2.41% of the unused portion of the credit facility, payable quarterly. Per the RMB Facility Agreement, funds borrowed under the RMB Facility shall be used towards making investments and paying investment-related fees and expenses.

During the first quarter of 2025, the company incurred standby fees of \$442 (2024 - \$422) which were included in interest expense.

The RMB Facility matures on March 3, 2027. The RMB Facility is collateralized by the company’s rights, title and interests in the securities held in Mauritius Sub and SA Sub, Mauritius Sub’s bank accounts and receivables and the company’s Portfolio Investments, bank accounts, receivables, and other assets.

On November 1, 2024, the RMB Facility Agreement between the company and FirstRand was amended. Under the revised terms of the RMB Facility, the company is required to maintain an Asset Cover Ratio, being the ratio of total cash plus the fair value of all investments (excluding the fair value of the TopCo LP Class A and Class B Limited Partnership Interests and with any single investment capped at 25% of total investments), to total debt. Additionally, the company is required to maintain an Asset Cover Ratio (Seven Rivers), being the ratio of the fair value of the company’s investment in Seven Rivers to total debt. The amendment also includes a decrease in the facility limit from \$70,000 to \$65,000 effective August 31, 2025, and to \$60,000 effective August 31, 2026, though this decrease can be waived by the lender.

At March 31, 2025, the RMB Facility was undrawn, and the company was in compliance with the covenants of the RMB Facility. As the company had no debt at March 31, 2025, based on the fair values of the company’s cash and investments, the company could have borrowed up to \$70,000 and continued to be in compliance with the covenants of the RMB Facility.

### *Interest Expense*

During the first quarter of 2025, the company recorded interest expense of \$459 (2024 - \$443) which was comprised of standby fees on the RMB Facility and interest on the company’s lease liability.

## 8. Common Shareholders’ Equity

### *Authorized Capital*

The company’s authorized share capital consists of: (i) an unlimited number of multiple voting shares that may only be issued to Fairfax, Principal Holdco, and certain of their respective subsidiaries and affiliates and are not publicly traded; (ii) an unlimited number of subordinate voting shares, which are publicly traded; and (iii) an unlimited number of preference shares, issuable in series. Except as provided in any special rights or restrictions attaching to any series of preference shares issued from time to time, the preference shares will not be entitled to vote at any meeting of the shareholders of the company.

### *Issued Capital*

Issued capital at March 31, 2025 included 55,452,865 (December 31, 2024 – 55,452,865) multiple voting shares and 52,726,262 (December 31, 2024 – 52,726,262) subordinate voting shares. Each subordinate voting share carries one vote per share at all meetings of shareholders except for separate meetings of holders of another class of shares. Each multiple voting share carries fifty votes per share at all meetings of shareholders except for separate meetings of holders of another class of shares. At March 31, 2025 and December 31, 2024 there were no preference shares outstanding.

Principal Holdco and its subsidiaries and affiliates may not, without the prior written consent of Fairfax and the approval of the Board of Directors by simple majority approval, transfer any of their shares in the company prior to the earlier of December 8, 2025, or upon termination of the Investment Advisory Agreement. In the event Fairfax transfers shares, Principal Holdco and its affiliates may transfer an equal proportion of their shares without the prior written consent of Fairfax or the Board of Directors.

Fairfax, through its subsidiaries and affiliates, and Principal Holdco own all the issued and outstanding multiple voting shares, which are not publicly traded.

### *Common Stock*

The number of shares outstanding was as follows:

	2025	2024
Subordinate voting shares - January 1	52,726,262	52,716,952
Purchases for cancellation	—	(75,710)
Subordinate voting shares - March 31	52,726,262	52,641,242
Multiple voting shares - beginning and end of period	55,452,865	55,452,865
Common shares effectively outstanding - March 31	108,179,127	108,094,107

### *Purchase of Shares*

During the period January 1, 2024 to June 22, 2024, the company was entitled, subject to compliance with applicable corporate and securities laws, to purchase for cancellation subordinate voting shares at prevailing market prices under the terms of its normal course issuer bid and in accordance with the rules and policies of the TSX. During the first three months of 2024, under the terms of its normal course issuer bid, the company purchased for cancellation 75,710 subordinate voting shares for a net cost of \$200 and \$414 was recorded as a benefit in retained earnings. The company's normal course issuer bid program expired on June 22, 2024.

### *Automatic Share Purchase Plan*

During 2024, in connection with the normal course issuer bid, the company gave instructions under its automatic share purchase plan with a designated broker to allow for the purchase of subordinated voting shares at times when the company normally would not be active in the market. Such purchases are determined by the broker in its sole discretion based on parameters established by the company prior to commencement of the applicable trading black-out period. The company's automatic share purchase plan expired on June 22, 2024.

### *Warrants*

On March 31, 2021, Fairfax, through its affiliates, invested \$100,000 in HFP 3.0% Debentures and HFP Warrants. The HFP 3.0% Debentures were repaid in full in 2023. At inception, the company determined that the fair value of the HFP Warrants issued was \$5,557 which was recorded in warrants within common shareholders' equity.



## *Dividends*

The company adopted a policy to provide for an annual dividend with respect to the subordinate voting shares and the multiple voting shares of an amount sufficient to produce a non-cumulative and non-accruing 2.0% dividend yield per share (the “Dividend Policy”), calculated based on the average closing market price of the subordinate voting shares on each trading day of the last fiscal quarter for the prior fiscal year. The declaration of any dividends is conditional upon assets exceeding the aggregate of liabilities and stated capital of multiple voting shares and subordinate voting shares after such declaration and will be determined by the Board of Directors in its sole discretion. The company did not pay any dividends on its outstanding multiple and subordinate voting shares during the first three months of 2025 and 2024.

## **9. Share-Based Incentive Plans**

### *Special Incentive Plan*

Under the Special Incentive Plan (“SIP”), on December 8, 2020, 2,505,637 options to purchase subordinate voting shares of the company were granted to certain employees, officers, members, partners or consultants of the Manager (the “SIP Recipients”). Options issued under the SIP vested immediately on grant date and have an exercise price of \$3.99 per share and maturity date of December 8, 2030. Since December 8, 2020, certain options issued under the SIP have been reallocated to additional SIP participants. These reallocated options vested immediately on grant date and mature on March 3, 2031, and September 19, 2032. The options may also be exercised by way of a cashless exercise, at the participant’s option, where the company will issue shares equivalent to the amount by which the aggregate fair market value of the shares at time of exercise exceed the exercise price, less any applicable withholding taxes.

The company estimated the fair value of the options granted under the SIP using a Black-Scholes option pricing model that incorporated the following range of assumptions:

Underlying share price	\$2.86 - \$4.09
Exercise price	\$2.63 - \$4.45
Expected volatility	45.8 %
Risk-free interest rate	1.3% - 5.0%
Expected life	10 years
Black-Scholes factor	1.9 - 2.7

Expected volatility was determined based on daily historical volatility of HFPC.U since initial public offering on February 17, 2017.

### *Long-Term Incentive Plan*

On April 20, 2022, the company’s Long-Term Incentive Plan (“LTIP”) was approved at the annual and special meeting of shareholders. The LTIP allows the company’s Board of Directors or the Governance, Compensation and Nominating Committee to grant long-term incentives to (i) directors, officers and employees of the company and its affiliates; (ii) certain consultants and service providers, including consultants and other persons that provide services to the company and its affiliates or any partnership or other entity in which the company or any of its affiliates has made an investment; and (iii) employees and members of the Manager or an affiliate thereof that provides services to the Portfolio Advisor or any related entity of the Portfolio Advisor for the benefit of the company. Awards granted under the LTIP may consist of options, restricted shares, stock appreciation rights, restricted share units, deferred share units or performance share units. Each award will be subject to the terms and conditions set forth in the LTIP and to those other terms and conditions specified by the company’s Governance, Compensation and Nominating Committee.

On May 13, 2022, 484,265 restricted share units with a cost per unit of \$3.33 were granted to certain directors and officers of the company. On August 9, 2024, 38,314 restricted share units with a cost per unit of \$2.61 were granted to a new director of the company. On November 11, 2024, 174,912 restricted share units with a cost of \$2.83 were granted to a new officer of the company. On March 19, 2025, 42,420 restricted share units with a cost of \$2.21 were granted to certain directors of the company. The cost per unit was determined based solely on the 5-day volume-weighted average price on the date of grant. The restricted share units vest according to a time-based vesting schedule over a period of one to five years. The time-based vesting schedule varies by participant.

During the first three months of 2025, under the terms of the LTIP, 89,347 restricted share units vested (2024 - 83,522) and no restricted share units were issued (2024 - nil).

For the first quarter of 2025, the company recorded share-based compensation expense of \$115 (2024 - \$94) related to the share-based incentive plans within the consolidated statements of earnings (loss) and comprehensive earnings (loss).

*Subsequent to March 31, 2025*

On April 20, 2025, the company's LTIP expired, meaning that no additional grants can be made under the LTIP.

## 10. Net Earnings (Loss) per Share

Net earnings (loss) per common share is calculated in the following table based on the weighted average common shares outstanding:

	First quarter	
	2025	2024
Net earnings (loss) - basic and diluted	<b>864</b>	(4,681)
Weighted average shares outstanding - basic	<b>108,179,127</b>	108,128,215
Weighted average shares outstanding - diluted	<b>108,646,974</b>	108,128,215
Net earnings (loss) per basic share	<b>\$ 0.01</b>	\$ (0.04)
Net earnings (loss) per diluted share	<b>\$ 0.01</b>	\$ (0.04)

At March 31, 2025 and 2024, there were no contingently issuable subordinate voting shares related to the performance fee payable to TopCo LP. Under the Investment Advisory Agreement, the performance fee for the second calculation period, if applicable, will be payable after December 31, 2026. TopCo LP's general partner may elect, no later than fifteen days from the end of the calculation period (the "election date"), to receive the performance fee, wholly or partly, in cash or in subordinate voting shares of the company. The number of subordinate voting shares to be issued will be calculated based on the volume-weighted average trading price of the company's subordinate voting shares for the 10 trading days prior to and including the election date.

At March 31, 2025 and 2024, there were no potential subordinate voting shares issuable relating to the Special Incentive Plan (refer to note 9).

At March 31, 2025, there were 467,847 potential subordinate voting shares issuable relating to the Long-Term Incentive Plan which were dilutive. At March 31, 2024, there were 318,825 potential subordinate voting shares issuable relating to the Long-Term Incentive Plan which were excluded from the calculation of diluted weighted average common shares outstanding because their effect would have been anti-dilutive.

There were no potential subordinate voting shares issuable relating to the HFP Warrants (refer to note 8) because the HFP Warrants were out of the money.

## 11. Income Taxes

The company's provision for income taxes for the first quarter of 2025 is summarized in the following table:

	First quarter	
	2025	2024
Current income tax:		
Current year expense	179	191
Adjustment to prior years' income taxes	—	(37)
	<b>179</b>	<b>154</b>
Deferred income tax:		
Origination and reversal of temporary differences	938	732
Provision for income taxes	<b>1,117</b>	<b>886</b>

A portion of the company's earnings before income taxes is earned or incurred in Canada. The statutory income tax rates for jurisdictions outside of Canada generally differ from the Canadian statutory income tax rate (and may be significantly higher or lower).

A reconciliation of the income taxes calculated at the Canadian statutory income tax rate to the provision for income taxes at the effective tax rate in the consolidated financial statements for the first quarter of 2025 are summarized in the following table:

	First quarter	
	2025	2024
Canadian statutory income tax rate	26.5 %	26.5 %
Provision for (recovery of) income taxes at the Canadian statutory income tax rate	524	(1,005)
Non-taxable losses (gains) on investments	(1,737)	938
Tax rate differential on income outside of Canada	1,793	380
Recovery relating to prior years	—	(37)
Change in unrecorded tax benefit of losses and temporary differences	511	(403)
Realized gains and foreign exchange effect	(5)	989
Other, including permanent differences	31	24
Provision for income taxes	<b>1,117</b>	<b>886</b>

Non-taxable gains on investments of \$1,737 in the first quarter of 2025 principally reflected the non-taxable portion of unrealized loss on investments in TopCo LP of \$404, non-taxable portion of unrealized gains on Helios Fund IV of \$581, and the non-taxable portion of unrealized gains on other investments of \$1,560. Non-taxable losses on investments of \$938 in the first quarter of 2024 principally reflected the non-taxable portion of unrealized loss on investments in TopCo LP and Helios Fund IV of \$1,043, and the non-taxable portion of unrealized gains on other investments of \$105.

Tax rate differential on income earned outside of Canada of \$1,793 in the first quarter of 2025 (2024 - \$380) principally reflected the tax impact of foreign accrual property income and losses, foreign accrual capital losses, and net investment income and losses taxed at different rates in jurisdictions outside of Canada.

Provision relating to prior years was \$nil in the first quarter of 2025. Recovery relating to prior years of \$37 in the first quarter of 2024 principally reflected adjustments for settlement of refunds related to prior year reassessments.

The change in unrecorded tax benefit of losses and temporary differences of \$511 in the first quarter of 2025 principally reflected the change in deferred tax assets and liabilities in foreign accrual capital losses of \$29, and investment and other temporary timing differences of \$482 that were not recorded by the company as the related pre-tax losses did not meet the recognition criteria under IFRS Accounting Standards.

The change in unrecorded tax benefit of losses and temporary differences of (\$403) in the first quarter of 2024 principally reflected the change in deferred tax assets and liabilities in foreign accrual capital losses of (\$411), investment and other temporary timing differences of \$115 that were not recorded by the company as the related pre-tax losses did not meet the recognition criteria under IFRS Accounting Standards, and deferred tax assets and liabilities in South Africa on investments of (\$107).

Realized gains and foreign exchange effect of (\$5) in the first quarter of 2025 (2024 - \$989) principally reflected the impact of fluctuations in the value of the Canadian dollar relative to the U.S. dollar as the company computes its corporate tax liability in Canadian dollars pursuant to the requirements of Canadian tax authorities, whereas the functional currency of the company and its subsidiaries is U.S. dollar.

Other, including permanent differences of \$31 in the first quarter of 2025 (2024 - \$24) principally reflected non-deductible expenses.

## **12. Financial Risk Management**

### **Overview**

The primary goals of the company's financial risk management are to ensure that the outcomes of activities involving elements of risk are consistent with the company's objectives and risk tolerance, while maintaining an appropriate balance between risk and reward and protecting the company's consolidated balance sheet from events that have the potential to materially impair its financial strength. The company's activities expose it to certain financial risks during or at the end of the reporting period. There were no significant changes in the types of the company's risk exposures or the company's framework used to monitor, evaluate and manage the company's risk exposures at March 31, 2025 compared to those identified at December 31, 2024, except as described below.

#### *Geopolitical Risks, Inflation, Fluctuating Interest Rates, Tariffs, and Other Risks*

Geopolitical conflicts ongoing around the world have disrupted global supply chains, particularly the energy and food markets, resulting in volatile energy and commodity prices. The global impacts of these conflicts have resulted in increasing inflation, causing central banks in major economies to raise interest rates. While rising rates have the potential to affect discount rates used in the company's valuation of Private Portfolio Investments, recent rate reductions have also influenced fair value movements in certain investments. Such fluctuations in interest rates may also impact foreign exchange risk as currencies appreciate or depreciate depending on local monetary policy responses.

The recent tariff actions by the United States, retaliatory measures by other governments, and the possibility of a prolonged trade war may cause additional disruption in global trade, which could further impact inflation, interest rates, and currency volatility as discussed above based on government policy responses. Additionally, changes to and cancellations of certain US global aid programs may have an impact on the overall African economy. The company also faces risks related to liquidity constraints and the availability of capital, operational and reputational risks, and risks related to technological change and cybersecurity threats, as well as catastrophic events such as pandemics and terrorism. Such further developments could have a material adverse effect on the company's business, financial condition, results of operations, and cash flows.

### **Market Risk**

Market risk (comprised of foreign currency risk, interest rate risk and market price fluctuations) is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market price. The company is exposed to market risk principally in its investing activities and to the extent that those activities expose the company to foreign currency risk, interest rate risk, and market price fluctuations. The valuation of the company's investment portfolio is dependent upon the underlying performance of the companies within the portfolio, but may also be affected, along with other financial statement items, by fluctuations in foreign currency exchange rates, interest rates, and market prices.

#### *Foreign Currency Risk*

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument or another asset or liability will fluctuate due to changes in exchange rates and as a result, could produce an adverse effect on net earnings (loss) and common shareholders' equity when measured in U.S. dollars, the company's functional and reporting currency.

The company has significant cash and cash equivalents in Canadian dollars and South African rand. In addition, the company has cash and cash equivalents in pounds sterling and Mauritian rupees for which the impact of currency fluctuations would be insignificant. At March 31, 2025, the company's direct exposure to South African rand decreased significantly compared to its direct exposure at December 31, 2024 due to conversion of cash and cash equivalents held in South African rand to US dollars.

The company is also indirectly exposed to the Egyptian pound, Nigerian naira, and Kenyan shilling through its investment in Seven Rivers, which has investments in those currencies at March 31, 2025. At December 31, 2024, the company was also indirectly exposed to the Moroccan dirham, pound sterling, and South African rand through its investment in Seven Rivers. At March 31, 2025, the company's exposure to pound sterling, Egyptian pound, Kenyan shilling, Moroccan dirham, and South African rand decreased and exposure to Nigerian naira increased compared to its exposure at December 31, 2024 due to changes in the investments held by Seven Rivers.

The company's investment in Seven Rivers may be significantly affected by foreign currency movements resulting from Seven Rivers' Egyptian pound, Nigerian naira, and Kenyan shilling-denominated investments.

At March 31, 2025 and December 31, 2024, the company's net foreign currency exposure was as follows:

	March 31, 2025	December 31, 2024
South African rand <sup>(1)</sup>	1,694	15,781
Pound sterling <sup>(1)</sup>	51	2,215
Egyptian pound <sup>(1)</sup>	1,511	4,952
Canadian dollar	3,726	6,075
Mauritian rupee	74	115
Kenyan shilling <sup>(1)</sup>	1,680	4,158
Moroccan dirham <sup>(1)</sup>	—	2,044
Nigerian naira <sup>(1)</sup>	13,829	10,650

(1) The company is exposed to South African rand, pound sterling, Egyptian pound, Kenyan shilling, Moroccan dirham, and Nigerian naira through its investment in Seven Rivers, which owns investments denominated in these currencies. The impact of fluctuations in South African rand, pound sterling, Egyptian pound, Kenyan shilling, Moroccan dirham, and Nigerian naira for Seven Rivers' investments has been included in this table.

At March 31, 2025 and December 31, 2024, had the U.S. dollar strengthened or weakened by 5% or 10% relative to the currencies to which it has significant exposure with all other variables held constant, the net increase or decrease in net earnings (loss) would have been as follows:

	March 31, 2025		December 31, 2024	
	Sensitivity factor	Hypothetical \$ change effect on net earnings (loss) <sup>(1)</sup>	Sensitivity factor	Hypothetical \$ change effect on net earnings (loss) <sup>(1)</sup>
South African rand <sup>(2)</sup>	Increase / (decrease) 5.0%	62 / (62)	Increase / (decrease) 5.0%	580 / (580)
	Increase / (decrease) 10.0%	124 / (124)	Increase / (decrease) 10.0%	1,160 / (1,160)
Pound sterling <sup>(2)</sup>	Increase / (decrease) 5.0%	2 / (2)	Increase / (decrease) 5.0%	82 / (82)
	Increase / (decrease) 10.0%	4 / (4)	Increase / (decrease) 10.0%	163 / (163)
Canadian dollar	Increase / (decrease) 5.0%	137 / (137)	Increase / (decrease) 5.0%	223 / (223)
	Increase / (decrease) 10.0%	274 / (274)	Increase / (decrease) 10.0%	447 / (447)
Egyptian pound <sup>(2)</sup>	Increase / (decrease) 5.0%	56 / (56)	Increase / (decrease) 5.0%	182 / (182)
	Increase / (decrease) 10.0%	111 / (111)	Increase / (decrease) 10.0%	364 / (364)
Kenyan shilling <sup>(2)</sup>	Increase / (decrease) 5.0%	62 / (62)	Increase / (decrease) 5.0%	153 / (153)
	Increase / (decrease) 10.0%	123 / (123)	Increase / (decrease) 10.0%	306 / (306)
Moroccan dirham <sup>(2)</sup>	Increase / (decrease) 5.0%	—	Increase / (decrease) 5.0%	75 / (75)
	Increase / (decrease) 10.0%	—	Increase / (decrease) 10.0%	150 / (150)
Nigerian naira <sup>(2)</sup>	Increase / (decrease) 5.0%	508 / (508)	Increase / (decrease) 5.0%	392 / (392)
	Increase / (decrease) 10.0%	1,017 / (1,017)	Increase / (decrease) 10.0%	783 / (783)

- (1) For the purpose of this sensitivity analysis, the hypothetical \$ change effect on net earnings (loss) includes an income tax impact that is calculated using the company's marginal tax rate. Actual income tax expense (recovery) may differ significantly when earnings (losses) are realized.
- (2) The company is exposed to South African rand, pound sterling, Egyptian pound, Kenyan shilling, Moroccan dirham, and Nigerian naira through its investment in Seven Rivers, which owns investments denominated in these currencies. The impact of fluctuations in South African rand, pound sterling, Egyptian pound, Kenyan shilling, Moroccan dirham, and Nigerian naira for Seven Rivers' investments has been included in this table.

The company has not hedged its foreign currency risk. Certain shortcomings are inherent with this method of analysis, including the assumption that the hypothetical appreciation or depreciation of the South African rand, pound sterling, Canadian dollar, Egyptian pound, Kenyan shilling, Moroccan dirham, or Nigerian naira against the U.S. dollar occurred with all other variables held constant.

#### *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Typically, as interest rates rise, the fair values of debt instrument investments decline and, conversely, as interest rates decline, the fair values of debt instrument investments rise. In each case, the longer the maturity of the financial instrument, the greater the consequence of a change in interest rates.

At March 31, 2025, the company held debt instrument investments with a fair value of \$52,403 (December 31, 2024 - \$48,637). These investments are exposed to interest rate risk due to changes in market interest rates. At March 31, 2025, the hypothetical impact of a 1% increase or decrease in the interest rate for the company's variable-rate debt instrument investments, with all other variables held constant, would have resulted in a corresponding net increase or decrease in the company's net loss of \$22 (December 31, 2024 - \$491).

#### *Market Price Fluctuations*

Market price fluctuation is the risk that the fair value of future cash flows of an equity investment or limited partnership investment will fluctuate due to changes in market prices (other than those arising from foreign currency risk and interest rate risk).

The company holds significant equity and limited partnership investments and is exposed to market price risk. The market value and the liquidity of these investments are volatile and may vary dramatically either up or down in short periods, and their ultimate value will therefore only be known over a period of time or on disposition.

At March 31, 2025, the hypothetical impact of a 10.0% increase or decrease in the fair value of Seven Rivers' investments classified as Level 2 in the fair value hierarchy, with all other variables held constant, would have resulted in a corresponding net increase or decrease in the company's investment in Seven Rivers of \$2,901 (December 31, 2024 - \$2,612). Refer to note 6 for the hypothetical impact on net earnings (loss) of various combinations of changes in significant unobservable inputs in the company's internal valuation models for the company's investments classified as Level 3 in the fair value hierarchy.

#### **Credit Risk**

Credit risk is the risk of loss resulting from the failure of a counterparty to honour its financial obligations to the company and arises predominantly with respect to cash and cash equivalents, receivables, and investments in debt instruments.

#### *Cash and Cash Equivalents*

The company monitors risks associated with cash and cash equivalents by regularly reviewing the financial strength and creditworthiness of these financial institutions. From these reviews, the company may transfer balances from financial institutions where it perceives heightened credit risk to others considered to be more stable.

At March 31, 2025 the company's cash and cash equivalents of \$31,305 (December 31, 2024 - \$38,320) were comprised of \$20,062 (December 31, 2024 - \$24,428) at the holding company (principally in major Canadian financial institutions) and \$11,243 (December 31, 2024 - \$13,892) at the company's wholly-owned subsidiaries (principally in major South African and Mauritian financial institutions). In addition, through its investments in Seven Rivers and HSEG, the company has exposure to cash and cash equivalents of \$699 (principally in major Cayman Island and Guernsey financial institutions).

## Debt Instruments

The company's risk management strategy for debt instruments with third-party issuers is to limit the amount of credit exposure with respect to any one corporate issuer. The company endeavours to limit credit exposure by monitoring debt instrument portfolio limits on individual corporate issuers and limits based on credit quality. The company monitors risks associated with debt instruments with related parties by regularly reviewing the execution of their respective business strategies and their financial strength and creditworthiness.

The company assesses the creditworthiness of each new counterparty prior to entering into contracts. Management monitors credit risk from debt instruments in its Portfolio Investments in debt instruments through reviewing financial performance of its counterparties, collateral arrangements, diversification, and other credit risk mitigation techniques. Where appropriate, credit risk has been factored into the determination of fair value.

At March 31, 2025, the company had debt instruments with a fair value of \$52,403 (December 31, 2024 - \$48,637) that were subject to credit risk, representing 12.0% (December 31, 2024 - 11.2%) of the total cash and investments.

The company's exposure to credit risk from its investments in debt instruments increased to \$52,403 at March 31, 2025 from \$48,637 at December 31, 2024. This increase is primarily due to additional drawdowns on the Digital Ventures \$40M Facility and Digital Ventures \$1M Facility (refer to note 5). These credit facilities present additional credit risk, as they are not collateralized. Debt instruments are summarized by their earliest contractual maturity date in the table that follows. Actual maturities may differ from maturities shown below due to the existence of call and put features.

	<b>March 31, 2025</b>		<b>December 31, 2024</b>	
	<b>Cost <sup>(1)</sup></b>	<b>Fair value</b>	<b>Cost <sup>(1)</sup></b>	<b>Fair value</b>
Loans:				
Due in 1 year or less <sup>(2)</sup>	<b>51,423</b>	<b>51,628</b>	47,713	47,933
Due after 5 years	<b>775</b>	<b>775</b>	704	704
	<b>52,198</b>	<b>52,403</b>	48,417	48,637

(1) Cost is comprised of fair value on initial recognition and capitalized interest.

(2) Loans due in 1 year or less includes the Digital Ventures \$40M Facility. At March 31, 2025, the Digital Ventures \$40M Facility is valued using an expected recovery model and full recovery continues to be expected (refer to note 6).

At March 31, 2025 and December 31, 2024, no debt instruments contained call or put features.

## Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The company manages liquidity risk by maintaining sufficient liquid assets and access to a loan facility to enable settlement of financial commitments on their respective due dates. All accounts payable and accrued liabilities are generally due within three months, and income taxes payable must be remitted to the respective tax jurisdictions as they are due.

There were no significant changes to the company's framework used to monitor, evaluate and manage liquidity risk at March 31, 2025 compared to December 31, 2024.

There are uncertainties related to the timing and amount of fundraising for the new Helios Strategies, and related to cash flows from exiting investments, which may impact liquidity. The development stage of certain Helios Strategies and the illiquid nature of the company's investments do not currently generate sufficient operating cash flows to fund short term obligations. This may require the Company to obtain liquidity by drawing on the RMB Facility of which \$70,000 is available to be drawn based on current financial covenants. Per the RMB Facility Agreement, funds borrowed under the RMB Facility shall be used towards making investments and paying investment-related fees and expenses.

Cash and cash equivalents, readily realizable investments, and the RMB Facility (refer to note 7) at March 31, 2025 provide liquidity to meet the company's known significant commitments over the next twelve months. Readily realizable investments include the company's Level 2 investment (refer to note 6). The company has the ability to sell all or a portion of its Level 2 investment to supplement its liquidity requirements.

The following tables present the company's commitments, and contractual obligations by their contractual maturity date at March 31, 2025 and December 31, 2024:

	March 31, 2025				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Digital Ventures \$40M Facility	5,560	5,560	—	—	—
Digital Ventures \$1M Facility	299	299	—	—	—
Helios Fund IV Commitment	14,489	14,489	—	—	—
Zaria Loan Commitment	5,250	5,250	—	—	—
HSEH Guarantee <sup>(1)</sup>	5,000	5,000	—	—	—
TopCo LP Management Team Commitment	2,173	2,173	—	—	—
Due to related parties	3,159	3,159	—	—	—
Accounts payable and accrued liabilities	5,909	5,909	—	—	—
Lease commitments	1,580	161	385	359	675
Income taxes payable	35	35	—	—	—
	<b>43,454</b>	<b>42,035</b>	<b>385</b>	<b>359</b>	<b>675</b>

(1) HSEH provided a guarantee of \$5,000 on behalf of TMG, securing the payment of a portion of the purchase consideration for an acquisition made by TMG (refer to note 13 (Related Party Transactions) to the interim consolidated financial statements for the three months ended March 31, 2025).

	December 31, 2024				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Digital Ventures \$40M Facility	7,984	7,984	—	—	—
Digital Ventures \$1M Facility	360	360	—	—	—
Helios Fund IV Commitment	14,489	14,489	—	—	—
Zaria Loan Commitment	5,250	5,250	—	—	—
HSEH Guarantee <sup>(1)</sup>	5,000	5,000	—	—	—
TopCo LP Management Team Commitment	2,173	2,173	—	—	—
Due to related parties	846	846	—	—	—
Accounts payable and accrued liabilities	6,594	6,594	—	—	—
Lease commitments	1,610	160	385	358	707
	<b>44,306</b>	<b>42,856</b>	<b>385</b>	<b>358</b>	<b>707</b>

(1) HSEH provided a guarantee of \$5,000 on behalf of TMG, securing the payment of a portion of the purchase consideration for an acquisition made by TMG (refer to note 13 (Related Party Transactions) to the interim consolidated financial statements for the three months ended March 31, 2024).

The company may be subject to clawback obligations with respect to its TopCo LP Class A Limited Partnership Interest to the extent it has received carried interest proceeds and a clawback is required (refer to note 5). The company may be subject to capital call obligations with respect to its TopCo LP Class A and Class B Limited Partnership Interests to cover its pro rata share of expenses incurred by TopCo LP and TopCo LP's share of commitments to the general partners of the Helios Funds, the risk of which is partially mitigated by the six-month holding period of Excess Management Fees Proceeds by TopCo LP. The company has also made a business decision to allow TopCo LP Class B Limited Partnership Interest to absorb initial startup costs for the new Helios Strategies in excess of management fees for the year ending December 31, 2025, as needed.

The company may be subject to clawback and indemnity obligations with respect to the sale of a portion of its indirect equity interest in AGH, should certain clauses in the Sale and Purchase Agreement be triggered (refer to note 5).



## Concentration Risk

The company's investments are primarily concentrated in Africa and in African businesses or businesses with customers, suppliers or business primarily conducted in, or dependent on, Africa. The market value of the company's investments, the income generated by the company and the company's performance will be particularly sensitive to changes in the economic condition, interest rates, and regulatory environment of African countries in which the company has investments. Adverse changes to the economic condition, interest rates or regulatory environment in those African countries may have a material adverse effect on the company's business, cash flows, financial condition and results of operations.

The composition of the company's total cash and cash equivalents, and Portfolio Investments by industry sector and the regions where the primary underlying risk of the issuer's businesses resides is presented in the following table. The fair values of the Portfolio Investments were allocated based on the issuer's revenue from each region.

	March 31, 2025	December 31, 2024
Asset management <sup>(2)</sup>	93,190	96,395
Food and agriculture	—	26
Financial services <sup>(1)</sup>	81,387	78,588
Education	12,431	16,496
Entertainment	96,026	96,026
Infrastructure	1,680	6,150
Retail and distribution <sup>(1)</sup>	68,490	63,587
Insurance <sup>(1)</sup>	16,080	15,078
Other	36,686	22,603
	<b>405,970</b>	<b>394,949</b>

(1) Helios Fund IV, Seven Rivers, and HSEG have been allocated to industry sectors based on underlying investment holdings.

(2) The returns of TopCo LP Class A Limited Partnership Interest and TopCo LP Class B Limited Partnership Interest are tied to the performance of Helios Holdings Group.

The company's loans are not rated, with no issuer concentration at March 31, 2025 or December 31, 2024.

Helios is the sub-advisor of TopCo LP, which is portfolio advisor of the company and provides investment management services, investment advisory services and investment administration services to HFP and its subsidiaries. As of March 31, 2025, the company is exposed to concentration risk as the investments in entities managed by Helios Holdings Group entities represent a significant portion of the company's Portfolio Investments. Additionally, there are significant unsecured receivables from affiliates and related entities of Helios.

In accordance with the company's bylaws, the company will not make a Portfolio Investment if, after giving effect to such investment, the total invested amount of such investment would exceed 20.0% of the company's total assets at the time of the investment, provided, however, that the company is permitted to complete up to two Portfolio Investments where, after giving effect to each such investment, the total invested amount of each such investment would be equal to or no more than 25.0% of the company's total assets (the "Investment Concentration Restriction").

The company intends to make multiple different investments as part of its prudent investment strategy. Portfolio Investments may be financed through equity or debt offerings as part of the company's objective to reduce its cost of capital and provide returns to shareholders.

## Capital Management

The company's objectives when managing capital is to optimize returns for common shareholders, while seeking attractive risk-adjusted returns. Total capital, comprised of common shareholders' equity and borrowings, was \$416,920 at March 31, 2025 (December 31, 2024 - \$415,941). The increase primarily reflected net earnings of \$864.

### **13. Related Party Transactions**

#### ***Payable to Related Parties***

At March 31, 2025, the company's payable to related parties of \$3,159 was comprised of \$845 payable to TopCo LP for investment and advisory fees and \$2,314 payable to HIP Guernsey Ltd. for initial startup costs of Seven Rivers.

The company's payable to related parties of \$846 at December 31, 2024 was comprised of a payable to TopCo LP for investment and advisory fees.

#### ***Investment Advisory Agreement***

The company and its subsidiaries are parties to the Investment Advisory Agreement with TopCo LP. TopCo LP has entered into a sub-investment and advisory agreement with the Manager, pursuant to which the Manager was appointed as TopCo LP's sub-advisor for the purposes of the Investment Advisory Agreement. As compensation for the provision of these services, the company and its subsidiaries pay an investment and advisory fee, and if applicable, a performance fee.

The investment and advisory fees are calculated and payable quarterly as 0.5% of the value of undeployed capital and 1.5% of the company's common shareholders' equity less the value of undeployed capital and the fair value of TopCo LP. In the first quarter of 2025, investment and advisory fees recorded within the consolidated statements of earnings (loss) and comprehensive earnings (loss) were \$1,069 (2024 - \$1,152).

#### ***Performance Fee***

The performance fee under the Investment Advisory Agreement is accrued quarterly and is calculated on a cumulative basis, as 20% of any increase in book value per share, excluding investment in and any cash distributions made by TopCo LP ("Adjusted Book Value per Share"), above a 5% per annum increase less any performance fees settled in prior calculation periods. The amount of Adjusted Book Value per Share at any time which must be achieved before any performance fee would be payable is sometimes referred to as the "hurdle per share".

Under the Investment Advisory Agreement, the period from January 1, 2024, to December 31, 2026 (the "second calculation period") is the second consecutive three-year period for which a performance fee, if applicable, will be payable to TopCo LP. At March 31, 2025 and December 31, 2024, the company determined that a performance fee of \$nil should be accrued to TopCo LP as the Adjusted Book Value per Share of \$2.99 at March 31, 2025 (December 31, 2024 - \$2.95) (before factoring in the impact of the performance fee) was less than the hurdle per share at that date of \$3.60.

The performance fee, if applicable, will be paid within 30 days after the company issues its annual audited consolidated financial statements for the year ended December 31, 2026. TopCo LP's general partner may elect, no later than fifteen days from the end of the calculation period (the "election date"), to receive the performance fee, wholly or partly, in cash or in subordinate voting shares of the company. The number of subordinate voting shares to be issued will be calculated based on the volume-weighted average trading price of the company's subordinate voting shares for the 10 trading days prior to and including the election date.

In the first quarter of 2025 and 2024, a performance fee of \$nil was recorded within the consolidated statements of earnings (loss) and comprehensive earnings (loss).

#### ***Fairfax's Voting Rights and Equity Interest***

At March 31, 2025, Fairfax, through its subsidiaries, owned 30,000,000 multiple voting shares and 7,304,067 subordinate voting shares of HFP (December 31, 2024 - 30,000,000 and 7,304,067 respectively), as well as 3,000,000 HFP Warrants exercisable for one subordinate voting share each, none of which have been exercised.

At March 31, 2025, Fairfax's holdings of multiple and subordinate voting shares represented 53.3% of the voting rights and 34.5% of the equity interest in HFP (December 31, 2024 - 53.3% and 34.5%).

### ***Principal Holdco's Voting Rights and Equity Interest***

At March 31, 2025, Principal Holdco, a Luxembourg holding company, indirectly owned by the co-CEOs of the company, owned 25,452,865 multiple voting shares and 24,632,413 subordinate voting shares of HFP (December 31, 2024 - 25,452,865 and 24,632,413). In addition to his ownership through Principal Holdco, one of the co-CEOs also directly owned 4,500 subordinate voting shares (December 31, 2024 - 4,500) and indirectly owned 97,000 subordinate voting shares through a holding company (December 31, 2024 - 97,000).

At March 31, 2025, Principal Holdco's holdings of multiple and subordinate voting shares represented 45.9% of the voting rights and 46.3% of the equity interest in HFP (December 31, 2024 - 45.9% and 46.3%).

### ***Key Management Personnel and Director Compensation***

#### *Management Compensation*

Compensation for the company's key management personnel for the first quarter of 2025 and 2024 was recorded in general and administration expenses within the consolidated statements of earnings (loss) and comprehensive earnings (loss) as follows:

	<b>First quarter</b>	
	<b>2025</b>	<b>2024</b>
Short-term employee benefits	<b>519</b>	402
Share-based expenses	<b>57</b>	33
	<b>576</b>	435

#### *Director Compensation*

Compensation for the company's Board of Directors for the first quarter of 2025 and 2024 was recognized in general and administration expenses in the consolidated statements of earnings (loss) and comprehensive earnings (loss) as follows:

	<b>First quarter</b>	
	<b>2025</b>	<b>2024</b>
Retainers and fees	<b>119</b>	105
Share-based expenses	<b>44</b>	40
	<b>163</b>	145

### ***Special Incentive Plan***

The company adopted the Special Incentive Plan, pursuant to which options to purchase subordinate voting shares of the company were granted to the SIP Recipients (refer to note 9). Certain SIP Recipients are key management personnel of the company or employees of the Manager.

### ***Long Term Incentive Plan***

The company adopted the Long-Term Incentive Plan, pursuant to which restricted share units of the company were granted to the LTIP Recipients (refer to note 9). Certain LTIP recipients are key management personnel and directors of the company.

### ***Related Party Investment Transactions***

#### *Helios Fund IV*

Helios Fund IV is related to HFP by virtue of common key management personnel.

At March 31, 2025, the company had funded aggregate capital calls of \$35,511, representing 14.1% (December 31, 2024 - \$35,511 and 14.1%) of the limited partnership interest in Helios Fund IV based on committed capital. The exchange amounts of the transaction represented fair value (refer to notes 5 and 6). At March 31, 2025, the company's remaining capital commitment to Helios Fund IV was \$14,489 (December 31, 2024 - \$14,489), which may be called at any time by Helios Fund IV GP in accordance with the Helios Fund IV LPA (refer to note 5).

*Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company funded a capital call of \$5,355 for its limited partnership interest in Helios Fund IV.

*Taj Holdings*

In 2024, the company invested \$16,133 for a 100% equity interest in Taj Holdings. Through Taj Holdings, the company subscribed for 24.0% equity interest in Taj Investment. Helios Fund IV owns the remaining 76.0% equity interest in Taj Investment. Taj Holdings is a related party of HFP as it is a subsidiary of HFP. The exchange amount of the transaction represented fair value (refer to notes 5 and 6).

*Trone Holdings*

In 2021, the company invested \$15,528 for a 22.0% equity interest in Trone Holdings. Helios Fund IV, who controls SPV Rayon and the operating businesses of Trone, holds the remaining 78.0% equity interest in Trone Holdings. Trone Holdings is a related party of HFP by virtue of common key management personnel and is an associate of the company. The exchange amount of the transaction represented fair value on initial recognition (refer to notes 5 and 6).

*TopCo LP*

TopCo LP is a related party of HFP by virtue of common key management personnel and is an associate of the company.

In 2024, the company made a business decision to allow TopCo LP Class B Limited Partnership Interest to absorb initial startup costs for the new Helios Strategies in excess of management fees for the year ending December 31, 2025, as needed.

*TopCo LP Management Team Commitment*

HFP is committed to contribute \$7,500 to TopCo LP in respect of Management Team Commitments for Helios Fund IV. At March 31, 2025, the company's remaining capital commitment to TopCo LP with respect to the Management Team Commitment was \$2,173 (refer to note 5).

*Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company funded a capital call of \$803 from TopCo LP for its share of HIP Equity IV Management Team Commitment in Helios Fund IV.

*Digital Ventures Facilities*

In 2022, the company entered the Digital Ventures \$40M Facility with HDV. Concurrently, the company entered into the Digital Ventures \$1M Facility with Obashe, which is the sole limited partner of HDV. HDV is related to HFP by virtue of common key management personnel. Obashe is also related to HFP.

In the first quarter of 2025, the company funded drawdowns of \$2,424 and \$61 on the Digital Ventures \$40M Facility and Digital Ventures \$1M Facility, respectively (refer to notes 5 and 6). At March 31, 2025, the company's remaining capital commitments to the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility were \$5,560 and \$299, which may be called at any time in accordance with the respective loan facility agreements.

*Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company funded drawdowns of \$675 on the Digital Ventures \$40M Facility.

### *Helios Sports and Entertainment Group*

Helios Sports and Entertainment Group Ltd. ("HSEG") is a wholly owned subsidiary incorporated in Guernsey that invests in brands, companies and assets in the African sports and entertainment ecosystem. HSEG is a related party of HFP as HFP controls HSEG.

In 2023, the company established HSEG by investing \$11,000 in cash and transferring a \$21,050 Event Horizon Loan in exchange for ordinary shares. Through HSEG and its subsidiary, the company subscribed to a 25% equity interest in Zaria for nominal value and committed up to \$12,000 in funding, with \$4,000 advanced as a loan during 2023. HSEG also subscribed to preference shares in TMG, which holds the "Afro Nation" business. The preference shares accrue dividends at a fixed rate of 12%, compounding semi-annually.

In 2024, the company subscribed for an additional \$12,950 of ordinary shares in HSEG and transferred its 100% interest in U.S. Holdco, the beneficial owner of the equity interest in NBA Africa, to HSEG for \$39,163, in exchange for ordinary shares. The company also provided a \$12,000 loan facility to HSEG, which funded HSEG's \$15,000 investment in PFL Africa, a regional league of the Professional Fighters League.

At March 31, 2025, the company had invested \$57,000, comprising a \$12,000 loan to HSEG and equity contributions of \$45,000 for a 100% ownership in HSEG. Through HSEG's subsidiary, the company indirectly holds an equity interest and an option in TMG, a junior loan and an equity interest in Zaria, and an equity interest in PFL Africa. At March 31, 2025, the fair value of the company's equity investment in HSEG was estimated to be \$56,300 and the fair value of the HSEG Loan Facility was estimated at \$12,780. In addition, the fair value of the legally transferred equity interest in NBA Africa, had a fair value of \$39,726 (see discussion under the header "NBA Africa").

The exchange amount of the transactions represented fair value (refer to notes 5 and 6).

### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company entered into a subscription agreement with two institutional investors for \$50,000 of HSEG's \$75,000 third-party Series B fundraising round. Their funding is conditional on HFP securing an additional \$25,000 and satisfying other customary closing conditions.

### *Helios Seven Rivers Fund*

In 2023, the company invested a total of \$30,000 in Seven Rivers in exchange for a 93.7% equity interest. In 2024, the company's equity interest in Seven Rivers decreased to 90.9%, driven by third-party subscriptions. Seven Rivers is a related party of HFP as HFP controls Seven Rivers. The exchange amount of the transaction represented fair value (refer to notes 5 and 6).

As of March 31, 2025, the company's equity interest in Seven Rivers was 90.9%.

In the first quarter of 2025, the company made a business decision to pay \$2,314 to HIP Guernsey Ltd. as reimbursement for initial startup costs of Seven Rivers. This amount has been recorded as an expense in other expenses in the consolidated statements of net earnings (loss) and comprehensive earnings (loss).

### *HSEG Loan Facility*

In 2024, the company entered into a loan facility agreement for \$12,000 with HSEG (the "HSEG Loan Facility"). The HSEG Loan Facility bears interest at a rate of the 6-month SOFR reference rate plus an adjustment of 0.10% and a margin of 4.275% per annum, accrued and capitalized semi-annually, is unsecured, and matures on the earlier of June 30, 2025, or the completion of a bona fide transaction for raising capital by HSEG where securities are issued and sold to a third party. The loan is to be fully repaid by the maturity date.

Pursuant to the loan agreement, drawdowns of \$12,000 were funded in 2024 and the proceeds were solely used to fund HSEG's investment in PFL Africa.

The exchange amount of the transactions represented fair value (refer to notes 5 and 6).

#### *Subsequent to March 31, 2025*

Subsequent to March 31, 2025, the company entered into an amended and restated loan agreement to increase the existing HSEG Loan Facility from \$12,000 to \$13,500. The proceeds of \$1,500 were advanced by HSEG to HSEH and subsequently drawn down by Zaria in accordance with its loan note facility.

#### *AGH Loan*

In 2024, the company, through its SA Sub, entered into a Sale of Shares and Claims Agreement with AGH and Philafrica, whereby the company committed to selling its 26,000 common shares or 26.0% equity interest in Philafrica to AGH for an aggregate consideration of \$4,400, subject to the fulfillment or waiver of certain closing conditions. AGH is a related party of HFP as AGH is indirectly controlled by HFP.

In August 2024, the closing conditions were met, and the transaction was completed. The company sold its 26,000 common shares in Philafrica and received purchase consideration in the form of a loan with a principal balance of \$4,400. The loan bears interest at a rate of CME Term SOFR plus 4%, payable on or before August 31, 2024 (the "AGH Loan"). The AGH Loan was fully settled on December 18, 2024 for a total payment of \$4,530.

The exchange amount of the transactions represented fair value (refer to notes 5 and 6).

#### *Philafrica Facility*

In 2024, the company entered into a debt purchase agreement to sell all the rights and claims against and debts owing under the Philafrica Facility. The consideration for the Philafrica Facility is the total outstanding balance, including principal and accrued interest, at the time that the consideration is settled. The purchaser of the Philafrica Facility is a company controlled by common key management personnel of AGH. The Philafrica Facility was settled for a total of \$9,587 on December 18, 2024.

The exchange amount of the transactions represented fair value (refer to notes 5 and 6).

#### *Indirect equity interest in Nova Pioneer*

Nova Pioneer Education Group is a Pan-African independent school network offering preschool through secondary education. Nova Pioneer is wholly owned by Ascendant Learning Limited, a Mauritius-based parent entity. Helios Fairfax Partners Corporation (HFP) holds an indirect equity interest in Nova Pioneer through its investment in Ascendant.

As of March 31, 2025, and December 31, 2024, HFP had invested a total of \$38,811, representing a 56.3% equity interest in Ascendant. Nova Pioneer is a related party of HFP by virtue of HFP's indirect control over Nova Pioneer through its equity interest in Ascendant.

During the year ended March 31, 2025, there were no transactions or outstanding balances between HFP and Nova Pioneer.

#### *Indirect equity interest in AGH*

The company previously held an indirect equity interest in AFGRI Group Holdings Proprietary Limited ("AGH") through its investment in Joseph Investment Holdings ("Joseph Holdings"). On July 28, 2023, the company entered into a Sale and Purchase Agreement (as amended by a First Addendum in 2024) to dispose of its investment in Joseph Holdings.

In 2023, the company completed the sale of a portion of its investment (the "Tranche 1 Sale") for proceeds of \$14,000. In 2024, the company completed the sale of an additional portion (the "Tranche 2 Sale") for proceeds of \$2,374.

In the first quarter of 2025, the company completed the sale of its remaining investment (the "Tranche 3 Sale") for proceeds of \$26. As a result, the company fully derecognized its indirect equity interest in AGH.

The exchange amount of the transactions represented fair value (refer to notes 5 and 6).

## Related Party Indemnity

In 2022, the company entered into an agreement with Fairfax in respect of which Fairfax agreed to indemnify the company for all claims and liabilities that may arise from the settlement, in 2021, of the Atlas Mara Zambia Term Deposit Guarantee of \$13,495, inclusive of interest.

On December 4, 2023, through Mauritius Sub, the company and Fairfax entered into an Indemnity Agreement, pursuant to which Fairfax agreed to pay up to \$8,200 for the Claw Back Clause and indemnify the company for Indemnified Losses incurred as per the Sale and Purchase Agreement dated July 28, 2023. The company has not attributed any value to these assets, as management has assessed the probability of receiving payment due to these clauses being triggered as remote.

## 14. Property and equipment

### Property and equipment

At March 31, 2025, the company's property and equipment consisted of the following:

	Right of use asset	Leasehold improvements	Machinery and equipment	Furniture and fixtures	Total
Cost	563	625	57	89	1,334
Accumulated depreciation	(102)	(66)	(18)	(9)	(195)
<b>Net balance, March 31, 2025</b>	<b>461</b>	<b>559</b>	<b>39</b>	<b>80</b>	<b>1,139</b>

At December 31, 2024, the company's property and equipment consisted of the following:

	Right of use asset	Leasehold improvements	Machinery and equipment	Furniture and fixtures	Total
Cost	563	625	57	89	1,334
Accumulated depreciation	(87)	(51)	(13)	(7)	(158)
<b>Net balance, December 31, 2024</b>	<b>476</b>	<b>574</b>	<b>44</b>	<b>82</b>	<b>1,176</b>

The changes in net carrying amounts of property and equipment at March 31, 2025 and 2024 were as follows:

	Right of use asset	Leasehold improvements	Machinery and equipment	Furniture and fixtures	Construction in progress	Total
Net balance, December 31, 2024	476	574	44	82	—	1,176
Depreciation expense	(15)	(15)	(5)	(2)	—	(37)
<b>Net balance, March 31, 2025</b>	<b>461</b>	<b>559</b>	<b>39</b>	<b>80</b>	<b>—</b>	<b>1,139</b>
Net balance, December 31, 2023	547	—	—	—	427	974
Additions	—	193	44	86	—	323
Transfers to (from) construction in progress	—	427	—	—	(427)	—
Depreciation expense	(17)	(5)	(1)	(1)	—	(24)
<b>Net balance, March 31, 2024</b>	<b>530</b>	<b>615</b>	<b>43</b>	<b>85</b>	<b>—</b>	<b>1,273</b>

Depreciation expense of \$37 was recorded for the three months ended March 31, 2025 (2024 - \$24).

## Leases

The company leases office space in Canada. The initial term of the lease is 10 years, beginning in 2023, and contains an option to extend beyond the initial lease period. The lease contract entered into by the company does not contain any significant restrictions or covenants.

The company's lease liability at March 31, 2025 was \$461 (2024 - \$471) and the annual minimum payment requirements for the liability were as follows:

For the year:

2025	62
2026	106
2027	106
2028	107
2029	93
Thereafter	399
	<b>873</b>

During the three months ended March 31, 2025, the company recognized \$17 (2024 - \$21) in interest expense relating to its lease liability, which was included in interest expense. The company had total cash disbursements of \$26 (2024 - \$31) related to its lease liability.

During the three months ended March 31, 2024, the company incurred \$20 in expenses relating to a short-term lease for its temporary office space.

## 15. Other Assets

Other assets at March 31, 2025 and December 31, 2024 were comprised as follows:

	March 31, 2025	December 31, 2024
Sales tax refundable	1,133	1,131
Other	435	216
	<b>1,568</b>	<b>1,347</b>

## 16. General and Administration Expenses

General and administration expenses for the first quarter of 2025 and 2024 were comprised as follows:

	First quarter	
	2025	2024
Audit, legal, tax and professional fees	1,103	762
Administrative expenses	284	281
Depreciation of property and equipment	37	24
Salaries and employee benefit expenses	1,066	704
Other expenses	126	—
	<b>2,616</b>	<b>1,771</b>



## 17. Legal Proceedings

The company is a defendant in a current legal action and intends to vigorously defend itself against all legal claims arising from such action. Although the ultimate outcome of this matter cannot be ascertained at this time and the results of such legal proceedings cannot be predicted with certainty, it is the opinion of management, based on information currently available and the indemnity in place, that this is not a significant exposure, and the resolution of this matter will not have a material adverse effect on the consolidated financial position of the company.

## 18. Supplementary Cash Flow Information

Cash and cash equivalents were included within the consolidated balance sheets and statements of cash flows as follows:

	<b>March 31, 2025</b>	December 31, 2024
Cash and balances with banks	<b>31,305</b>	38,320

Details of certain cash flows included within the consolidated statements of cash flows for the first quarter of 2025 and 2024 were as follows:

	<b>First quarter</b>	
	<b>2025</b>	2024
<b>Purchases of investments</b>		
Loans	<b>(2,485)</b>	(6,422)
	<b>(2,485)</b>	(6,422)
<b>Disposals of investments</b>		
Common stocks	<b>26</b>	—
	<b>26</b>	—
<b>Interest received (paid)</b>		
Interest received	<b>287</b>	775
Interest paid on lease liability	<b>(17)</b>	(21)
	<b>270</b>	754
<b>Income taxes refund (paid)</b>	<b>289</b>	2,613

