



INTERIM REPORT

**For the six months ended
June 30, 2025**

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Management's Discussion and Analysis **(as of August 8, 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 and six months ended June 30, 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. Additional information can also be accessed from the company's website 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 and six months ended June 30, 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 and on the company's website at 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 June 30, 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.

Growth across the continent is projected to accelerate, with real GDP expanding by roughly 3.8% in 2025, up from 3.3% in 2024. Over 20 African nations are on track to grow above 5% in 2025, far outpacing global averages. Africa's average growth in 2025 and 2026 is set to exceed the world's, second only to emerging Asia. This rebound is driven by rising domestic consumption and improving trade performance as economies recover from recent shocks. Crucially, improved electricity supply and infrastructure investments are addressing long-standing bottlenecks.

Macroeconomic stability is gradually improving in many countries. Inflationary pressures, which spiked in recent years have begun to ease in several economies, creating room for supportive monetary policy. Fiscal balances are also expected to improve modestly in 2025 as governments pursue consolidation and revenue reforms.

Recent initiatives across the continent have unlocked substantial multilateral funding and improved access to external financing. This is supported 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 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.

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.

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 in the near term.

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 June 30, 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 Helios Seven Rivers Fund Ltd. ("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 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.

Refer to note 7 (Borrowings) to the interim consolidated financial statements for the three and six months ended June 30, 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 ⁽¹⁾	June 30, 2025
Alternative Asset Management						
TopCo LP Class A Limited Partnership Interest	2020	20,560	930	—	4,962	26,452
TopCo LP Class B Limited Partnership Interest	2020	75,835	—	—	(7,130)	68,705
Total		96,395	930	—	(2,168)	95,157
Helios Managed Investments						
<u>Co-Investments</u>						
Helios Fund IV Limited Partnership Interest	2021	64,436	6,203	—	8,731	79,370
Trone Common Shares	2021	20,569	—	—	8,954	29,523
Taj Holdings Limited Partnership Interest	2024	16,133	—	—	—	16,133
		101,138	6,203	—	17,685	125,026
<u>Seeding Investments</u>						
NBA Africa Common Shares	2021	39,726	—	—	81	39,807
HSEG Common Shares	2023	56,300	—	—	5,893	62,193
HSEG \$13.5M Loan Facility	2024	12,474	1,500	—	608	14,582
HSEG \$10M Loan Facility	2025	—	5,000	—	16	5,016
Digital Ventures \$40M Facility	2022	35,459	3,599	—	2,004	41,062
Digital Ventures \$1M Facility	2022	704	61	—	23	788
Seven Rivers Common Shares	2023	36,231	—	(18,000)	9,469	27,700
		180,894	10,160	(18,000)	18,094	191,148
Total		282,032	16,363	(18,000)	35,779	316,174
Legacy Non-Core Investments						
Indirect Equity Interest in Nova Pioneer	2021	16,496	—	—	(8,332)	8,164
Indirect Equity Interest in AGH	2017	26	—	(26)	—	—
Total		16,522	—	(26)	(8,332)	8,164
Total Portfolio Investments		394,949	17,293	(18,026)	25,279	419,495

(1) Balance includes capitalized interest of \$2,086.

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.

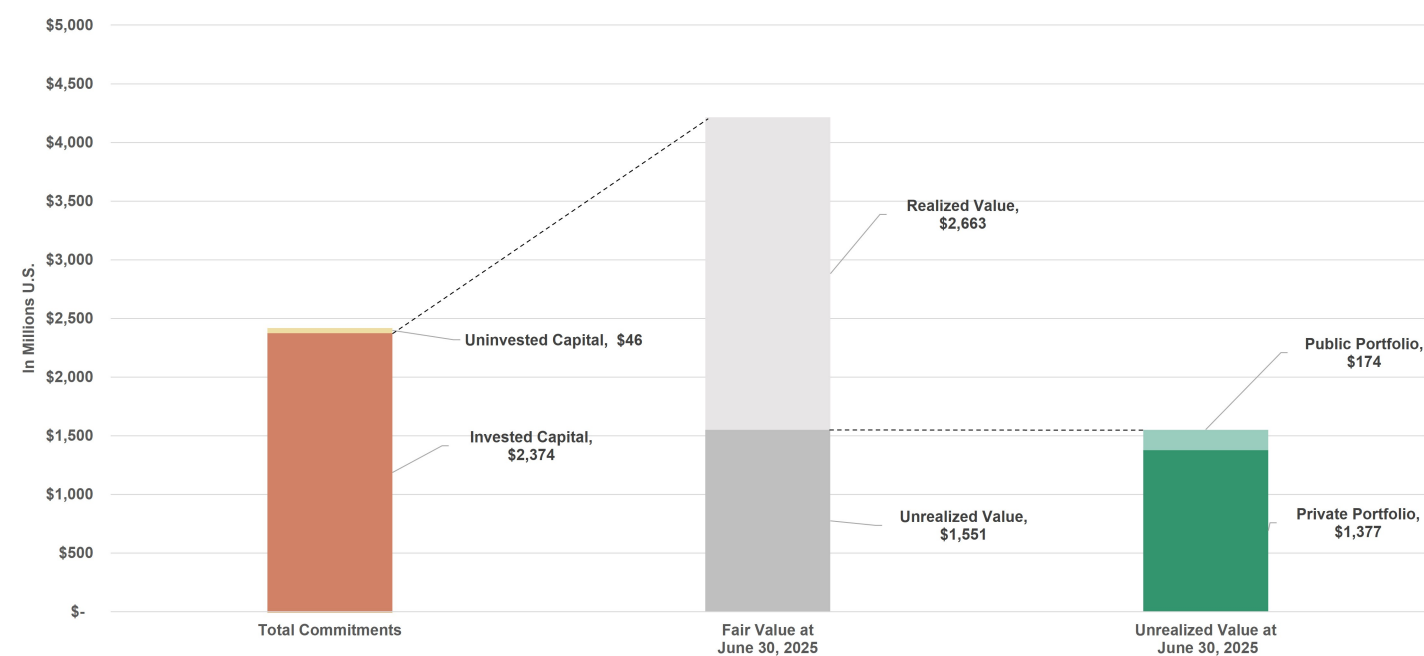
Business Overview

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 investment and advisory services to HFP, for which it receives investment advisory fees.

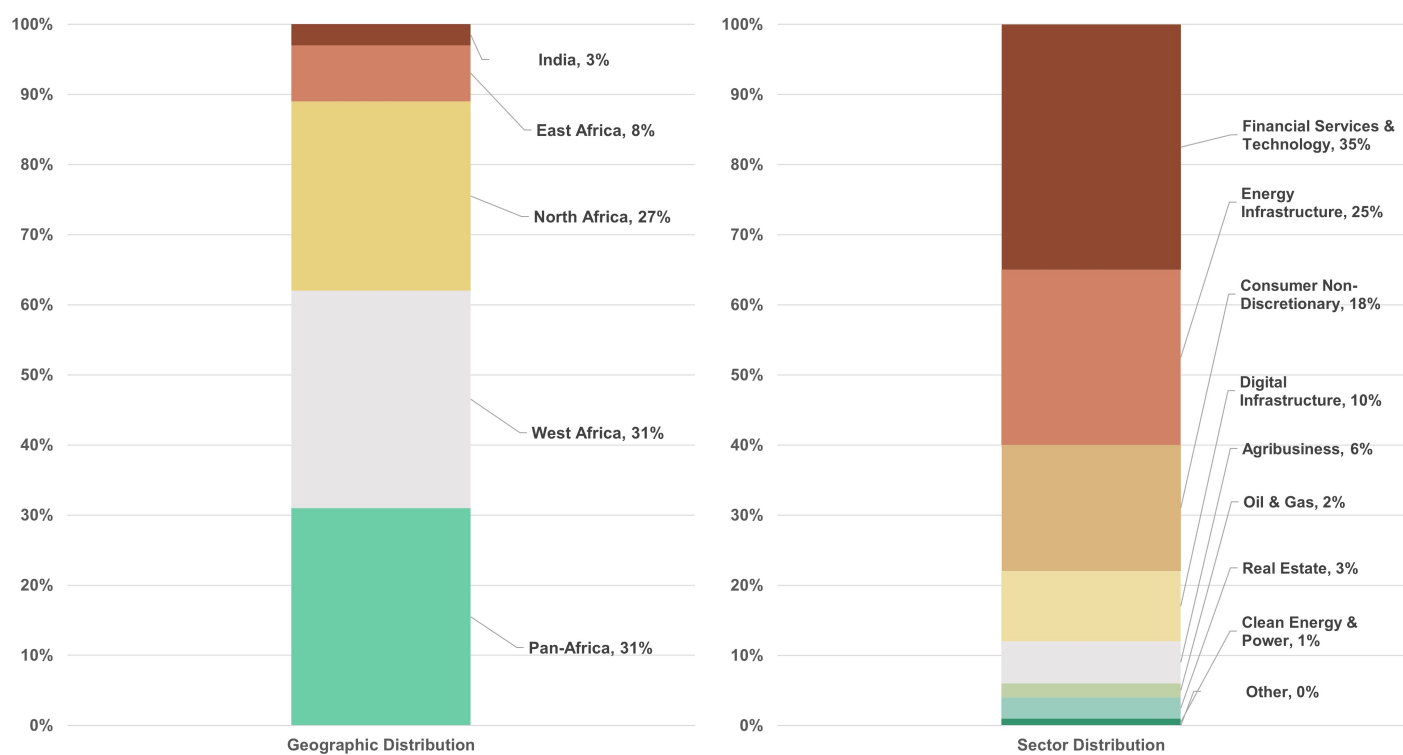
The Helios fee streams to which TopCo LP is entitled are currently derived from private equity funds managed by Helios and future Helios Strategies. Each fund was formed with the purpose of investing in African businesses or other businesses with customers, suppliers or businesses primarily conducted 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 June 30, 2025, the status and composition of the Helios Funds was as follows:



As at June 30, 2025, the composition of the Helios Funds’ unrealized portfolio was as follows:



For the six months ended June 30, 2025, the companies in which the Funds have invested experienced a 0.2% 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 private company engaged in midstream LNG operations, and a public financial services company 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 June 30, 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 medical devices, in vitro diagnostics and pharmaceuticals in Morocco and Francophone Africa; and (v) a private company operating in the agricultural sector in Egypt.

Summarized below is unrealized carried interest from the Helios Funds as at June 30, 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)

	June 30, 2025	December 31, 2024
Total unrealized carried interest	35,623	27,056
TopCo LP's share of the unrealized carried interest	17,812	13,528

Total unrealized carried interest increased by \$8,567 at June 30, 2025 compared to December 31, 2024. TopCo LP's share of unrealized carried interest increased by \$4,284 at June 30, 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 June 30, 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 is a limited partner of HIP Equity IV, L.P. ("HIP Equity IV"). 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.

During the second quarter and first six months of 2025, the company funded capital calls of \$930 from TopCo LP for its share of HIP Equity IV Management Team Commitment in Helios Fund IV.

At June 30, 2025, the company's net capital contribution to TopCo LP in respect of Management Team Commitments was \$6,257 (December 31, 2024 - \$5,327) and the remaining capital commitment was \$1,243 (December 31, 2024 - \$2,173).

Subsequent to June 30, 2025

Subsequent to June 30, 2025, Helios Investors V, L.P. ("Helios Fund V"), a limited partnership based in Guernsey, completed its first close. Helios Fund V is structured to receive and deploy capital from limited partners with the objective of earning returns from investments directly or indirectly in Africa. The company committed to contribute \$2,038 in respect of the management team commitment for Helios Fund V, which will entitle the company to a 50% share of any carried interest that the fund generates in the future through its ownership of TopCo LP Class A Limited Partnership Interest.

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 June 30, 2025 and December 31, 2024, HFP held all of the issued and outstanding Class A and Class B Limited Partnership Interests of TopCo LP.

Subsequent to June 30, 2025

Subsequent to June 30, 2025, Helios Fund V completed its first close. The company, through its ownership of TopCo LP Class B Limited Partnership Interest, is entitled to receive Excess Management Fees from this fund.

Valuation and Consolidated Financial Statement Impact

TopCo LP Class A Limited Partnership Interest

At June 30, 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 25.6% to 29.6% (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 June 30, 2025:

Valuation Technique	Model Inputs	Inputs at June 30, 2025	Inputs at December 31, 2024	Description
Discounted cash flow and net asset value	Discount rates	25.6% to 29.6%	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 to 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 June 30, 2025, the company's internal valuation model indicated that the fair value of its TopCo LP Class A Limited Partnership Interest was \$26,452 (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 primarily driven by improved expectations of value realization from the underlying investments in Helios Fund IV, particularly in the reinsurance sector, as well as an increase in the fair value of the Management Team Commitment in HIP Equity IV. This uplift was further supported by a reduction in the discount rate applied to Helios Fund IV, reflecting a decline in the country risk premium and a lower company-specific risk premium following the end of Fund IV's investment period in June 2025. These factors were partially offset by lower exit forecasts for certain investments.

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.

TopCo LP Class B Limited Partnership Interest

At June 30, 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 June 30, 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, and Helios CLEAR. The \$10.4 million in management fee revenue from existing funds for the six months ended June 30, 2025 could potentially increase to \$78.0 million in management fee revenue from existing and future funds over the eight year forecasting period, implying a compound annual growth rate of 15.4%. 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 June 30, 2025:

Valuation Technique	Model Inputs	Inputs at June 30, 2025	Inputs at December 31, 2024	Description
Discounted cash flow	Discount rate	17.3%	17.1%	Included certain risk premiums commensurate with the risks inherent in the probability-weighted expected future cash flows.
	Growth in management fee revenue	15.4%	20.2%	Represented the compound annual growth rate in management fee revenue over eight years from \$27.7 million to \$78.0 million (December 31, 2024 - \$20.7 million to \$89.0 million), before taking into account probability weightings.
	Long term pre-tax profit margin	31.6%	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 June 30, 2025, the company's internal valuation model indicated that the fair value of its TopCo LP Class B Limited Partnership Interest was \$68,705 (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, a public markets strategy, and a climate-focused growth equity strategy. These reductions reflect delays in fundraising, downward revisions to target fund sizes, and revised fee expectations. 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 in the short term, resulting in a higher associated probability weighting.

In 2024, the company, as the TopCo LP 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 June 30, 2025.

Balance Sheet

(unaudited - US\$ thousands)

	<u>June 30, 2025</u>
Assets	
Cash and cash equivalents	22
Equity interest in limited partnerships	26,452
Future net fee related earnings	68,705
Accounts receivable	31
Due from affiliates	1,200
Total Assets	<u>96,410</u>
Liabilities	
Due to affiliates	6,293
Accrued expenses	69
Deferred income	—
Amounts due to Class A interest holder	26,452
Amounts due to Class B interest holder	68,705
Total Liabilities	<u>101,519</u>
Net Deficit Attributable to Partners	<u>(5,109)</u>

Summarized below is selected information from TopCo LP for the six months ended June 30, 2025.

Excess Management Fees

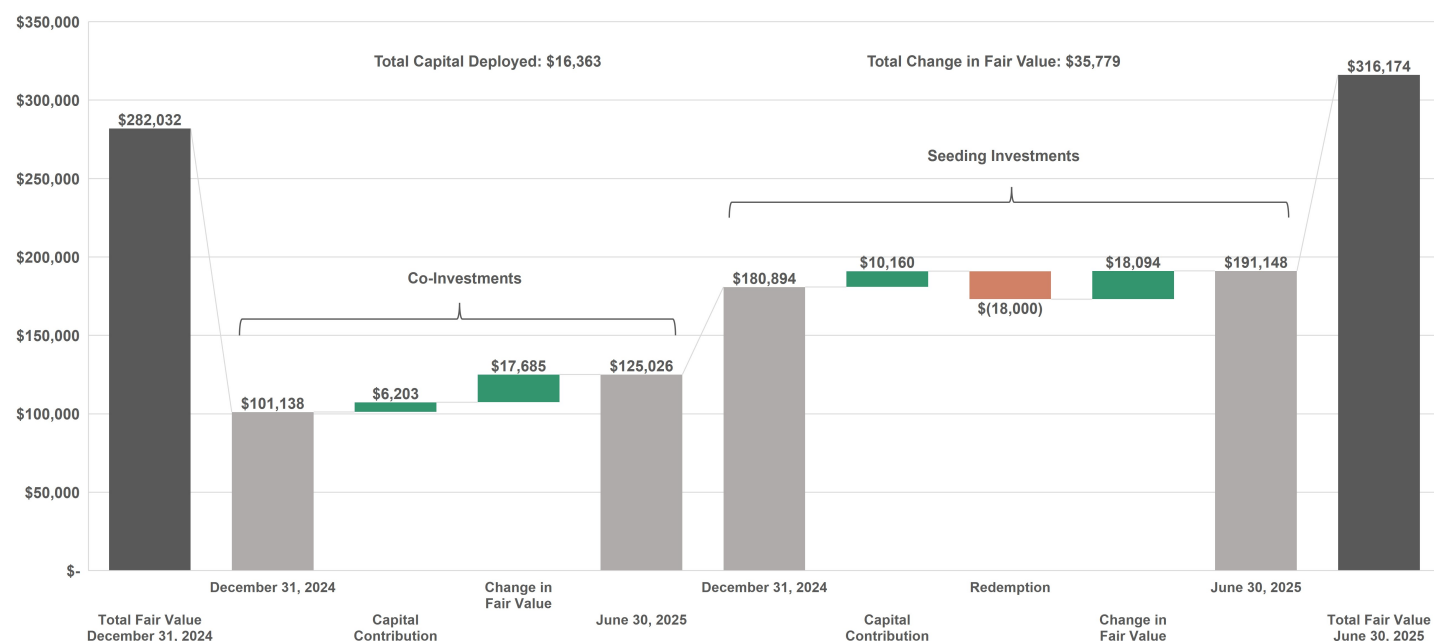
(unaudited - US\$ thousands)

	<u>Six months ended June 30, 2025</u>
Gross management fees	10,354
Gross expenses	10,354
Net loss	<u>—</u>

Helios Managed Investments

As at June 30, 2025, the company has deployed \$221,056 into Helios Managed Investments representing \$73,375 in direct or co-investments and \$147,681 to accelerate the development of new strategies. Since the company's initial investments, the fair value has increased by \$95,118 (43.0%) to \$316,174 as a result of the strong performance of the underlying investee companies.

In the first six months of 2025, the company deployed capital of \$16,363 in Helios Managed Investments. The company recognized an increase in the total fair value of these investments of \$35,779. The activities during the first six months 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 June 30, 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.

During the second quarter and first six months of 2025, the company funded capital calls of \$6,203 for its limited partnership interest in Helios Fund IV.

At June 30, 2025, the company had funded aggregate capital calls of \$41,714, 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 June 30, 2025, the company’s remaining capital commitment to Helios Fund IV was \$8,286 (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 June 30, 2025, the company estimated the fair value of its investment in Helios Fund IV Limited Partnership Interest to be \$79,370 (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 primarily driven by the significant appreciation in the fair value of the underlying investments, particularly in the healthcare, reinsurance, and electronic payments sectors. This appreciation was 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. In addition, a portion of the increase reflects the company's capital contribution of \$6,203 during the six months ended June 30, 2025.

Since the company's initial investment, the fair value of Helios Fund IV has increased by \$37,656 (90.3%) as a result of the strong performance of the underlying investee companies.

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 June 30, 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 June 30, 2025, the company estimated the fair value of its 22.0% equity interest in Trone Holdings to be \$29,523 (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 \$13,995 (90.1%).

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 June 30, 2025, the company remains the sole limited partner of Taj Holdings. At June 30, 2025, the company estimated the fair value of its investment in Taj Holdings to be \$16,133 (December 31, 2024 - \$16,133). The investment was valued at transaction price at December 31, 2024, reflecting the recent acquisition in September 2024. At June 30, 2025, the valuation technique was changed to net realizable value, reflecting the structured downside protection embedded in the investment. This change was made to better reflect the recoverable amount in light of the senior 1.0x non-participating liquidation preference held by the company and other investors. The fair value of the investment remains unchanged.

Seeding Investments

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 Helios Sports and Entertainment Holdings Ltd. ("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 June 30, 2025, the company estimated the fair value of its investment in NBA Africa to be \$39,807 (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 \$8,250 advanced as a loan as of June 20, 2025. 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.

In the second quarter of 2025, the company amended the existing HSEG Loan Facility to increase the commitment from \$12,000 to \$13,500 (the "HSEG \$13.5M Loan Facility") and extended the maturity date to the earlier of August 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 additional \$1,500 was advanced to Zaria. The company also entered into a new \$10,000 loan facility with HSEG (the "HSEG \$10M Loan Facility"), maturing on the earlier of September 30, 2025 or the second completion of HSEG's Series B fundraising round. A drawdown of \$5,000 was funded under this facility, of which \$2,000 was advanced to TMG as a prepayment for the subscription of additional preference shares.

At June 30, 2025, the company had invested \$63,500, comprising \$18,500 loans 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 June 30, 2025, the fair value of the company's equity investment in HSEG was estimated to be \$62,193 (December 31, 2024 - \$56,300) and the fair value of the HSEG Loan Facilities was estimated at \$19,598 (December 31, 2024 - \$12,474). In addition, the legally transferred equity interest in NBA Africa had a fair value of \$39,807 (December 31, 2024 - \$39,726) (see discussion under the header "NBA Africa").

The increase in the fair value of the company's equity investment in HSEG from the December 31, 2024 fair value of \$56,300 was primarily attributable to a reduction in the deal risk adjustment applied to the offer price used in the valuation, driven by a higher probability of completion for the Series B fundraising. The uplift is supported by the execution of definitive documentation and advanced commercial discussions with the remaining investor cohort required for first completion.

Subsequent to June 30, 2025

Subsequent to June 30, 2025, the company funded additional drawdowns of \$4,500 on the HSEG \$10M Loan Facility, bringing the total amount drawn on the facility to \$9,500.

Subsequent to June 30, 2025, HSEG, through HSEH, subscribed for an aggregate of 5,512 cumulative redeemable preference shares in TMG. This included 2,990 preference shares issued in settlement of \$6,669 of accrued unpaid dividends, which were extinguished upon issuance, and 2,522 preference shares subscribed for \$4,500, of which \$4,000 was paid in cash and \$500 is payable in cash. In connection with this subscription, HSEH also received 4,987 participating bonus preference shares. The preference shares carry a fixed dividend of 12% per annum, compounding semi-annually, and are subject to the same terms as the existing preference shares.

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.

During the second quarter and first six months of 2025, the company funded drawdowns of \$1,175 and \$3,599 on the Digital Ventures \$40M Facility.

During the second quarter and first six months of 2025, the company funded drawdowns of nil and \$61 on the Digital Ventures \$1M Facility.

As at June 30, 2025, drawdowns of \$35,615 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 bears interest at a rate of 8% per annum, accrued and capitalized quarterly and is unsecured. Effective May 31, 2025, the maturity date was extended to May 31, 2026. 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 June 30, 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 \$41,062 and \$788 (December 31, 2024 - \$35,459 and \$704).

In the second quarter and first six months of 2025, the company recorded interest income of \$794 and \$1,542 (2024 - \$476 and \$920) within the consolidated statements of earnings (loss) and comprehensive earnings (loss) related to the Digital Ventures \$40M Facility.

In the second quarter and first six months of 2025, the company recorded interest income of \$14 and \$24 (2024 - \$8 and \$16) within the consolidated statements of earnings (loss) and comprehensive earnings (loss) related to the Digital Ventures \$1M 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 an initial 93.7% equity interest in Seven Rivers. As of January 1, 2025, the company’s equity interest was 90.9%.

During the second quarter of 2025, the company redeemed a portion of its investment in Seven Rivers for total proceeds of \$18,000, of which \$9,000 was received during the quarter and \$9,000 was recognized as a receivable from a related party and settled subsequent to quarter end. The redemption was executed at the fair value of the shares on the respective redemption dates. As a result, the company derecognized a portion of the financial asset and recognized a realized gain on investment of \$5,865 within the consolidated statements of earnings (loss) and comprehensive income (loss). Following the redemptions, the company’s equity interest in Seven Rivers decreased from 90.9% to 85.6%.

At June 30, 2025, the fair value of the company’s investment in Seven Rivers was \$27,700 (December 31, 2024 - \$36,231). Since the company’s initial investment, the fair value of Seven Rivers has increased by \$9,835 (55.1%) due to the performance of the underlying portfolio.

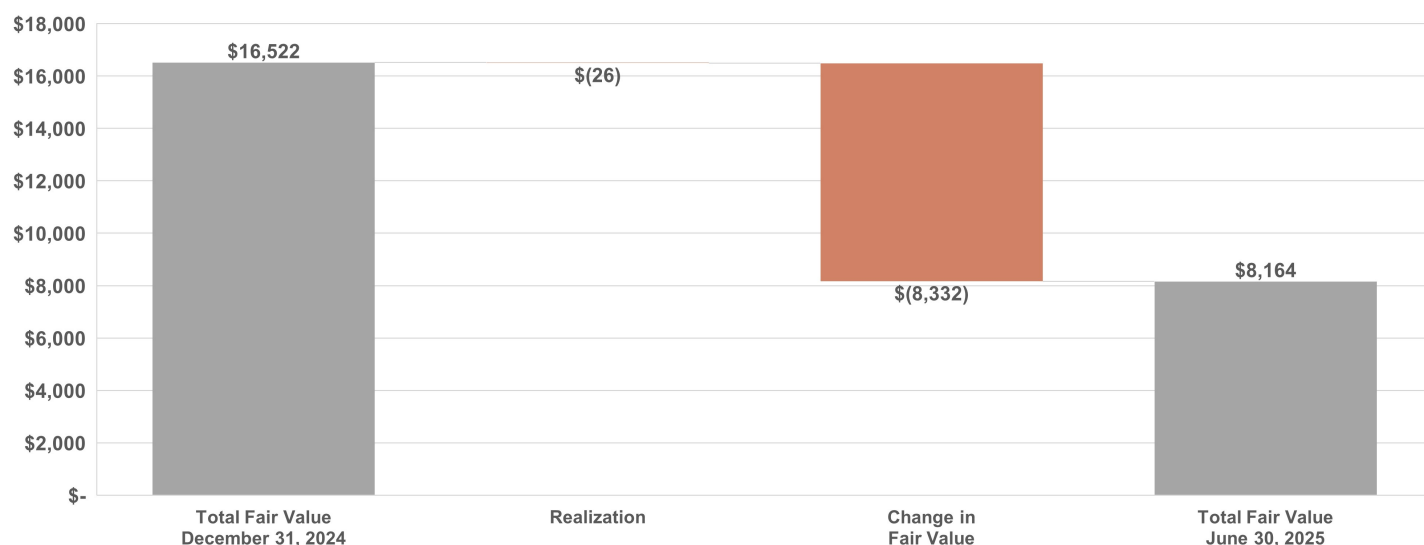
Subsequent to June 30, 2025

Subsequent to June 30, 2025, the company received the remaining \$9,000 in redemption proceeds from Seven Rivers.

Subsequent to June 30, 2025, it was determined that Seven Rivers would no longer actively pursue third-party capital. The fund continues to be managed by its existing investment manager, and its governance structure remains unchanged.

Legacy Non-core Investments

In the first six months of 2025, the company exited its investment in Indirect equity interest in AGH realizing \$26 in cash. The activities during the first six 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 June 30, 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 June 30, 2025, the company estimated the fair value of its indirect equity interest in Nova Pioneer to be \$8,164 (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.

Results of Operations

HFP’s consolidated statements of earnings (loss) and comprehensive earnings (loss) for the three and six months ended June 30, 2025 are shown in the following table:

	Second quarter		First six months	
	2025	2024	2025	2024
Income				
Interest	1,275	2,102	2,590	3,954
Net gains (losses) on investments	15,927	(14,411)	23,193	(15,172)
Net foreign exchange gains (losses)	(68)	917	(200)	575
	17,134	(11,392)	25,583	(10,643)
Expenses				
Investment and advisory fees	1,184	1,112	2,253	2,264
Transaction costs	15	495	25	1,673
General and administration expenses	3,209	2,289	5,825	4,060
Other expenses	512	—	2,826	—
Interest expense	422	448	881	891
	5,342	4,344	11,810	8,888
Earnings (loss) before income taxes	11,792	(15,736)	13,773	(19,531)
Provision for income taxes	213	795	1,330	1,681
Net earnings (loss) and comprehensive earnings (loss)	11,579	(16,531)	12,443	(21,212)
Net earnings (loss) per share	\$ 0.11	\$ (0.15)	\$ 0.11	\$ (0.20)

Total income of \$17,134 in the second quarter of 2025 increased compared to total loss of \$11,392 in the second quarter of 2024, primarily due to net gains on investments compared to net losses on investments, offset by lower interest income and net foreign exchange losses compared to net foreign exchange gains.

Total income of \$25,583 in the first six months of 2025, compared to total loss of \$10,643 in the first six months of 2024, primarily reflecting lower interest and dividends and net losses on investments compared to net gains, partly offset by lower interest income and net foreign exchange losses compared to net foreign exchange gains.

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

	Second quarter				
	2025			2024	
	Net realized gains	Net change in unrealized gains	Net gains	Net change in unrealized losses	Net losses
Net gains (losses) on investments:					
Limited partnership investments	—	5,488	5,488	(13,166)	(13,166)
Common shares	5,865	3,994	9,859	(316)	(316)
Loans	—	580	580	(929)	(929)
	5,865	10,062	15,927	(14,411)	(14,411)

Net realized gains on investments of \$5,865 in the second quarter of 2025 were comprised of a realized gain on the partial redemption of Seven Rivers. There were no net realized gains or losses in the second quarter of 2024.

Net change in unrealized gains on investments of \$10,062 in the second quarter of 2025 was principally comprised of unrealized gains on HSEG (\$5,893), Helios Fund IV (\$4,451), TopCo LP Class A Limited Partnership Interest (\$3,281), and Trone (\$1,923), partially offset by unrealized losses on Indirect equity interest in Nova Pioneer (\$4,267) and TopCo LP Class B Limited Partnership Interest (\$2,244).

Net change in unrealized losses on investments of \$14,411 in the second quarter of 2024 was principally comprised of unrealized losses on TopCo LP Class B Limited Partnership Interest (\$12,946), Indirect equity interest in Nova Pioneer (\$1,197), and Seven Rivers (\$1,295), partially offset by unrealized gains on HSEG (\$962).

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

	First six months				
	2025			2024	
	Net realized losses	Net change in unrealized gains	Net gains	Net change in unrealized gains (losses)	Net gains (losses)
Net gains (losses) on investments:					
Limited partnership investments	—	6,563	6,563	(16,533)	(16,533)
Common shares	(10,018)	26,083	16,065	2,029	2,029
Loans	—	565	565	(668)	(668)
	(10,018)	33,211	23,193	(15,172)	(15,172)

Net realized losses on investments of \$10,018 in the first six months of 2025 were comprised of a realized loss on the disposal of Indirect equity interest in AGH (\$15,883), partially offset by a realized gain on the partial redemption of Seven Rivers (\$5,865). There were no net realized gains or losses in the first six months of 2024.

Net change in unrealized gains on investments of \$33,211 in the first six months of 2025 was principally comprised of unrealized gains on Trone (\$8,954), Helios Fund IV (\$8,731), HSEG (\$5,893), and TopCo LP Class A Limited Partnership Interest (\$4,962) 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 (\$7,130) and Indirect equity interest in Nova Pioneer (\$8,332).

Net change in unrealized losses on investments of \$15,172 in the first six months of 2024 was principally comprised of unrealized losses on TopCo LP Class A Limited Partnership Interest (\$3,867), TopCo LP Class B Limited Partnership Interest (\$17,580), Indirect equity interest in Nova Pioneer (\$1,197), and Seven Rivers (\$1,753), partially offset by unrealized gains on Helios Fund IV (\$4,914), Trone (\$2,551), and HSEG (\$2,055).

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

	Second quarter	
	2025	2024
	Net gains (losses)	Net gains
Net foreign exchange gains (losses) on:		
Cash and cash equivalents	138	277
Common shares	—	272
Loans	—	354
Other	(206)	14
	(68)	917

Net foreign exchange losses of \$68 in the second 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 gains of \$917 in the second quarter of 2024 were principally a result of the strengthening of the South African rand relative to the U.S. dollar during the period.

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

	First six months	
	2025	2024
	Net gains (losses)	Net gains
Net foreign exchange gains (losses) on:		
Cash and cash equivalents	40	102
Common shares	—	159
Loans	—	227
Other	(240)	87
	(200)	575

Net foreign exchange losses of \$200 in the first six months 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 gains of \$575 in the first six months of 2024 were principally a result of the strengthening of the South African rand and pound sterling relative to the U.S. dollar during the period.

Total expenses of \$5,342 in the second quarter of 2025 increased from total expenses of \$4,344 in the second quarter of 2024, principally as a result of the payment of expenses related to Seven Rivers and higher general and administrative expenses, partially offset by lower transaction costs.

Total expenses of \$11,810 in the first six months of 2025 increased from total expenses of \$8,888 in the first six months of 2024, principally as a result of the payment of expenses related to Seven Rivers and higher general and administrative expenses, partially offset by lower transaction costs.

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 second quarter and first six months of 2025, investment and advisory fees recorded within the consolidated statements of earnings (loss) and comprehensive earnings (loss) were \$1,184 and \$2,253 (2024 - \$1,112 and \$2,264).

At June 30, 2025, no performance fee was accrued to TopCo LP (December 31, 2024 - \$nil), as the Adjusted Book Value per Share of \$3.08 (December 31, 2024 - \$2.95) was less than the hurdle per share at that date of \$3.64. No performance fee was recorded within the consolidated statements of earnings (loss) and comprehensive earnings (loss) for the second quarter and first six months of 2025 and 2024.

General and administrative expenses of \$3,209 and \$5,825 in the second quarter and first six months of 2025 increased from \$2,289 and \$4,060 in the second quarter and first six months of 2024, principally as a result of non-recurring salaries and employee benefit expenses during the period.

Transaction costs of \$15 and \$25 in the second quarter and first six months of 2025 and \$495 and \$1,673 in the second quarter and first six months of 2024 include expenses attributable to investment activities and include legal and other professional services related to the investment process.

During the second quarter and first six months of 2025, the company recorded \$406 and \$848 of standby fees related to the revolving credit facility (2024 - \$430 and \$852) and \$16 and \$33 related to the lease liability (2024 - \$17 and \$39) for a total of \$422 and \$881 recorded as interest expense (2024 - \$448 and \$891).

For the second quarter and first six months of 2025, the provision for income taxes of \$213 and \$1,330 decreased from \$795 and \$1,681 for the second quarter and first six months of 2024, primarily due to foreign accrual property loss carrybacks which resulted in an expected tax refund, partially offset by higher taxes on future settlement of certain investments, specifically Trone and Helios Fund IV, where there has been an increase in the fair value of these investments meeting the deferred tax recognition criteria, compared to the increase in their tax basis.

The company reported net earnings of \$11,579 (net earnings of \$0.11 per basic and diluted share) in the second quarter of 2025 compared to a net loss of \$16,531 (a net loss of \$0.15 per basic share and diluted share) in the second 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 net foreign exchange losses, decreased interest income, and increased general and administrative fees.

The company reported net earnings of \$12,443 (net earnings of \$0.11 per basic and diluted share) in the first six months of 2025 compared to a net loss of \$21,212 (a net loss of \$0.20 per basic and diluted share) in the first six months 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 decreased interest income, increased general and administrative expenses, and the company's business decision to pay certain expenses related to Seven Rivers.

Consolidated Balance Sheet Summary

The assets and liabilities reflected on the company's consolidated balance sheet at June 30, 2025 were primarily impacted by changes in the Portfolio Investments, including the funding of the Digital Ventures \$40M Facility, the HSEG \$13.5M Loan Facility, and the HSEG \$10M Loan Facility, capital calls for Helios Fund IV and TopCo LP Class A, and the partial redemption of Seven Rivers.

	June 30, 2025	December 31, 2024
Assets		
Cash and cash equivalents	14,720	38,320
Portfolio Investments	419,495	394,949
Total cash and investments	434,215	433,269
Interest receivable	819	762
Income taxes refundable	852	437
Other receivables from related parties	9,221	126
Other assets	1,568	1,347
Property and equipment	975	1,176
Total assets	447,650	437,117
Liabilities		
Accounts payable and accrued liabilities	1,961	6,594
Payable to related parties	1,153	846
Lease liability	477	471
Deferred income taxes	15,432	13,265
Total liabilities	19,023	21,176
Equity		
Common shareholders' equity	428,627	415,941
	447,650	437,117

Total Assets

Total assets at June 30, 2025 of \$447,650 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 \$434,215 at June 30, 2025 from \$433,269 at December 31, 2024.

Cash and cash equivalents decreased to \$14,720 at June 30, 2025 from \$38,320 at December 31, 2024, primarily as a result of the funding of additional investments, including drawdowns on the Digital Ventures \$40M Facility, the HSEG \$13.5M Loan Facility, and the HSEG \$10M Loan Facility and capital calls for Helios Fund IV and TopCo LP Class A, and payment of operating expenses. Cash outflows were partially offset by the receipt of cash related to the \$18,000 redemption of Seven Rivers.

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.

Other receivables from related parties increased to \$9,221 at June 30, 2025 from \$126 at December 31, 2024, primarily as a result of the partial redemption of Seven Rivers, of which \$9,000 was receivable at June 30, 2025.

Total Liabilities

Total liabilities at June 30, 2025 of \$19,023 decreased compared to \$21,176 at December 31, 2024. The decrease was principally comprised of the following:

Accounts payable and accrued liabilities of \$1,961 at June 30, 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.

Deferred income taxes increased to \$15,432 at June 30, 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, and the utilization of capital loss carryover balances to offset the capital gain realized on redemption of the investment in Seven Rivers.

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 June 30, 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 and six months ended June 30, 2025.

Book Value per Share

Common shareholders' equity at June 30, 2025 was \$428,627 (December 31, 2024 - \$415,941). The company's book value per share at June 30, 2025 was \$3.96 compared to \$3.84 at December 31, 2024, representing a increase in 2025 of 3.1%, primarily due to net earnings of \$0.11 at June 30, 2025.

	June 30, 2025	December 31, 2024
Common shareholders' equity	428,627	415,941
Number of common shares outstanding	108,291,576	108,179,127
Book value per share	\$3.96	\$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 June 30, 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 company may be subject to certain clawback and indemnity obligations with respect to the sale of its indirect equity interest in AGH and may be subject to certain capital call obligations with respect to its TopCo LP Class A Limited Partnership Interest. At June 30, 2025 and December 31, 2024, the company was not subject to any clawback, indemnity, or capital call obligations. Refer to note 12 (Financial Risk Management, under the heading Liquidity Risk) to the interim consolidated financial statements for the three and six months ended June 30, 2025.

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

	First six months	
	2025	2024
Operating activities		
Cash used in operating activities, excluding net purchases of investments, receivable for investment sold, and receipt of Excess Management Fees	(15,110)	(15,173)
Net (purchases) disposals of investments	733	(16,121)
Receivable for investment sold	(9,000)	—
Receipt of Excess Management Fees	—	991
Investing activities		
Property and equipment	—	(331)
Financing activities		
Purchases of subordinate voting shares for cancellation	—	(259)
Principal elements of lease payments	(23)	(18)
Decrease in cash and cash equivalents during the period	(23,400)	(30,911)

Cash used in operating activities, excluding net purchases of investments, receivable for investment sold, and receipt of Excess Management Fees of \$15,110 in the first six months of 2025 was consistent with cash used in operating activities, excluding net purchases of investments and receipt of Excess Management Fees of \$15,173 in the first six months of 2024.

Net disposals of investments of \$733 in the first six months of 2025 comprised the partial redemption of Seven Rivers, partially offset by purchases of investments related to funding of the Digital Ventures \$40M Facility, the HSEG \$13.5M Loan Facility, and the HSEG \$10M Loan Facility, and capital calls for Helios Fund IV and TopCo LP Class A Limited Partnership Interest. Net purchases of investments of \$16,121 in the first six months of 2024 related to the funding of various loan facilities and the investment in HSEG. Receivable for investment sold of \$9,000 relates to a receivable for the partial redemption of Seven Rivers. This amount is included in other receivables from related parties in the statements of cash flows. There was no receivable for investment sold in the first six months of 2024.

Receipt of Excess Management Fees of \$991 in the first six 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 six months of 2025.

Property and equipment of \$331 in the first six 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. There were no purchases of property and equipment in the first six months of 2025.

Purchases of subordinate voting shares of \$259 in the first six months of 2024 related to the cash paid for the company's purchases for cancellation of 97,314 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 \$23 in the first six months of 2025 (2024 - \$18) 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 June 30, 2025 and December 31, 2024:

	June 30, 2025				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Digital Ventures \$40M Facility	4,385	4,385	—	—	—
Digital Ventures \$1M Facility	299	299	—	—	—
Helios Fund IV Commitment	8,286	8,286	—	—	—
HSEG \$10M Loan Facility ⁽¹⁾	5,000	5,000	—	—	—
Zaria Loan Commitment	3,750	3,750	—	—	—
TopCo LP Management Team Commitment	1,243	1,243	—	—	—
Due to related parties	1,153	1,153	—	—	—
Accounts payable and accrued liabilities	1,961	1,961	—	—	—
Lease commitments	1,605	168	404	377	656
	27,682	26,245	404	377	656

(1) Subsequent to June 30, 2025, the company funded additional drawdowns of \$4,500 on the HSEG \$10M Loan Facility.

	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 ⁽¹⁾	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
	44,306	42,856	385	358	707

(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 and six months ended June 30, 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 and six months ended June 30, 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 second quarter and first six months of 2025, investment and advisory fees recorded within the consolidated statements of earnings (loss) and comprehensive earnings (loss) were \$1,184 and \$2,253 (2024 - \$1,112 and \$2,264).

At June 30, 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 \$3.08 at June 30, 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 \$3.64. Refer to note 13 (Related Party Transactions) to the interim consolidated financial statements for the three and six months ended June 30, 2025 for discussion on the performance fee.

Subsequent to June 30, 2025

Subsequent to June 30, 2025, the company committed to investing \$20,000 in Helios Fund V, a limited partnership based in Guernsey, as the fund completed its first close. Helios Fund V is structured to receive and deploy capital from limited partners with the objective of earning returns from investments directly or indirectly in Africa. The company also committed to contribute \$2,038 in respect of the management team commitment for Helios Fund V, which will entitle the company to a 50% share of any carried interest that the fund generates in the future. The commitments may be called at any time by Helios Fund V GP in accordance with the Helios Fund V LPA.

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:

	June 30, 2025	December 31, 2024
Asset management ⁽²⁾	95,157	96,395
Food and agriculture	—	26
Financial services ⁽¹⁾	85,763	78,588
Education	8,164	16,496
Entertainment	118,406	96,026
Infrastructure	—	6,150
Retail and distribution ⁽¹⁾	86,993	63,587
Insurance ⁽¹⁾	19,128	15,078
Other	5,884	22,603
	419,495	394,949

(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 six 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 losses on the Indirect equity interest in Nova Pioneer.
- Entertainment sector increased primarily due to unrealized gains on HSEG, additional funding of the HSEG \$13.5M Loan Facility and the funding of the HSEG \$10M Loan Facility.
- Infrastructure sector decreased 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, an additional investment in Helios Fund IV, and a rebalancing of the investment portfolio held by Seven Rivers.
- Insurance sector increased primarily due to unrealized gains on Helios Fund IV.
- Other decreased 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 June 30, 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 June 30, 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 and six months ended June 30, 2025.

Other

Quarterly Data (unaudited)

<i>US\$ thousands, except per share amounts</i>	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Income (loss)	17,134	8,449	(17,938)	8,357	(11,392)	749	(65,609)	3,147
Expenses	5,342	6,468	27,625	4,071	4,344	4,544	5,294	4,467
Provision for (recovery of) income taxes	213	1,117	(3,949)	250	795	886	9,996	494
Net earnings (loss)	11,579	864	(41,614)	4,036	(16,531)	(4,681)	(80,899)	(1,814)
Net earnings (loss) per share	\$ 0.11	\$ 0.01	\$ (0.38)	\$ 0.04	\$ (0.15)	\$ (0.04)	\$ (0.75)	\$ (0.02)
Net earnings (loss) per diluted share	\$ 0.11	\$ 0.01	\$ (0.38)	\$ 0.04	\$ (0.15)	\$ (0.04)	\$ (0.75)	\$ (0.02)

Income (loss) is primarily comprised of net gains (losses) on investments, net foreign exchange gains (losses), interest and dividends. Net earnings in the second quarter of 2025 were primarily due to net gains on investments, the timing of which are not predictable, partially offset by higher general and administrative expenses.

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 and six months ended June 30, 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 and six months ended June 30, 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, receivable for investment sold, 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, receivable for investment sold, and receipt of Excess Management Fees.

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.

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Consolidated Balance Sheets*as at June 30, 2025 and December 31, 2024**(unaudited - US\$ thousands)*

	Notes	June 30, 2025	December 31, 2024
Assets			
Cash and cash equivalents	6, 18	14,720	38,320
Portfolio Investments	5, 6, 13	419,495	394,949
Total cash and investments		434,215	433,269
Interest receivable		819	762
Income taxes refundable	11	852	437
Other receivables from related parties	13	9,221	126
Other assets	15	1,568	1,347
Property and equipment	14	975	1,176
Total assets		447,650	437,117
Liabilities			
Accounts payable and accrued liabilities		1,961	6,594
Payable to related parties	13	1,153	846
Lease liability	14	477	471
Deferred income taxes	11	15,432	13,265
Total liabilities		19,023	21,176
Equity			
Common shareholders' equity	8	428,627	415,941
		447,650	437,117

See accompanying notes.

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

for the three and six months ended June 30, 2025 and 2024

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

		Second quarter		First six months	
	Notes	2025	2024	2025	2024
Income					
Interest	6	1,275	2,102	2,590	3,954
Net gains (losses) on investments	6	15,927	(14,411)	23,193	(15,172)
Net foreign exchange gains (losses)	6	(68)	917	(200)	575
		17,134	(11,392)	25,583	(10,643)
Expenses					
Investment and advisory fees	13	1,184	1,112	2,253	2,264
Transaction costs		15	495	25	1,673
General and administration expenses	13, 16	3,209	2,289	5,825	4,060
Other expenses	13	512	—	2,826	—
Interest expense	7	422	448	881	891
		5,342	4,344	11,810	8,888
Earnings (loss) before income taxes		11,792	(15,736)	13,773	(19,531)
Provision for income taxes	11	213	795	1,330	1,681
Net earnings (loss) and comprehensive earnings (loss)		11,579	(16,531)	12,443	(21,212)
Net earnings (loss) per share	10	\$ 0.11	\$ (0.15)	\$ 0.11	\$ (0.20)
Net earnings (loss) per diluted share	8	\$ 0.11	\$ (0.15)	\$ 0.11	\$ (0.20)
Shares outstanding (weighted average)	10	108,237,205	108,123,244	108,264,241	108,125,729

See accompanying notes.

Consolidated Statements of Changes in Equity

for the six months ended June 30, 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
Balance as of January 1, 2025	252,101	260,354	8,381	5,557	385,609	(496,061)	415,941
Net earnings for the period	—	—	—	—	—	12,443	12,443
Issuances (note 8)	222	—	(222)	—	—	—	—
Amortization of share-based payments (note 8)	—	—	243	—	—	—	243
Balance as of June 30, 2025	252,323	260,354	8,402	5,557	385,609	(483,618)	428,627
Balance as of January 1, 2024	252,535	260,354	8,342	5,557	385,609	(437,801)	474,596
Net loss for the period	—	—	—	—	—	(21,212)	(21,212)
Issuances (note 8)	355	—	(355)	—	—	—	—
Purchases for cancellation (note 8)	(789)	—	—	—	—	530	(259)
Amortization of share-based payments (note 8)	—	—	184	—	—	—	184
Balance as of June 30, 2024	252,101	260,354	8,171	5,557	385,609	(458,483)	453,309

See accompanying notes.

Consolidated Statements of Cash Flows

for the three and six months ended June 30, 2025 and 2024

(unaudited - US\$ thousands)

		Second quarter		First six months	
	Notes	2025	2024	2025	2024
Operating activities					
Net earnings (loss)		11,579	(16,531)	12,443	(21,212)
Items not affecting cash and cash equivalents:					
Net bond and loan (premium) discount		—	(234)	—	(334)
Capitalized interest on loans and bonds	5	(790)	(806)	(2,086)	(1,564)
Deferred income taxes	11	1,229	844	2,167	1,578
Share-based compensation expense	9	128	90	243	184
Depreciation of property and equipment	14	37	43	74	67
Net (gains) losses on investments	6	(15,927)	14,411	(23,193)	15,172
Net foreign exchange (gains) losses	6	68	(917)	200	(575)
Purchases of investments	5, 18	(14,808)	(15,299)	(17,293)	(16,121)
Disposals of investments	5, 18	18,000	—	18,026	—
Receipt of Excess Management Fees	5	—	—	—	991
Changes in operating assets and liabilities:					
GP and management company loans		—	(4,315)	—	(9,915)
Interest receivable		(325)	(183)	(57)	(404)
Accounts payable and accrued liabilities		(3,948)	(1,413)	(4,633)	(852)
Income taxes refundable		(887)	(98)	(415)	2,597
Other receivables from related parties		(9,010)	—	(9,095)	—
Payable to related parties		(2,006)	(8)	307	40
Other		156	(15)	(65)	45
Cash used in operating activities		(16,504)	(24,431)	(23,377)	(30,303)
Investing activities					
Purchase of property plant and equipment	14	—	(8)	—	(331)
Cash used in investing activities		—	(8)	—	(331)
Financing activities					
Subordinate voting shares - purchases for cancellation	8	—	(59)	—	(259)
Principal elements of lease payments	14	(13)	(9)	(23)	(18)
Cash used in financing activities		(13)	(68)	(23)	(277)
Decrease in cash and cash equivalents					
Cash and cash equivalents - beginning of period		31,305	89,332	38,320	95,913
Foreign currency translation		(68)	282	(200)	105
Cash and cash equivalents - end of period	18	14,720	65,107	14,720	65,107

See accompanying notes.

Notes to Interim Consolidated Financial Statements

for the three and six months ended June 30, 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 and six months ended June 30, 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 August 8, 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 aim to improve the comparability of financial performance across entities by standardizing the definition of 'operating profit or loss' and enhancing transparency through additional disclosures for certain management-defined performance measures. 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 January 1, 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 June 30, 2025 and December 31, 2024 were as follows:

	Fair Value as at June 30, 2025	Fair Value as at December 31, 2024
Private Portfolio Investments		
Limited partnership interests		
TopCo LP Class A Limited Partnership Interest	26,452	20,560
TopCo LP Class B Limited Partnership Interest	68,705	75,835
TopCo LP Limited Partnership Interest	95,157	96,395
Helios Fund IV Limited Partnership Interest	79,370	64,436
Taj Holdings Limited Partnership Interest	16,133	16,133
Other Limited Partnership Interest	95,503	80,569
Total Limited Partnership Interest	190,660	176,964
Common shares		
Trone Common Shares	29,523	20,569
NBA Africa Common Shares	39,807	39,726
HSEG Common Shares	62,193	56,300
Seven Rivers Common Shares	27,700	36,231
Indirect Equity Interest in Nova Pioneer	8,164	16,496
Indirect Equity Interest in AGH	—	26
Total Common Shares	167,387	169,348
Loans		
HSEG \$13.5M Loan Facility	14,582	12,474
HSEG \$10M Loan Facility	5,016	—
Digital Ventures \$40M Facility	41,062	35,459
Digital Ventures \$1M Facility	788	704
Total Loans	61,448	48,637
Total Portfolio Investments	419,495	394,949

Private Portfolio Investments

The company's Private Portfolio Investments are as follows:

Limited Partnership Investments

TopCo LP

At June 30, 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 June 30, 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.

During the second quarter and first six months of 2025, the company funded capital calls of \$930 from TopCo LP for its share of HIP Equity IV Management Team Commitment in Helios Fund IV.

At June 30, 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 June 30, 2025, the company had funded aggregate capital calls of \$6,257 (December 31, 2024 - \$5,327) from TopCo LP for its share of HIP Equity IV Management Team Commitment in Helios Fund IV. At June 30, 2025, the company's remaining capital commitment to TopCo LP with respect to the Helios Fund IV Management Team Commitment was \$1,243 (December 31, 2024 - \$2,173).

At June 30, 2025, the fair value of the company's investment in TopCo LP Limited Partnership Interests was \$95,157 (December 31, 2024 - \$96,395), comprised of the fair value of its TopCo LP Class A Limited Partnership Interest of \$26,452 (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 \$68,705 (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 primarily driven by improved expectations of value realization from the underlying investments in Helios Fund IV, particularly in the reinsurance sector, as well as an increase in the fair value of the Management Team Commitment in HIP Equity IV. This uplift was further supported by a reduction in the discount rate applied to Helios Fund IV, reflecting a decline in the country risk premium and a lower company-specific risk premium following the end of Fund IV's investment period in June 2025. These factors were partially offset by lower exit forecasts for certain investments.

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, a public markets strategy, and a climate-focused growth equity strategy. These reductions reflect delays in fundraising, downward revisions to target fund sizes, and revised fee expectations. 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 in the short term, resulting in a higher associated probability weighting.

Subsequent to June 30, 2025

Subsequent to June 30, 2025, Helios Investors V, L.P. ("Helios Fund V"), a limited partnership based in Guernsey, completed its first close. Helios Fund V is structured to receive and deploy capital from limited partners with the objective of earning returns from investments directly or indirectly in Africa. The company committed to contribute \$2,038 in respect of the management team commitment for Helios Fund V, which will entitle the company to a 50% share of any carried interest that the fund generates in the future through its ownership of TopCo LP Class A Limited Partnership Interest. The company, through its ownership of TopCo LP Class B Limited Partnership Interest, is also entitled to receive Excess Management Fees from this fund.

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.

During the second quarter and first six months of 2025, the company funded capital calls of \$6,203 for its limited partnership interest in Helios Fund IV.

At June 30, 2025, the company had funded aggregate capital calls of \$41,714, 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 June 30, 2025, the company’s remaining capital commitment to Helios Fund IV was \$8,286 (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 June 30, 2025, the company estimated the fair value of its investment in Helios Fund IV Limited Partnership Interest to be \$79,370 (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 primarily driven by the significant appreciation in the fair value of the underlying investments, particularly in the healthcare, reinsurance, and electronic payments sectors. This appreciation was 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. In addition, a portion of the increase reflects the company’s capital contribution of \$6,203 during the six months ended June 30, 2025.

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 June 30, 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 June 30, 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 June 30, 2025, the company estimated the fair value of its 22.0% equity interest in Trone Holdings to be \$29,523 (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 an initial 93.7% equity interest in Seven Rivers. As of January 1, 2025, the company's equity interest was 90.9%.

During the second quarter of 2025, the company redeemed a portion of its investment in Seven Rivers for total proceeds of \$18,000, of which \$9,000 was received during the quarter and \$9,000 was recognized as a receivable from a related party and settled subsequent to quarter end. The redemption was executed at the fair value of the shares on the respective redemption dates. As a result, the company derecognized a portion of the financial asset and recognized a realized gain on investment of \$5,865 within the consolidated statements of earnings (loss) and comprehensive income (loss). Following the redemptions, the company's equity interest in Seven Rivers decreased from 90.9% to 85.6%.

Subsequent to June 30, 2025

Subsequent to June 30, 2025, the company received the remaining \$9,000 in redemption proceeds from Seven Rivers.

Subsequent to June 30, 2025, it was determined that Seven Rivers would no longer actively pursue third-party capital. The fund continues to be managed by its existing investment manager, and its governance structure remains unchanged.

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. As of December 31, 2024, \$6,750 was advanced under the loan. During the second quarter of 2025, an additional \$1,500 was advanced to Zaria using the funds from the HSEG \$13.5M Loan Facility, increasing the Zaria loan balance to \$8,250 (see discussion under header "HSEG Loan Facilities" later in this note). The loan to Zaria 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 June 30, 2025, the company invested \$45,000 and has a 100% equity interest in HSEG, excluding the transfer of the equity interest in NBA Africa.

The increase in the fair value of the company's equity investment in HSEG from the December 31, 2024 fair value of \$56,300 was primarily attributable to a reduction in the deal risk adjustment applied to the offer price used in the valuation, driven by a higher probability of completion for the Series B fundraising. The uplift is supported by the execution of definitive documentation and advanced commercial discussions with the remaining investor cohort required for first completion.

Subsequent to June 30, 2025

Subsequent to June 30, 2025, HSEG, through HSEH, subscribed for an aggregate of 5,512 cumulative redeemable preference shares in TMG. This included 2,990 preference shares issued in settlement of \$6,669 of accrued unpaid dividends, which were extinguished upon issuance, and 2,522 preference shares subscribed for \$4,500, of which \$4,000 was paid in cash and \$500 is payable in cash. In connection with this subscription, HSEH also received 4,987 participating bonus preference shares. The preference shares carry a fixed dividend of 12% per annum, compounding semi-annually, and are subject to the same terms as the existing preference shares.

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 June 30, 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 June 30, 2025, the company estimated the fair value of its indirect equity interest in Nova Pioneer to be \$8,164 (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 February 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 June 30, 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.

Subsequent to June 30, 2025

Subsequent to June 30, 2025, the Indemnity Clause under the Sale and Purchase Agreement related to the company's former investment in Joseph Holdings expired on July 28, 2025. As of the expiry date, no claims had been made under the Indemnity Clause. Accordingly, the company has no further obligations under the Indemnity Clause.

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 bears interest at a rate of 8% per annum, accrued and capitalized quarterly and is unsecured. Effective May 31, 2025, the maturity date was extended to May 31, 2026. 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.

During the second quarter and first six months of 2025, the company funded drawdowns of \$1,175 and \$3,599 on the Digital Ventures \$40M Facility.

During the second quarter and first six months of 2025, the company funded drawdowns of \$nil and \$61 on the Digital Ventures \$1M Facility.

As of June 30, 2025, the company had funded aggregate drawdowns of \$35,615 and \$701 on the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility, respectively.

At June 30, 2025, the company's remaining capital commitments to the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility were \$4,385 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.

HSEG Loan Facilities

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.

In May 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 "HSEG \$13.5M Loan Facility"). The proceeds of \$1,500 were advanced by HSEG to HSEH and subsequently drawn down by Zaria in accordance with its loan note facility (see discussion under header "Helios Sports and Entertainment Group" earlier in this note). In June 2025, the HSEG \$13.5M Loan Facility was amended to extend the maturity date to the earlier of August 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.

In June 2025, the company entered into another loan facility agreement with HSEG (the “HSEG \$10M Loan Facility”). The HSEG \$10M 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 September 30, 2025, or the second completion of HSEG’s Series B fundraising round. Pursuant to the loan agreement, the company funded a drawdown of \$5,000 to HSEG, of which \$2,000 was advanced to TMG as a prepayment for the subscription of additional preference shares (refer to “Helios Sports and Entertainment Group” earlier in this note).

Subsequent to June 30, 2025

Subsequent to June 30, 2025, the company funded additional drawdowns of \$4,500 on the HSEG \$10M Loan Facility, bringing the total amount drawn on the facility to \$9,500.

Investment Income

An analysis of investment income for the second quarter and first six months of 2025 and 2024 is summarized in the table that follows:

	Second quarter		First six months	
	2025	2024	2025	2024
Interest:				
Cash and cash equivalents	162	879	443	1,770
Loans	1,113	1,223	2,147	2,184
	1,275	2,102	2,590	3,954

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

	Second quarter		First six months	
	2025	2024	2025	2024
	Net gains (losses)	Net gains (losses)	Net gains (losses)	Net gains (losses)
Net gains (losses) on investments:				
Limited partnership investments	5,488	(13,166)	6,563	(16,533)
Common shares	9,859	(316)	16,065	2,029
Loans	580	(929)	565	(668)
	15,927	(14,411)	23,193	(15,172)
Net gains (losses) on investments:				
Net realized gains (losses) on investments	5,865	—	(10,018)	—
Reversal of previously recorded unrealized (gains) losses on investments	(5,865)	—	10,018	—
Change in unrealized gains (losses) on investments held at period end	15,927	(14,411)	23,193	(15,172)
	15,927	(14,411)	23,193	(15,172)

Second quarter		First six months	
2025	2024	2025	2024
Net gains (losses)	Net gains (losses)	Net gains (losses)	Net gains (losses)
138	277	40	102
—	272	—	159
—	354	—	227
(206)	14	(240)	87
(68)	917	(200)	575

Net foreign exchange gains (losses) on:

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:

	June 30, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	14,720	—	—	14,720	38,320	—	—	38,320
Portfolio Investments:								
Limited partnership investments	—	—	190,660	190,660	—	—	176,964	176,964
Common shares	—	27,700	139,687	167,387	—	36,231	133,117	169,348
Loans	—	—	61,448	61,448	—	—	48,637	48,637
Total Portfolio Investments	—	27,700	391,795	419,495	—	36,231	358,718	394,949
Total cash and investments	14,720	27,700	391,795	434,215	38,320	36,231	358,718	433,269
	3.4%	6.4%	90.2%	100.0%	8.8%	8.4%	82.8%	100.0%

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 six 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:

Second quarter of 2025						
	Fair value as at April 1	Gains (losses) included in net income (loss)	Purchases/ Contributions	Sales/ Distributions/ Redemptions /Reductions	Transfers into/(out of) Level 3	Fair value as at June 30
Portfolio Investments						
Limited partnership interest	178,039	5,488	7,133	—	—	190,660
Common shares	136,057	3,630	—	—	—	139,687
Loans	52,403	580	8,465	—	—	61,448
Total Portfolio Investments	366,499	9,698	15,598	—	—	391,795

(1) Total net change in unrealized gains (losses) on investments is \$10,062. Within this change, the unrealized gains (losses) on investment for Level 3 investments still held as of June 30, 2025 is \$9,698.

Second quarter of 2024						
	Fair value as at April 1	Gains (losses) included in net income (loss)	Purchases/ Contributions	Sales/ Distributions/ Redemptions /Reductions	Transfers into/(out of) Level 3	Fair value as at June 30
Portfolio Investments						
Limited partnership interest	204,386	(13,166)	—	—	—	191,220
Common shares	115,949	1,251	12,950	—	—	130,150
Loans	31,878	(575)	3,154	—	—	34,457
Total Portfolio Investments	352,213	(12,490)	16,104	—	—	355,827

(1) Total net change in unrealized gains (losses) on investments is \$(14,411). Within this change, the unrealized gains (losses) on investment for Level 3 investments still held as of June 30, 2024 is \$(13,116).

First six months of 2025						
	Fair value as at January 1	Gains (losses) included in net income (loss)	Purchases/ Contributions	Sales/ Distributions/ Redemptions ⁽²⁾ /Reductions	Transfers into/(out of) Level 3	Fair value as at June 30
Portfolio Investments						
Limited partnership investments	176,964	6,563	7,133	—	—	190,660
Common shares	133,117	6,596	—	(26)	—	139,687
Loans	48,637	565	12,246	—	—	61,448
Total Portfolio Investments	358,718	13,724	19,379	(26)	—	391,795

(1) Total net change in unrealized gains (losses) on investments is \$33,211. Within this change, the unrealized gains (losses) on investment for Level 3 investments still held as of June 30, 2025 is \$13,724.

First six months of 2024

	Fair value as at January 1	Gains (losses) included in net income (loss)	Purchases/ Contributions	Sales/ Distributions/ Redemptions/ Reductions	Transfers into/(out of) Level 3	Fair value as at June 30
Portfolio Investments						
Limited partnership investments	207,753	(16,533)	—	—	—	191,220
Common shares	113,259	3,941	12,950	—	—	130,150
Loans	30,163	(441)	4,735	—	—	34,457
Total Portfolio Investments	351,175	(13,033)	17,685	—	—	355,827

(1) Total net change in unrealized gains (losses) on investments is \$(15,172). Within this change, the unrealized gains (losses) on investment for Level 3 investments still held as of June 30, 2024 is \$(13,419).

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 June 30, 2025:

Investments	Valuation technique	Significant unobservable inputs	Inputs at June 30, 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	25.6% to 29.6%	29.8%	Increases (decreases) in discount rates (decrease) increase fair value
		Target exit dates	2025 to 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	17.3%	17.1%	Increases (decreases) in discount rates (decrease) increase fair value
		Growth in management fee revenue	15.4%	20.2%	Increases (decreases) in growth in management fee revenue increase (decrease) fair value
		Long term pre-tax profit margin	31.6%	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
Taj Holdings Limited Partnership Interest ^[1]	Net realizable value	Realization rate	100.0%	N/A	Increases (decreases) in realization rate increase (decrease) fair value
Common shares					
Trone	Market multiples	Multiples of EBITDA	10.0x	9.7x	Increases (decreases) in multiples of EBITDA increase (decrease) fair value
NBA Africa	Discounted cash flow	After-tax discount rate	18.7%	17.6%	Increases (decreases) in discount rates (decrease) increase fair value
		Growth in revenue	48.7%	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	15.0%	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	18.4%	17.5%	Increases (decreases) in discount rate (decrease) increase fair value
Loans					
Digital Ventures \$40M Facility ^[2]	Expected recovery	Expected recovery rate	100.0%	N/A	Increases (decreases) in expected recovery rate increase (decrease) fair value
HSEG \$13.5M Loan Facility	Discounted cash flow	Discount rate	8.6%	9.0%	Increases (decreases) in discount rates (decrease) increase fair value
HSEG \$10M Loan Facility	Discounted cash flow	Discount rate	8.6%	N/A	Increases (decreases) in discount rates (decrease) increase fair value

- (1) The investment was valued at transaction price at December 31, 2024. At June 30, 2025, the valuation technique was changed to net realizable value, reflecting the structured downside protection embedded in the investment. This change was made to better reflect the recoverable amount in light of the senior 1.0x non-participating liquidation preference held by the company and other investors. The fair value of the investment remains unchanged.
- (2) The investment was valued using a discounted cash flow analysis at December 31, 2024. At June 30, 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. Full recovery of the investment 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 June 30, 2025:

	June 30, 2025					
Investments	Fair value of Investment	Valuation technique	Significant unobservable inputs ⁽¹⁾	Sensitivity Factor	Hypothetical \$ change effect on fair value measurement	Hypothetical \$ change effect on net earnings (loss) ⁽¹⁾
Limited partnership investments:						
TopCo LP Class A Limited Partnership Interest	\$26,452	Discounted cash flow and net asset value of Management Team Commitment	Discount rates	Increase/(decrease) 2%	(1,006) / 1,100	(872) / 954
			Target exit dates	Increase/(decrease) 1 year	(5,785) / 5,474	(5,018) / 4,748
			Exit multiple of invested capital	Increase/(decrease) 5%	2,710 / (1,847)	2,351 / (1,602)
TopCo LP Class B Limited Partnership Interest	\$68,705	Discounted cash flow	Discount rate	Increase/(decrease) 2%	(12,411) / 17,277	(10,767) / 14,987
			Growth in management fee revenue	Implied CAGR of management fee revenue of 13.9% to 16.8%	20,616 / (20,616)	17,884 / (17,884)
			Long term pre-tax profit margin	Increase/(decrease) 10%	13,828 / (13,828)	11,996 / (11,996)
			Long term growth rate	Increase/(decrease) 0.5%	1,774 / (1,641)	1,539 / (1,423)
Taj Holdings Limited Partnership Interest	\$16,133	Net realizable value	Realization rate	Increase/(decrease) 5%	- / (807)	- / (700)
Common shares						
Trone	\$29,523	Market multiples	Multiples of EBITDA	Increase/(decrease) 0.5x	1,905 / (1,905)	1,653 / (1,653)
NBA Africa	\$39,807	Discounted cash flow	After-tax discount rate	Increase/(decrease) 1%	(2,308) / 2,459	(2,002) / 2,133
			Growth in revenue	Increase/(decrease) 5%	2,466 / (2,401)	2,139 / (2,083)
			Terminal revenue multiple	Increase/(decrease) 0.5x	3,046 / (3,046)	2,643 / (2,643)
Helios Sports and Entertainment Group	\$62,193	Risk adjusted offer price	Deal risk discount rate	Increase 5%/(decrease) 15%	(5,893) / 18,000	(5,112) / 15,615
Indirect equity interest in Nova Pioneer	\$8,164	Revenue multiple and discounted cash flow	Revenue multiple	Increase/(decrease) 0.5x	2,532 / (2,532)	2,197 / (2,197)
			Discount rate	Increase/(decrease) 1%	(741) / 852	(643) / 739
Loans						
Digital Ventures \$40M Facility	\$41,062	Expected recovery	Expected recovery rate	Increase/(decrease) 5%	- / (2,053)	- / (1,781)
HSEG \$13.5M Loan Facility	\$14,582	Discounted cash flow	Discount rate	Increase/(decrease) 2%	(44) / 45	(38) / 39
HSEG \$10M Loan Facility	\$5,016	Discounted cash flow	Discount rate	Increase/(decrease) 2%	(23) / 23	(20) / 20

- (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

December 31, 2024						
Investments	Fair value of Investment	Valuation technique	Significant unobservable inputs ⁽¹⁾	Sensitivity Factor	Hypothetical \$ change effect on fair value measurement	Hypothetical \$ change effect on net earnings (loss) ⁽¹⁾
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) 2%	(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) 2%	(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) 10%	13,745 / (13,745)	11,924 / (11,924)
			Long term growth rate	Increase/(decrease) 0.5%	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) 1%	(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 8.5%/(decrease) 20%	(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) 1%	(988) / 1,145	(857) / 993
Loans						
Digital Ventures \$40M Facility	35,459	Discounted cash flow	Discount rate	Increase/(decrease) 2%	(259) / 266	(225) / 230
HSEG Loan Facility	12,474	Discounted cash flow	Discount rate	Increase/(decrease) 2%	(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 \$27.7 million to \$78.0 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
	June 30, 2025	December 31, 2024	June 30, 2025
Limited partnership investments:			
Helios Fund IV limited partnership interest	Net asset value	Net asset value	\$79,370
Common shares:			
Seven Rivers	Net asset value	Net asset value	\$27,700
Loans:			
Digital Ventures \$1M Facility	Discounted cash flow	Discounted cash flow	\$788

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 second quarter and first six months of 2025, the company incurred standby fees of \$406 and \$848 (2024 - \$430 and \$852) 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 June 30, 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 June 30, 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 second quarter and first six months of 2025, the company recorded interest expense of \$422 and \$881 (2024 - \$448 and \$891) 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 June 30, 2025 included 55,452,865 (December 31, 2024 – 55,452,865) multiple voting shares and 52,838,711 (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 June 30, 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
Issuance of shares	112,449	106,624
Purchases for cancellation	—	(97,314)
Subordinate voting shares - June 30	52,838,711	52,726,262
 Multiple voting shares - beginning and end of period	 55,452,865	 55,452,865
 Common shares effectively outstanding - June 30	 108,291,576	 108,179,127

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 Toronto Stock Exchange ("TSX"). During the first six months of 2024, under the terms of its normal course issuer bid, the company purchased for cancellation 97,314 subordinate voting shares for a net cost of \$259 and \$530 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 six 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 rules of the TSX require that every three years after initial approval, all unallocated awards under the LTIP must be approved by the company's Board of Directors and shareholders. The Board of Directors and shareholders approved the unallocated awards under the LTIP on March 19, 2025 and May 14, 2025, respectively.

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.

During the period from May 2022 to November 2024, 697,491 restricted share units with a cost per unit ranging from \$2.61 to \$3.33 were granted to certain officers and directors 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. On May 14, 2025, 139,362 restricted share units with a cost of \$2.82 were granted to an employee 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, which varies by participant.

During the first six months of 2025, under the terms of the LTIP, 112,449 restricted share units vested (2024 - 106,624 restricted share units) and 112,449 subordinate voting shares (2024 - 106,624 subordinate voting shares) were issued out of treasury stock at a cost of \$336 (2024 - \$355), which was included in general and administrative expenses as a salaries and employee benefit expense.

For the second quarter and first six months of 2025, the company recorded share-based compensation expense of \$128 and \$243 (2024 - \$90 and \$184) related to the share-based incentive plans within the consolidated statements of earnings (loss) and comprehensive earnings (loss).

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:

	Second quarter		First six months	
	2025	2024	2025	2024
Net earnings (loss) - basic and diluted	11,579	(16,531)	12,443	(21,212)
Weighted average shares outstanding - basic	108,237,205	108,123,244	108,264,241	108,125,729
Weighted average shares outstanding - diluted	108,731,965	108,123,244	108,759,001	108,125,729
Net earnings (loss) per basic share	\$ 0.11	\$ (0.15)	\$ 0.11	\$ (0.20)
Net earnings (loss) per diluted share	\$ 0.11	\$ (0.15)	\$ 0.11	\$ (0.20)

At June 30, 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 June 30, 2025 and 2024, there were no potential subordinate voting shares issuable relating to the Special Incentive Plan (refer to note 9).

At June 30, 2025, there were 494,760 potential subordinate voting shares issuable relating to the Long-Term Incentive Plan which were dilutive. At June 30, 2024, there were 212,201 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 second quarter and first six months of 2025 and 2024 is summarized in the following table:

	Second quarter		First six months	
	2025	2024	2025	2024
Current income tax:				
Current year expense (recovery)	(918)	136	(739)	327
Adjustment to prior years' income taxes	(97)	(185)	(97)	(222)
	(1,015)	(49)	(836)	105
Deferred income tax:				
Origination and reversal of temporary differences	1,715	850	2,653	1,582
Adjustments to prior years' deferred income taxes	(487)	(6)	(487)	(6)
	1,228	844	2,166	1,576
Provision for income taxes	213	795	1,330	1,681

A portion of the company's earnings (loss) before income taxes is earned or incurred outside of 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 second quarter and first six months of 2025 and 2024 are summarized in the following table:

	Second quarter		First six months	
	2025	2024	2025	2024
Canadian statutory income tax rate	26.5 %	26.5 %	26.5 %	26.5 %
Provision for (recovery of) income taxes at the Canadian statutory income tax rate	3,126	(4,165)	3,650	(5,170)
Non-taxable losses (gains) on investments	(3,902)	3,233	(5,639)	4,171
Tax rate differential on income (losses) outside of Canada	1,722	(252)	3,515	128
Recovery relating to prior years	(893)	(191)	(893)	(228)
Change in unrecorded tax benefit of losses and temporary differences	2,838	1,259	3,349	856
Realized gains and foreign exchange effect	(2,716)	459	(2,721)	1,448
Other, including permanent differences	38	452	69	476
Provision for income taxes	213	795	1,330	1,681

Non-taxable gains on investments of \$3,902 and \$5,639 in the second quarter and first six months of 2025 principally reflected the non-taxable portion of net unrealized gain on investments in TopCo LP of \$741 and \$337, non-taxable portion of unrealized gain on Helios Fund IV of \$1,041 and \$1,623, and the non-taxable portion of unrealized gain on other investments of \$2,120 and \$3,680.

Non-taxable losses on investments of \$3,233 and \$4,171 in the second quarter and first six months of 2024 principally reflected the non-taxable portion of net unrealized loss on investments in TopCo LP of \$1,867 and \$3,475, non-taxable portion of unrealized loss (gain) on Helios Fund IV of \$137 and (\$428), and the non-taxable portion of unrealized loss on other investments of \$1,229 and \$1,124.

Tax rate differential on income earned outside of Canada of \$1,722 and \$3,515 in the second quarter and first six months of 2025 (2024 - (\$252) and \$128) 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.

Recovery relating to prior years was \$893 in both the second quarter and first six months of 2025 principally reflected adjustments for taxable income allocations from Helios Fund IV Limited Partnership, adjustments for foreign accrual property income and losses, non-deductible professional fees, and the origination of non-capital loss carryforwards. Recovery relating to prior years of \$191 and \$228 in the second quarter and first six months of 2024 principally reflected adjustments for taxable income allocations from TopCo LP and Helios Fund IV Limited Partnership, utilization of net capital loss carryovers, reassessments related to losses carried back, and foreign taxes paid.

The change in unrecorded tax benefit of losses and temporary differences of \$2,838 and \$3,349 in the second quarter and first six months of 2025 principally reflected the change in deferred tax assets and liabilities in foreign accrual capital losses of \$860 and \$889, investment and other temporary timing differences of \$1,988 and \$2,470 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 \$1,259 and \$856 in the second quarter and first six months of 2024 principally reflected the change in deferred tax assets and liabilities in foreign accrual capital losses of \$186 and \$597, investment and other temporary timing differences of \$1,400 and \$1,514 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 \$45 and (\$62).

Realized gains and foreign exchange effect of (\$2,716) and (\$2,721) in the second quarter and first six months of 2025 (2024 - \$459 and \$1,448) 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 \$38 and \$69 in the second quarter and first six months of 2025 (2024 - \$452 and \$476) 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 June 30, 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 cash and cash equivalents in Canadian dollars, South African rand, pounds sterling and Mauritian rupees for which the impact of currency fluctuations would be insignificant. At June 30, 2025, the company's direct exposure to the Canadian dollar and South African rand decreased significantly compared to its direct exposure at December 31, 2024 due to conversion of cash and cash equivalents held in those currencies to US dollars.

The company is also indirectly exposed to the Egyptian pound and Nigerian naira through its investment in Seven Rivers, which has investments in those currencies at June 30, 2025. At December 31, 2024, the company was also indirectly exposed to the Kenyan shilling, Moroccan dirham, pound sterling, and South African rand through its investment in Seven Rivers. At June 30, 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 and Nigerian naira-denominated investments.

At June 30, 2025 and December 31, 2024, the company's net foreign currency exposure was as follows:

	June 30, 2025	December 31, 2024
South African rand ⁽¹⁾	860	15,781
Pound sterling ⁽¹⁾	54	2,215
Egyptian pound ⁽¹⁾	1,822	4,952
Canadian dollar	538	6,075
Mauritian rupee	85	115
Kenyan shilling ⁽¹⁾	—	4,158
Moroccan dirham ⁽¹⁾	—	2,044
Nigerian naira ⁽¹⁾	23,186	10,650

(1) The company is or was 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 June 30, 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:

	June 30, 2025		December 31, 2024	
	Sensitivity factor	Hypothetical \$ change effect on net earnings (loss) ⁽¹⁾	Sensitivity factor	Hypothetical \$ change effect on net earnings (loss) ⁽¹⁾
South African rand ⁽²⁾	Increase / (decrease) 5.0%	32 / (32)	Increase / (decrease) 5.0%	580 / (580)
	Increase / (decrease) 10.0%	63 / (63)	Increase / (decrease) 10.0%	1,160 / (1,160)
Pound sterling ⁽²⁾	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%	20 / (20)	Increase / (decrease) 5.0%	223 / (223)
	Increase / (decrease) 10.0%	40 / (40)	Increase / (decrease) 10.0%	447 / (447)
Egyptian pound ⁽²⁾	Increase / (decrease) 5.0%	67 / (67)	Increase / (decrease) 5.0%	182 / (182)
	Increase / (decrease) 10.0%	134 / (134)	Increase / (decrease) 10.0%	364 / (364)
Kenyan shilling ⁽²⁾	Increase / (decrease) 5.0%	—	Increase / (decrease) 5.0%	153 / (153)
	Increase / (decrease) 10.0%	—	Increase / (decrease) 10.0%	306 / (306)
Moroccan dirham ⁽²⁾	Increase / (decrease) 5.0%	—	Increase / (decrease) 5.0%	75 / (75)
	Increase / (decrease) 10.0%	—	Increase / (decrease) 10.0%	150 / (150)
Nigerian naira ⁽²⁾	Increase / (decrease) 5.0%	852 / (852)	Increase / (decrease) 5.0%	392 / (392)
	Increase / (decrease) 10.0%	1,704 / (1,704)	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 June 30, 2025, the company held debt instrument investments with a fair value of \$61,448 (December 31, 2024 - \$48,637). These investments are exposed to interest rate risk due to changes in market interest rates. At June 30, 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 \$16 (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 June 30, 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 \$1,838 (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 June 30, 2025 the company's cash and cash equivalents of \$14,720 (December 31, 2024 - \$38,320) were comprised of \$4,880 (December 31, 2024 - \$24,428) at the holding company (principally in major Canadian financial institutions) and \$9,840 (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 \$5,884 (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 June 30, 2025, the company had debt instruments with a fair value of \$61,448 (December 31, 2024 - \$48,637) that were subject to credit risk, representing 14.2% (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 \$61,448 at June 30, 2025 from \$48,637 at December 31, 2024. This increase is primarily due to additional drawdowns on the Digital Ventures \$40M Facility, additional drawdowns on the HSEG \$13.5M Loan Facility, and a drawdown on the HSEG \$10M Loan 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 as follows:

	June 30, 2025		December 31, 2024	
	Cost ⁽¹⁾	Fair value	Cost ⁽¹⁾	Fair value
Loans:				
Due in 1 year or less ⁽²⁾⁽³⁾	58,700	60,660	47,713	47,933
Due after 5 years	788	788	704	704
	59,488	61,448	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 June 30, 2025, the Digital Ventures \$40M Facility is valued using an expected recovery model (refer to note 6). Upon maturity of the Digital Ventures \$40M Facility, the company expects to become a limited partner of HDV.

(3) Loans due in 1 year or less include the HSEG \$13.5M Loan Facility and the HSEG \$10M Loan Facility. Repayment upon maturity of these loans is contingent upon completion of third party fundraising.

At June 30, 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 investment-related 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 June 30, 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 June 30, 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 June 30, 2025 and December 31, 2024:

	June 30, 2025				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Digital Ventures \$40M Facility	4,385	4,385	—	—	—
Digital Ventures \$1M Facility	299	299	—	—	—
Helios Fund IV Commitment	8,286	8,286	—	—	—
HSEG \$10M Loan Facility ⁽¹⁾	5,000	5,000	—	—	—
Zaria Loan Commitment	3,750	3,750	—	—	—
TopCo LP Management Team Commitment	1,243	1,243	—	—	—
Due to related parties	1,153	1,153	—	—	—
Accounts payable and accrued liabilities	1,961	1,961	—	—	—
Lease commitments	1,605	168	404	377	656
	27,682	26,245	404	377	656

(1) Subsequent to June 30, 2025, the company funded additional drawdowns of \$4,500 on the HSEG \$10M Loan Facility.

	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 ⁽¹⁾	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
	44,306	42,856	385	358	707

(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.

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).

Subsequent to June 30, 2025

Subsequent to June 30, 2025, the company committed to investing \$20,000 in Helios Fund V, a limited partnership based in Guernsey, as the fund completed its first close. Helios Fund V is structured to receive and deploy capital from limited partners with the objective of earning returns from investments directly or indirectly in Africa. The company also committed to contribute \$2,038 in respect of the management team commitment for Helios Fund V, which will entitle the company to a 50% share of any carried interest that the fund generates in the future. The commitments may be called at any time by Helios Fund V GP in accordance with the Helios Fund V LPA.

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 Portfolio Investments by industry sector is presented in the following table:

	June 30, 2025	December 31, 2024
Asset management ⁽²⁾	95,157	96,395
Food and agriculture	—	26
Financial services ⁽¹⁾	85,763	78,588
Education	8,164	16,496
Entertainment	118,406	96,026
Infrastructure	—	6,150
Retail and distribution ⁽¹⁾	86,993	63,587
Insurance ⁽¹⁾	19,128	15,078
Other	5,884	22,603
	419,495	394,949

(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 June 30, 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 June 30, 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 \$428,627 at June 30, 2025 (December 31, 2024 - \$415,941). The increase primarily reflected net earnings of \$12,443.

13. Related Party Transactions

Other Receivables from Related Parties

At June 30, 2025, the company's other receivables from related parties of \$9,221 (December 31, 2024 - \$126) was primarily comprised of a receivable of \$9,000 from Seven Rivers related to the partial redemption of that investment.

Subsequent to June 30, 2025

Subsequent to June 30, 2025, the company received the remaining \$9,000 in redemption proceeds from Seven Rivers.

Payable to Related Parties

At June 30, 2025, the company's payable to related parties of \$1,153 (December 31, 2024 - \$846) 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 second quarter and first six months of 2025, investment and advisory fees recorded within the consolidated statements of earnings (loss) and comprehensive earnings (loss) were \$1,184 and \$2,253 (2024 - \$1,112 and \$2,264).

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 June 30, 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 \$3.08 at June 30, 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 \$3.64.

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 second quarter and first six months 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 June 30, 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 June 30, 2025, Fairfax's holdings of multiple and subordinate voting shares represented 53.3% of the voting rights and 34.4% of the equity interest in HFP (December 31, 2024 - 53.3% and 34.5%, respectively).

Principal Holdco's Voting Rights and Equity Interest

At June 30, 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, respectively). 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 June 30, 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%, respectively).

Key Management Personnel and Director Compensation

Management Compensation

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

	Second quarter		First six months	
	2025	2024	2025	2024
Short-term employee benefits	891	401	1,410	803
Share-based expenses	33	33	90	67
	924	434	1,500	870

Director Compensation

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

	Second quarter		First six months	
	2025	2024	2025	2024
Retainers and fees	123	121	242	226
Share-based expenses	46	38	90	78
	169	159	332	304

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. During the first six months of 2025, the company funded capital calls of \$6,203 for its limited partnership interest in Helios Fund IV.

At June 30, 2025, the company had funded aggregate capital calls of \$41,714, 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 June 30, 2025, the company's remaining capital commitment to Helios Fund IV was \$8,286 (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).

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. During the first six months of 2025, the company funded capital calls of \$930 from TopCo LP for its share of HIP Equity IV Management Team Commitment in Helios Fund IV. At June 30, 2025, the company's remaining capital commitment to TopCo LP with respect to the Management Team Commitment was \$1,243 (refer to note 5).

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.

During the first six months of 2025, the company funded drawdowns of \$3,599 and \$61 on the Digital Ventures \$40M Facility and Digital Ventures \$1M Facility, respectively (refer to notes 5 and 6). At June 30, 2025, the company's remaining capital commitments to the Digital Ventures \$40M Facility and the Digital Ventures \$1M Facility were \$4,385 and \$299, which may be called at any time in accordance with the respective loan facility agreements.

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 and its subsidiary, HSEH, are related parties of HFP as HFP controls HSEG.

At June 30, 2025, the company had invested \$63,500, comprising \$18,500 loans 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. TMG, Zaria, and PFL Africa are related parties of HFP as TMG is a subsidiary of the company and Zaria and PFL Africa are associates of the company.

At June 30, 2025, the fair value of the company's equity investment in HSEG was estimated to be \$62,193 and the fair value of the HSEG Loan Facilities was estimated at \$14,582. In addition, the legally transferred equity interest in NBA Africa had a fair value of \$39,807.

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

Subsequent to June 30, 2025

Subsequent to June 30, 2025, the company funded additional drawdowns of \$4,500 on the HSEG \$10M Loan Facility, bringing the total amount drawn on the facility to \$9,500.

Seven Rivers

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.

During the second quarter of 2025, the company redeemed a portion of its investment in Seven Rivers for total proceeds of \$18,000, of which \$9,000 was received during the quarter and \$9,000 was recognized as a receivable from a related party and settled subsequent to quarter end. The redemption was executed at the fair value of the shares on the respective redemption dates. As a result, the company derecognized a portion of the financial asset and recognized a realized gain on investment of \$5,865 within the consolidated statements of earnings (loss) and comprehensive income (loss). Following the redemptions, the company's equity interest in Seven Rivers decreased from 90.9% to 85.6%. 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).

In the first six months of 2025, the company made a business decision to pay \$2,826 to HIP Guernsey Ltd. as reimbursement for certain expenses 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).

Subsequent to June 30, 2025

Subsequent to June 30, 2025, the company received the remaining \$9,000 in redemption proceeds from Seven Rivers.

Subsequent to June 30, 2025, it was determined that Seven Rivers would no longer actively pursue third-party capital. The fund continues to be managed by its existing investment manager, and its governance structure remains unchanged.

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. The company holds an indirect equity interest in Nova Pioneer through its investment in Ascendant.

As of June 30, 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.

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 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 February 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 June 30, 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	498	57	89	1,207
Accumulated depreciation	(119)	(80)	(22)	(11)	(232)
Net balance, June 30, 2025	444	418	35	78	975

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)
Net balance, December 31, 2024	476	574	44	82	1,176

The changes in net carrying amounts of property and equipment at June 30, 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
Disposals	—	(127)	—	—	—	(127)
Depreciation expense	(32)	(29)	(9)	(4)	—	(74)
Net balance, June 30, 2025	444	418	35	78	—	975
Net balance, December 31, 2023	547	—	—	—	427	974
Additions	—	198	44	89	—	331
Transfers to (from) construction in progress	—	427	—	—	(427)	—
Depreciation expense	(39)	(20)	(5)	(3)	—	(67)
Net balance, June 30, 2024	508	605	39	86	—	1,238

Depreciation expense of \$37 and \$74 was recorded for the second quarter and first six months of 2025 (2024 - \$43 and \$67).

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 June 30, 2025 was \$477 (2024 - \$471) and the annual minimum payment requirements for the liability were as follows:

For the year:	
2025	36
2026	111
2027	111
2028	113
2029	98
Thereafter	418
	887

During the second quarter and first six months of 2025, the company recognized \$16 and \$33 (2024 - \$17 and \$39) in interest expense relating to its lease liability, which was included in interest expense. The company had total cash disbursements of \$56 (2024 - \$31) related to its lease liability.

During the first six months of 2024, the company incurred \$20 in expenses relating to a short-term lease for its temporary office space.

15. Other Assets

Other assets at June 30, 2025 and December 31, 2024 were comprised as follows:

	June 30, 2025	December 31, 2024
Sales tax refundable	1,187	1,131
Other	381	216
	1,568	1,347

16. General and Administration Expenses

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

	Second quarter		First six months	
	2025	2024	2025	2024
Audit, legal, tax and professional fees	699	955	1,802	1,717
Administrative expenses	495	370	779	651
Management service fees	194	—	194	—
Depreciation of property and equipment	37	37	74	61
Salaries and employee benefit expenses	1,630	927	2,696	1,631
Other expenses	154	—	280	—
	3,209	2,289	5,825	4,060

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:

	June 30, 2025	December 31, 2024
Cash and balances with banks	14,720	38,320

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

	Second quarter		First six months	
	2025	2024	2025	2024
Purchases of investments				
Limited partnership investments	(7,133)	—	(7,133)	—
Common shares	—	(12,950)	—	(12,950)
Loans	(7,675)	(2,349)	(10,160)	(3,171)
	(14,808)	(15,299)	(17,293)	(16,121)
Disposals of investments				
Common stocks	18,000	—	18,026	—
	18,000	—	18,026	—
Interest received (paid)				
Interest received	163	878	450	1,653
Interest paid on lease liability	(16)	(18)	(33)	(39)
	147	860	417	1,614
Income taxes refund (paid)	(13)	(32)	276	2,581

