ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2021

March 22, 2022

Helios Fairfax Partners Corporation
95 Wellington Street West, Suite 800
Toronto, Ontario Canada M5J 2N7

HELIOS FAIRFAX PARTNERS CORPORATION — 2021 ANNUAL INFORMATION FORM
TABLE OF CONTENTS AND INFORMATION INCORPORATED BY REFERENCE

(1) Incorporated by reference from the Helios Fairfax Partners Corporation 2021 Annual Report (the "**2021 Annual Report**").

Copies of this annual information form, as well as a copy of the 2021 Annual Report (parts of which are incorporated herein by reference), may be obtained from the Company's Corporate Secretary at 95 Wellington Street West, Suite 800, Toronto, Ontario, M5J 2N7. This annual information form and the 2021 Annual Report may also be found on the Company's website at www.heliosfairfax.com or on SEDAR at www.sedar.com. See "Additional Information".

CERTAIN REFERENCES AND FORWARD-LOOKING STATEMENTS

Except as otherwise noted, all information given is at, or for the fiscal year ended, December 31, 2021.

Certain capitalized terms and phrases used in this annual information form are defined in the "Glossary".

Unless otherwise noted or the context otherwise requires, the "**Company**" or "**HFP**" refers to Helios Fairfax Partners Corporation together with one or more of its subsidiaries.

The Company reports its consolidated financial statements in U.S. dollars. All financial information, financial data and other monetary data in this annual information form are reported in U.S. dollars unless otherwise noted. All references to "US$" or "$" are to United States dollars.

Certain statements contained in this annual information form and the documents incorporated by reference herein constitute forward-looking information within the meaning of applicable securities laws. 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 the opinions and estimates of the Company as of the date of this annual information form, 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 described in greater detail in "Risk Factors": taxation of the Company; taxation of HFP Investments Limited ("**Mauritius Sub**") and HFP South Africa Investments (Pty) Ltd. ("**SA Sub**"); the COVID-19 pandemic; substantial loss of capital; shareholders are not entitled to vote on the Company's proposed investments; long-term nature of investment; geographic concentration of investments; potential lack of diversification; financial market fluctuations; pace of completing investments; control or significant influence position risk; minority investments; ranking of the Company's investments and structural subordination; follow-on investments; prepayments of debt investments; risks upon dispositions of investments; bridge financings; reliance on key personnel and risks associated with the Investment Advisory Agreement; effect of fees; the Performance Fee could induce HFA Topco, L.P. (the "**Portfolio Advisor**") and Helios Investment Partners LLP (the "**Manager**") to make speculative investments; operating and financial risks of Portfolio Investments; allocation of personnel; potential conflicts of interest; the liability of the Portfolio Advisor is limited; employee misconduct at the Portfolio Advisor or the Manager could harm the Company; valuation methodologies involve subjective judgments; lawsuits; foreign currency fluctuation; derivative risks; unknown merits and risks of future investments; opinions from independent investment banks or accounting firms are not contemplated; resources could be wasted in researching investment opportunities that are not ultimately completed; investments may be made in foreign private businesses where information is unreliable or unavailable; material, non-public information; illiquidity of investments; competitive market for investment opportunities; use of leverage; investing in leveraged businesses; regulation; potential volatility of Subordinate Voting Share price; dilution; market discount; limited control; financial reporting and other public company requirements; limited voting rights of the Subordinate Voting Shares; significant ownership by Fairfax Financial Holdings Limited ("**Fairfax**") and Principal Holdco may adversely affect the market price of the Subordinate Voting Shares; status under the Investment Company Act; trading price of Subordinate Voting Shares relative to book value per share; emerging markets; corporate disclosure, governance and regulatory requirements; legal, tax and regulatory risks; volatility of the African securities markets; political, economic, social and other factors; governance issues risk; tax laws in Mauritius and South Africa; changes in law; MLI; South African exchange control regulations; South African currency fluctuations; South African bilateral investment treaties; South African black economic empowerment; enforcement of rights; smaller company risk; due diligence and conduct of potential investment entities; reliance on trading partners; natural disaster risks; sovereign debt risk; economic risk and weather risk. 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 in this annual information form or in the documents incorporated by reference herein, except as required by applicable securities laws.

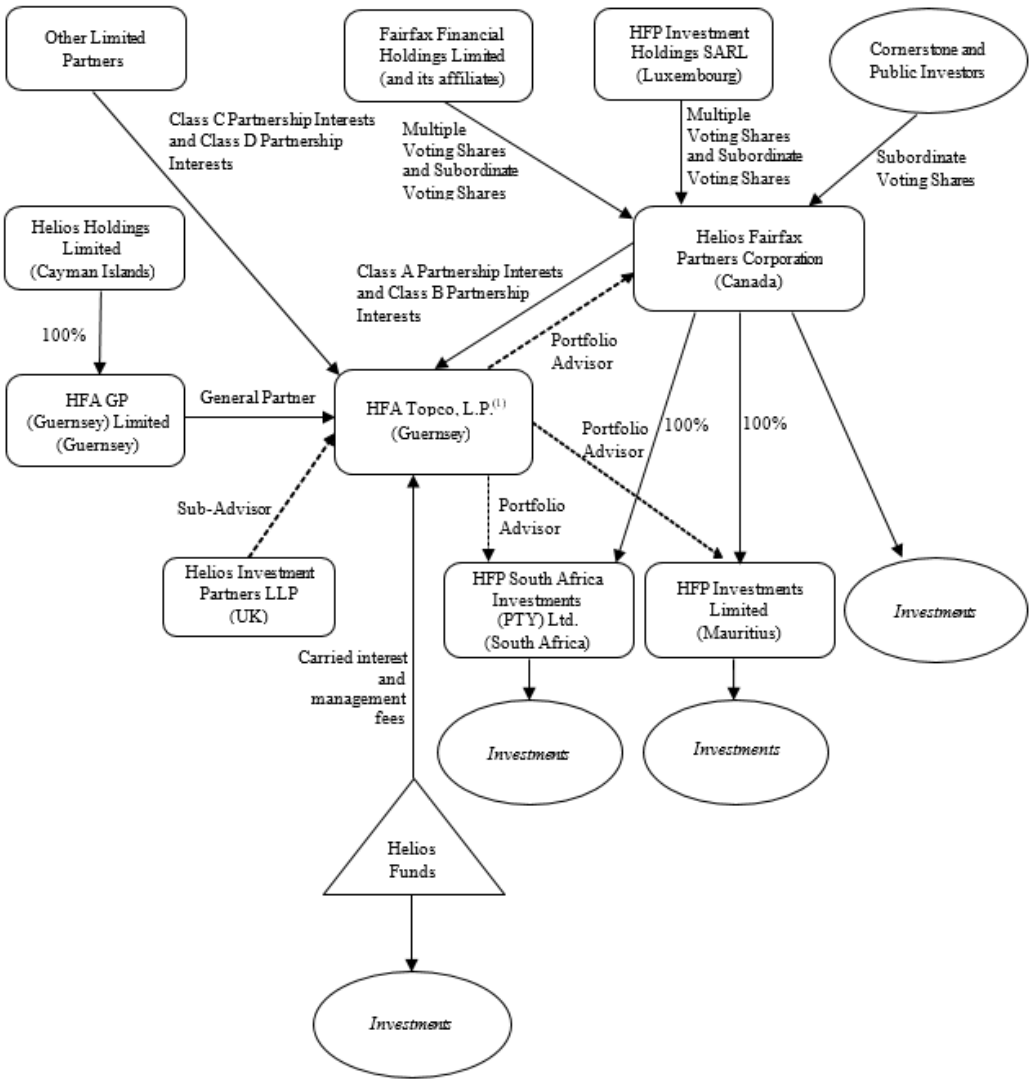
CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the *Canada Business Corporations Act* (the "**CBCA**") on April 28, 2016. The Company's registered and head office is located at 95 Wellington Street West, Suite 800, Toronto, Ontario M5J 2N7. On December 8, 2020, the Company changed its name to Helios Fairfax Partners Corporation.

Inter-corporate Relationships

The Company currently has two operating subsidiaries, Mauritius Sub and SA Sub. The following organizational chart illustrates the inter-corporate relationships among the Company and its material subsidiaries, excluding any of the Company's portfolio investments, together with the applicable jurisdiction of incorporation.



Note:

(1) The Portfolio Advisor, through its sub-advisor, Helios Investment Partners LLP (the "**Manager**") provides investment management services, investment advisory services and investment administration services pursuant to an administration and investment advisory services agreement dated as of December 8, 2020 between the Portfolio Advisor, the Company, HFP Investments Limited and HFP South Africa Investments (PTY) Ltd. (the "**Investment Advisory Agreement**").

The Company currently has nine portfolio investments, including: AFGRI Group Holdings ("**AGH**") (through holding company, Joseph Investment Holdings), Atlas Mara Limited ("**Atlas Mara**"), Consolidated Infrastructure Group Limited ("**CIG**"), Access Bank (South Africa) Limited ("**Access Bank SA**"), formerly known as Grobank Limited (through holding company, GroCapital Holdings Limited), Nova Pioneer Education Group ("**Nova Pioneer**") (through holding company, Ascendant Learning Limited), Philafrica Foods Proprietary Limited ("**Philafrica**"), NBA Africa, LLC ("**NBA Africa**"), Helios Investors IV, L.P. ("**Helios Fund IV**"), T2S Group (through holding company, Trone Investment Holdings Limited), and its investment in the Portfolio Advisor, through which the Company will receive cash flows from its entitlement to certain fee streams arising from Helios' separate asset management activities (see below under "Recent Developments"). The Company also invests from time to time in the common shares of publicly traded companies in various sectors.

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

On February 17, 2017, the Company completed its initial public offering ("**Offering**") of 5,622,000 Subordinate Voting Shares at a price of US$10.00 per share for gross proceeds of US$56,220,000. Concurrent with the completion of the Offering, the Company issued to certain affiliates of Fairfax 22,715,394 Multiple Voting Shares, on a private placement basis, in exchange for cash consideration in the amount of US$227,153,940. This investment, together with the contribution to the Company by Fairfax of its indirect interest in AGH, in exchange for 7,284,606 Multiple Voting Shares, in connection with the AGH transaction (the "**AGH Transaction**"), resulted in an aggregate investment by Fairfax of US$300 million in Multiple Voting Shares (the "**Substantial Equity Investment**"). Fairfax also purchased, through certain of its affiliates, 2,500,000 Subordinate Voting Shares as part of the Offering.

Concurrent with the completion of the Offering, the Company issued to certain cornerstone investors 14,378,000 Subordinate Voting Shares, on a private placement basis, for an aggregate purchase price of approximately US$143.8 million (the "**Cornerstone Investment**").

The combined gross proceeds to the Company from the Offering, Fairfax, the Cornerstone Investment and the AGH Transaction was approximately US$500 million.

On March 2, 2017, the Company issued an additional 408,000 Subordinate Voting Shares pursuant to the exercise of the over-allotment option granted to a syndicate of underwriters in connection with the Offering. Pursuant to the over-allotment option, the underwriters purchased an additional 408,000 Subordinate Voting Shares at a price of US$10.00 per share for total gross proceeds of approximately US$4 million. The exercise of the over-allotment option increased the total gross proceeds of the Offering to approximately US$60.3 million.

On June 18, 2018, the Company completed a bought deal offering with a syndicate of underwriters under which the underwriters agreed to buy, on a bought deal basis, 12,300,000 Subordinate Voting Shares at a price of US$12.25 per Subordinate Voting Share for gross proceeds of approximately US$151 million.

On December 20, 2019, the Company entered into a US$80 million secured revolving demand credit facility with a syndicate of Canadian lenders (the "**2019 Credit Facility**") bearing interest at a rate of LIBOR plus 450 basis points. The 2019 Credit Facility matured on December 20, 2020.

On December 8, 2020, the Company and Helios Holdings Limited announced the completion of a strategic transaction (the "**Strategic Transaction**"). As a result of the Strategic Transaction, Tope Lawani and Babatunde Soyoye (collectively, the "**Principals**"), through their holding company, HFP Investment Holdings SARL ("**Principal Holdco**" and together with the Principals, "**Principal Parties**") acquired an aggregate total of 24,632,413 Subordinate Voting Shares and 25,452,865 Multiple Voting Shares. In exchange, the Company acquired certain limited partnership interests of the Portfolio Advisor through which the Company is entitled to receive: (i) 25% of all carried interest amounts generated by any funds managed by Helios that commenced their investment period prior to July 10, 2020, including Helios Investors, L.P., Helios Investors II, L.P. and Helios Investors III, L.P.; (ii) 50% of all carried interest amounts generated by any future funds managed by Helios, including Helios

Fund IV; and (iii) 100% of the excess fees, defined as all management and other fees paid to Helios in connection with the management of any existing or future fund managed by Helios (including fees paid in respect of the management of the Company) less expenses or taxes incurred or payable or reserves taken in connection with the generation of such fees and any fee reductions or fee offsets.

As part of the Strategic Transaction, the Company sold the ordinary shares of Atlas Mara owned by it to Fairfax, the Portfolio Advisor replaced Hamblin Watsa Investment Counsel Ltd. ("**Hamblin Watsa**"), a wholly-owned subsidiary of Fairfax, as the portfolio advisor to the Company and the Company filed articles of amendment to, among other things, change the name of the Company from "Fairfax Africa Holdings Corporation" to "Helios Fairfax Partners Corporation". The Subordinate Voting Shares continue to be listed on the Toronto Stock Exchange under the symbol "HFPC.U". As a result of the issuance of Multiple Voting Shares and Subordinate Voting Shares to Principal Holdco, the Company, SA Sub and Mauritius Sub ceased to be a financial institution for purposes of the "mark-to-market" rules in the Tax Act. In connection with the Strategic Transaction, the Company requested and received exemptive relief from the Canadian securities regulatory authorities exempting the Corporation from the requirements of Item 14.2 of Form 51-102F5 - *Information Circular* in connection with the Strategic Transaction Circular. Concurrently with closing of the Strategic Transaction, Tope Lawani and Babatunde Soyoye were appointed as Co-Chief Executive Officers of the Company and Directors and Michael Wilkerson was appointed as Executive Vice Chairman of the Company.

The Company believes the Strategic Transaction created a leading pan-Africa focused listed investment holding company with unique capabilities to invest across the continent, combining the strength and stability of an investment holding company with enhanced cash flow and liquidity profiles arising from Helios' separate asset management activities. The Company's business is expected to benefit from the right to receive the above-mentioned cash flows arising from management fees and carried interest earned by Helios in its separate asset management activities, as well as gains from the appreciation of its proprietary capital.

On March 31, 2021, the Company committed to invest US$50 million in Helios Fund IV. As at December 30, 2021 the Company had funded aggregate capital calls of US$31,451,421, plus equalization interest of US$516,037, for total funding of US$31,967,458, representing a 15.1% limited partnership interest in Helios Fund IV.

On April 1, 2021, the Company announced the closing of a portfolio insurance arrangement with Fairfax (the "**Portfolio Insurance Arrangement**"). Pursuant to a subscription agreement dated March 31, 2021 (the "**Portfolio Insurance Subscription Agreement**"), Fairfax subscribed for 3.0% unsecured debentures and 3 million warrants of the Company on a private placement basis for an aggregate subscription price of US$100 million. The debentures issued pursuant to the Portfolio Insurance Arrangement will mature within three years of the date of issuance or, at the option of Fairfax, on either of the first two anniversary dates of the closing of the issuance. The redemption price for the debentures is equal to US$100 million plus any accrued and unpaid interest, less the amount, if any, by which the fair value of the Company's investments in AGH, Philafrica and the PGR2 Loan is lower than US$102.6 million. The warrants are exercisable for Subordinate Voting Shares at any time prior to the fifth anniversary of their issuance at an exercise price of US$4.90 per Subordinate Voting Share.

In May 2021, the Company formed a wholly-owned subsidiary, HFP US Investments, Inc. ("**U.S. Holdco**"), for the sole purpose of investing in NBA Africa, a limited liability company formed by the National Basketball Association to conduct the league's business in Africa including the Basketball Africa League, a partnership between the National Basketball Association and the International Basketball Federation. On May 7, 2021, the Company, through U.S. Holdco, invested US$30 million in NBA Africa in exchange for an equity interest in NBA Africa.

On June 30, 2021, the Company announced that the TSX had accepted its intention to commence a normal course issuer bid (the "**NCIB**") to purchase up to 2,666,826 Subordinate Voting Shares, representing approximately 5% of the public float of its Subordinate Voting Shares, over a twelve month period from July 8, 2021 to July 7, 2022. On September 28, 2021, the Company entered into an automatic share purchase plan with a designated broker to allow for the purchase of its Subordinate Voting Shares under the NCIB at times when the Company normally would not be active in the market.

In December 2021, the Company made a US$15 million co-investment in a Helios investment vehicle, Trone Investment Holdings Limited, which acquired a majority stake in T2S Group, which comprises four medtech companies in Morocco: Techniques Science Santé, IM Alliance, Cyclopharma and Binarios.

On March 3, 2022, the Company entered into a US$70 million secured revolving credit facility with FirstRand Bank Limited (acting through Rand Merchant Bank division) (the "**2022 Credit Facility**"). The 2022 Credit Facility bears interest at a rate of 6.88% and will mature on March 3. 2027.

Recent Developments

For a description of the recent developments of the Company and a description of our investments, see our letter to shareholders in our 2021 Annual Report as well as Note 6 – "Portfolio Investments" to our audited consolidated financial statements for 2021 ("**2021 Annual Financial Statements**") and "Business Developments" and "Portfolio Investments" in our Management's Discussion and Analysis for 2021 ("**2021 MD&A**"). Our 2021 Annual Report, 2021 Annual Financial Statements and 2021 MD&A are filed on SEDAR at www.sedar.com.

DESCRIPTION OF THE BUSINESS

Investment Objective

HFP is an investment holding company whose investment objective is to achieve long-term capital appreciation, while preserving capital, by investing in public and private equity securities and debt instruments of African businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, Africa ("**Portfolio Investments**"). Generally, subject to compliance with applicable law, the Company will make Portfolio Investments with a view to acquiring control or significant influence positions.

The Company makes all or substantially all of its investments either directly or through one of its wholly-owned subsidiaries, Mauritius Sub and SA Sub.

Investment Strategy

The Company's strategy is to create value from its balance sheet investments by: (1) making investments that drive the growth of the Portfolio Advisor's excess management fees and carried interest proceeds arising from Helios' third-party alternative asset management business; and (2) making investments in opportunities arising from Helios' investment strategies, principally private equity, but extending to new investment strategies that leverage its existing resources or capabilities and strengthen its position as the premier conduit between global capital and African enterprise.

The Company plans to harness balance sheet capital to enhance the value of its investment in the Portfolio Advisor. It anticipates investing in new Helios Fund strategies in advance of Helios raising third party capital into them.

As Helios' third-party asset management business grows across complementary alternative asset classes, the Portfolio Advisors' excess management fee and carried interest proceeds are expected to increase scale and predictability. Increasing such proceeds is expected to enhance the overall return of the Company's own equity capital. All else being equal, the greater the ratio that fee-earning third-party assets under management in Helios Funds bear to the Company's own balance sheet capital, the great the Company's return on equity.

Across various investment strategies, the Company intends to focus its efforts on those sectors that are most closely geared to the engines of growth in Africa, namely: demographics and urbanization, and technology and innovation. Specifically, the Company plans to focus on financial services and financial technology, digital infrastructure, clean energy and power, and consumer non-discretionary goods and services such as food and beverage, personal care, healthcare, and education. Similarly, the Company's approach to investment selection seeks to address the unique aspects of the African investment environment. The Company's focus is on: (i) demographically-driven or technologically-driven secular growth opportunities tends to minimize risks associated with the general business cycle, (ii) in private equity investments, where the company seeks to have on control or joint control tends to accelerate the value creation process, (iii) proactively seeking out investments with natural hedges against adverse currency movements and avoiding those with direct commodity price exposure tends to mitigate macroeconomic risks that are difficult to manage and/or price and lastly, (iv) global climate-related targets which are increasingly influencing asset values.

The Company anticipates that the key to its success will be performance measured by growth in book value per share. If Helios achieves consistently attractive risk-adjusted returns for the third-party investors in the Helios Funds, then investors will entrust the future funds with additional capital, which will enhance the Company's own balance sheet capital through

capital appreciation of the Portfolio Advisor and growth in capital alongside those funds. The Company believes this will drive the cycle of shareholder value creation.

Balance sheet capital that is not deployed in driving such strategic initiatives will generally be invested alongside the Helios Funds, which the Company believes will ensure that the Company's capital is exposed to the best ideas of the Manager. This approach is expected to further align the Company's interests with those of the third-party investors in the Helios Funds.

The Company may from time to time seek to realize on any of its Portfolio Investments. The circumstances under which the Company may sell some or all of its investments include: (i) where the Company believes that the Portfolio Investments are fully valued or that the original investment thesis has played out; or (ii) where the Company has identified other investment opportunities which it believes present more attractive risk-adjusted return opportunities and additional capital is needed to make such alternative investments.

The Company would exit its private Portfolio Investments either through initial public offerings or private sales. For publicly traded Portfolio Investments, exit strategies may include selling the investments through private placements or in public markets.

Investment Selection

While specific investment criteria will differ among the various investment strategies, the Company targets investees with the following characteristics:

- Benefit from secular or consumer non-discretionary rather than cyclical growth;
- Achieved growth rates at multiples of gross domestic product;
- Capital light businesses (or, where capital intensive, a high degree of revenue visibility);
- High levels of operating leverage and relatively simple operating processes;
- A high degree of control over their own value chains, with few third-party operational dependencies;
- Minimal daily interaction with public sector entities (for example, as customers or suppliers); and
- Business strategies that are consistent with global climate targets and objectives.

Environmental, social and governance ("**ESG**") considerations are paramount, and concerns related to these matters could render a potential investment unsuitable. Prior to recommending an investment to the investment committee, the Manager conducts an ESG assessment in which ESG risks, requirements and expectations are defined, and bribery and corruption risk monitoring procedures are determined. In the initial stages of reviewing an investment, should any key threshold issues emerge, such as credibility of the sponsor, reputational risks to the Company or material ESG issues, the Manager may recommend to the investment committee that the deal should be declined or taken to the next stage where consultants can be engaged to explore any alleged issues in further detail.

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% 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% of the Company's Total Assets (the "**Investment Concentration Restriction**"). The Company has satisfied the voluntarily adopted measure (set forth in the Company's IPO prospectus) that it would invest the net proceeds from the IPO in at least six different Portfolio Investments that satisfy 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. As at December 31, 2021, the Company determined that it was in compliance with the Investment Concentration Restriction.

Use of Leverage and Hedging

The Company may utilize various forms of leverage from time to time, including borrowings under loan facilities and the issuance of preference shares. The Company may also enter into transactions that may give rise to a form of leverage,

including, among others, debt instruments, futures and forward contracts (including foreign currency exchange contracts), credit default swaps, total return swaps and other derivative transactions, loans of portfolio securities, short sales and when-issued, delayed delivery and forward commitment transactions. The maximum amount of leverage that the Company will employ at any time will not exceed the greater of 50% of the Total Assets of the Company and 100% of the Net Asset Value of the Company.

In addition, the Company may, but is not obligated to, enter into derivative transactions or short individual securities to hedge or reduce the Company's long exposures. In order to mitigate market-related downside risk, the Company may also acquire put options, short market indices, acquire baskets of securities and/or purchase credit-default swaps, but the Company is not committed to maintaining market hedges at any time.

Business Conduct

English and French are the two most commonly used languages for commercial activity in Africa and members of the Board and management of the Company and its subsidiaries are all fluent in English. The working language of the Company is English. All internal documents and all material documents provided to the Board are prepared and presented in the English language. Where appropriate, the Company may translate materials into local official languages and communicates with local staff in local official languages. Similarly, official documents and other material agreements prepared in languages other than English are translated, where necessary.

The Principal Parties and the Manager have extensive investment experience and expertise in Africa. Among the employees of the Manager are individuals who are fluent in English, French, Arabic, Spanish, Portuguese, Yoruba, Igbo, and Swahili, among other languages. In addition, representatives of the Company's external auditor have been engaged by Fairfax and its subsidiaries for many years and are fluent in English and French.

The Company also retains reputable external legal advisors with extensive knowledge of the local laws and regulations. These legal advisors are external counsel who work in the applicable regions in Africa. In order to ensure it receives independent legal advice, in English, that can be reconciled with the Company's legal obligations as a company organized under the laws of Canada that is also a reporting issuer, the Company also ensures that its legal advisors are fluent in English, familiar with the local laws, and resident or formerly resident in the local jurisdictions. The combination of this legal capacity, together with direct reporting relationships between legal counsel and the executive officers, ensures that the executive officers and Directors of the Company are informed of the material legal requirements in each of the African countries in which the Company invests applicable to the Company and any changes or new developments related thereto.

The Company and its subsidiaries have and will continue to seek out and receive legal advice from duly qualified counsel in the jurisdictions in which the Company and its subsidiaries operate as circumstances require in order to ensure that the Company and its subsidiaries remain compliant with applicable laws, hold all required permits, licences or other regulatory approvals to carry out its business, and are aware of any restrictions or conditions that are or may be imposed on them. Through advice from legal counsel, the Company has satisfied itself that it and its subsidiaries have obtained all required permits, licences and other regulatory approvals required to be obtained by the Company or its subsidiaries as is presently required in order to carry out its business.

Competition

The Company competes with a large number of other investors focused on Africa, such as private equity funds, mezzanine funds, investment banks and other equity and non-equity based public and private investment funds, and other sources of financing, including traditional financial services companies, such as commercial banks.

Employees

In addition to the Co-Chief Executive Officers, Chief Financial Officer and General Counsel & Corporate Secretary of the Company, the Company directly employs certain non-management employees to assist in the day-to-day operations of the Company. Mauritius Sub and SA Sub also directly employ certain non-management employees to assist in respect of the operation of the local office in Mauritius and South Africa. Such individuals are employees of the Company or its subsidiaries, as applicable, and all compensation payable to such employees for services to the Company or its subsidiaries is borne by the Company or its subsidiaries, as applicable.

As at December 31, 2021, HFP (the holding company), Mauritius Sub and SA Sub collectively had 10 employees.

MAURITIUS SUB AND SA SUB

Mauritius Sub was established as a private company under the laws of the Republic of Mauritius pursuant to the Companies Act 2001 (the "**Companies Act**") and holds a Global Business License issued by the Financial Services Commission of Mauritius ("**FSC**").

SA Sub was established as a private company under the laws of South Africa pursuant to the Companies Act 2008.

The registered office of Mauritius Sub is located at 5th floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene, Republic of Mauritius. The corporate office of Mauritius Sub is located at B9, New Grounds Building, Geoffroy Road Industrial Zone, Bambous, Republic of Mauritius. The registered office of SA Sub is located at 11th Floor, Pier Place, Heerengracht Street, Cape Town City Centre, Western Cape, South Africa. All of the issued and outstanding shares of Mauritius Sub and SA Sub are owned by the Company. Each of Mauritius Sub and SA Sub has adopted an investment objective, a strategy and investment restrictions consistent with that of the Company.

In accordance with the laws of the relevant African country, Mauritius Sub and SA Sub will make foreign direct investments in Africa. South Africa and the Republic of Mauritius are viewed as "gateway" jurisdictions to investments in Africa. In addition to the Portfolio Investments made by Mauritius Sub and SA Sub, the Company may make other Portfolio Investments, being primarily investments in non-African domiciled businesses that have customers, suppliers or operations primarily conducted in, or dependent on, Africa. Subject to compliance with applicable law, the Company is also permitted to incorporate one or more additional wholly-owned subsidiary entities to make Portfolio Investments as the Company deems necessary from time to time.

The Republic of Mauritius has a stable and open economy, well developed infrastructure, competitive tax regime and a wide African network of double tax treaties or agreements ("**DTAs**"). In 1994, Mauritius suspended its exchange control regime allowing for the free flow of foreign capital.

South Africa also has an extensive network of African DTAs, is one of the largest economies in Africa and has established infrastructure that offers a sophisticated financial and commercial sector with favorable opportunities for investment in Sub-Saharan Africa. South Africa has comprehensive exchange control regulations and residents are not permitted to freely export capital out of the Common Monetary Area (Lesotho, Namibia, Swaziland and South Africa) without recourse to the necessary approval. SA Sub will be regarded as a South African resident for exchange control purposes.

Thus, the establishment of two holding entities in secure African jurisdictions provides the Company with flexibility with respect to its investment strategy. The suitability of either SA Sub or Mauritius Sub for potential Portfolio Investments will be assessed by the Portfolio Advisor on a case by case basis.

The Company and its subsidiaries have and will continue to seek out and receive legal advice from duly qualified counsel in the jurisdictions in which the Company and its subsidiaries operate as circumstances require in order to ensure that the Company and its subsidiaries remain compliant with applicable laws, hold all required permits, licenses or other regulatory approvals to carry out their business, and are aware of any restrictions or conditions that are or may be imposed on them. Through advice from legal counsel, the Company has satisfied itself that it and Mauritius Sub and SA Sub have obtained all required permits, licenses and other regulatory approvals required to be obtained by the Company or Mauritius Sub or SA Sub as is presently required in order to carry out their business.

Following the Portfolio Advisor's identification of a potential investment in a portfolio business, the Portfolio Advisor first determines which entity, as between the Company, Mauritius Sub or SA Sub is best-suited to make such an investment, which will depend, in large part on the type of investment, as described above. In the event that the Portfolio Advisor determines that the Company is best-suited to make the investment, the Portfolio Advisor has discretionary authority to negotiate and complete the investment on behalf of the Company. If the Portfolio Advisor determines that Mauritius Sub, or SA Sub is best-suited to make the investment, the Portfolio Advisor will provide advice and recommendations relating to such investment to either the board of directors of Mauritius Sub (the "**Mauritius Sub Board**") or the board of directors of SA Sub (the "**SA Sub Board**"), at which point the ultimate investment decision will be made by the Mauritius Sub Board or the SA Sub Board, as applicable.

In the case of a sale of a Portfolio Investment held by the Company, the Portfolio Advisor has discretionary authority to dispose of such investment on behalf of the Company. If the Portfolio Investment is held by Mauritius Sub or SA Sub, the Portfolio Advisor will provide advice and recommendations relating to the disposition of such investment to the Mauritius Sub Board or the SA Sub Board, as applicable, at which point the ultimate decision will be made by the Mauritius Sub Board or the SA Sub Board, as the case may be, as to whether or not to dispose of the investment.

Further to the reasons outlined above, Mauritius Sub has been incorporated in the Republic of Mauritius for, among others, the following reasons:

- The Republic of Mauritius is politically and socially stable and is well-developed in terms of infrastructure, technological development and logistics.

- The Republic of Mauritius has a strong network of local service providers, advisors and professionals including in the audit, accounting, legal and tax sectors, each having links to their African counterparts to provide investors with cross-jurisdictional professional services where necessary.

- The Republic of Mauritius does not enforce any withholding taxes on dividends and is not subject to any exchange control regulations.

- By holding a Global Business Licence, Mauritius Sub will receive certain tax relief on certain types of income in the Republic of Mauritius, provided prescribed substance requirements are met.

Further to the reasons outlined above, SA Sub has been incorporated in South Africa for, among others, the following reasons:

- South Africa has had a modern constitution, functioning democracy, and is politically stable.

- South Africa has sophisticated financial, mining, commercial, and industrial sectors granting access to a network of local service providers, advisors and professionals including in the audit, accounting, legal and tax sectors, each having links to their African counterparts to provide investors with cross jurisdictional services where necessary.

- SA Sub will be used as the main vehicle for investments in the common monetary area (South Africa, Namibia, Lesotho and Swaziland) that are subject to the exchange control regulations. South Africa also offers the Company or SA Sub the possibility of accessing the HQ Regime in the future.

Share Capital

The capital of Mauritius Sub is comprised of non-redeemable ordinary shares, each having a par value of US$100.00 (the "**Mauritius Sub Shares**"). The Mauritius Sub Shares have been issued solely to the Company. All voting rights related to the management and the election of the Mauritius Sub Board are vested solely in the Company as the sole holder of the Mauritius Sub Shares.

The capital of SA Sub is comprised of ordinary shares (the "**SA Sub Shares**"). The SA Sub Shares have been issued solely to the Company. All voting rights related to the management and the election of the SA Sub Board are vested solely in the Company as the sole holder of the SA Sub Shares.

Mauritius Sub Board and SA Sub Board

The Mauritius Sub Board consists of three directors, one of whom is the Chief Financial Officer of the Manager, and two of whom are residents of the Republic of Mauritius (including the Managing Director, South Africa and Mauritius). The SA Sub Board consists of three directors: the Chief Financial Officer of the Manager, the Managing Director, South Africa and Mauritius and one other whom is a resident of South Africa. As direct wholly-owned subsidiaries of the Company, the Company will appoint the Mauritius Sub Board and the SA Sub Board from time to time. For a description of the Mauritius Sub Board and the SA Sub Board, see "Directors of Mauritius Sub and SA Sub" below.

As part of the Mauritius Sub Board's and the SA Sub Board's fulfillment of their respective fiduciary obligations, the directors of each of Mauritius Sub and SA Sub (the "**Sub Directors**") will meet regularly with the Portfolio Advisor and its sub-advisors, including the Manager. In addition, the Mauritius Sub Board and SA Sub Board have each approved a memorandum containing specific details with respect to the policies, procedures and controls to be put in place for the approval, monitoring, risk management and disposition of Portfolio Investments implemented by Mauritius Sub or SA Sub, as applicable.

Mauritius Administrator

In accordance with requirements of Mauritius law, International Proximity, having its registered office at 5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity Ebene, Republic of Mauritius, has been retained as the Mauritius administrator (the "**Mauritius Administrator**") of Mauritius Sub effective March 6, 2020 and provides corporate secretarial and administration services to Mauritius Sub. The Mauritius Administrator is a licensed management company based in the Republic of Mauritius and regulated by the FSC.

Mauritius Sub pays a quarterly fee to the Mauritius Administrator in respect of the services that it provides, such fee amount to be determined by Mauritius Sub, from time to time, in negotiation with the Mauritius Administrator. Such fee is a combination of fixed and variable pricing and is estimated to be approximately US$50,000 per year payable by Mauritius Sub for all of the services that the Mauritius Administrator provides to Mauritius Sub.

South Africa Administrator

SANNE (South Africa), having its registered office at 11th Floor, Pier Place, Heerengracht Street, Foreshore, Cape Town, South Africa has been retained as the South Africa administrator (the "**South Africa Administrator**") of SA Sub and provides corporate secretarial and registrar services to SA Sub. The South Africa Administrator is based in Cape Town, South Africa.

SA Sub pays an annual fee to the South Africa Administrator in respect of the services that it provides, such fee amount to be determined by SA Sub, from time to time, in negotiation with the South Africa Administrator. Such fee is a combination of fixed and variable pricing and is estimated to be approximately 50,000 South African Rand per year payable by SA Sub for all of the services that the South Africa Administrator provides to SA Sub.

Local Offices

The local offices of Mauritius Sub and SA Sub are comprised of qualified and experienced professionals with significant expertise with similar investment entities, are responsible for the day-to-day administration of Mauritius Sub and SA Sub, respectively, including, where applicable (i) daily processing of securities; (ii) portfolio accounting functions, including posting of all trades, corporate actions, monitoring of investment income, open payables and receivables; (iii) reconciliation of portfolio investments; (iv) monitoring of cash flows; (v) assisting the Mauritius Sub Board and the SA Sub Board in the appraisal of investment recommendations from the Portfolio Advisor; (vi) custodial relationships; (vii) placement of foreign exchange contracts, where appropriate; (viii) discussions with regulators to ensure compliance with regulatory requirements; (ix) authorizing the payment of all expenses; (x) preparation of annual financial statements, regular management reports, income tax returns and other reports; (xi) tax and exchange control planning/advice with respect to Portfolio Investments; and (xii) legal support including identification, liaising, monitoring and review of suitable African counsel where appropriate. The local offices are assisted by the Mauritius Administrator and the South Africa Administrator, respectively, with respect to certain regulatory and reporting services.

Each of Mauritius Sub and SA Sub maintain their minute books, corporate seal and corporate records at their local offices in the Republic of Mauritius and South Africa, respectively. In certain circumstances (e.g., transaction record books), copies will also be maintained at the Company's head office in Toronto, Ontario.

Company Oversight

The Company has adopted the following measures to ensure effective oversight of Mauritius Sub and SA Sub. These measures are overseen by the Board and implemented by the Company's senior management:

(i) the Company controls the appointment of all of the directors of Mauritius Sub and SA Sub. As the sole shareholder, the directors of the Company's subsidiaries are ultimately accountable to the Company and therefore are accountable to the Board and senior management of the Company;

(ii) the Board is responsible for the overall stewardship of the Company and, as such, supervises the management of the business and affairs of the Company. More specifically, the Board is responsible for reviewing the strategic business plans and corporate objectives, and approving acquisitions, dispositions, investments, capital expenditures and other transactions and matters that are thought to be material to the Company, including those of its subsidiaries; and

(iii) the Company has retained the Portfolio Advisor as the Company's portfolio advisor. The Portfolio Advisor has also been retained as the portfolio advisor of Mauritius Sub and SA Sub. This helps to establish effective oversight mechanics as the operations of Mauritius Sub and SA Sub should generally remain consistent with the operations of the Company.

The Company will adopt similar oversight measures in respect of any other subsidiaries through which the Company invests from time to time.

Directors of Mauritius Sub and SA Sub

The Sub Directors will be appointed from time to time on the instructions of the Board.

The following table sets forth information regarding the Mauritius Sub Board:

Name, Province or State and Country of Residence	**Position/Title**	**Independent**	**Principal Occupation**
Dylan Buttrick..... Republic of Mauritius	Director	No	Managing Director, South Africa and Mauritius
Krishnacoomari (Sheila) Bundhoo..... Republic of Mauritius	Director	Yes	Senior Client Manager at International Proximity
Paul Gerard Cunningham United Kingdom	Director	No	Chief Financial Officer of the Manager

The following table sets forth information regarding the SA Sub Board:

Name, Province or State and Country of Residence	**Position/Title**	**Independent**	**Principal Occupation**
Dylan Buttrick..... Republic of Mauritius	Director	No	Managing Director, South Africa and Mauritius
Paul Gerard Cunningham United Kingdom	Director	No	Chief Financial Officer of the Manager
Graeme Rate..... Cape Town, Western Cape, South Africa	Director	Yes	Country Head of SANNE (South Africa and Malta)

Biographical Information Regarding the Directors of Mauritius Sub

Dylan Buttrick (38) — Mr. Buttrick is Managing Director, South Africa and Mauritius and sits on the board of Nova Pioneer and AGH. Mr. Buttrick also serves on the board of directors of Starsight Premier Energy Group Limited and Starsight Premier Energy Finance. Prior to joining the Company, Mr. Buttrick was a CARL Partner at Mazars and regional head of tax advisory services for Gauteng, where he specialized in transactional services, corporate advice, international tax and South African exchange control matters. Prior to Mazars, Mr. Buttrick was a lawyer with Norton Rose Fulbright (South Africa) and Edward Nathan Sonnenbergs (South Africa). Mr. Buttrick is an admitted attorney of the High Court of South Africa, holds a B.Bus.Sci (Finance Honours) and an LLB from the University of Cape Town and an LLM in Tax from the University of South Africa.

Krishnacoomari (Sheila) Bundhoo (50) — Ms. Bundhoo is a senior client manager at International Proximity, and heads a team of client administrators with the responsibility for the administration of a portfolio of investment holding companies, collective investment schemes and closed-ended funds set up by multinational corporations and financial institutions. She has overseen some of the most significant transactions that International Proximity has handled. Ms. Bundhoo sits on the board of several companies and holds a BSc (Hons) Economics (Year 2001) and an MBA (Year 2019) from the University of Mauritius and she is in the process of completing her ICSA (UK).

Paul Gerard Cunningham (57) — Mr. Cunningham is Chief Financial Officer of the Manager and has overall responsibility for all matters relating to accounting, financial control, taxation, fund administration and reporting and regulatory compliance for the Helios group entities. Mr. Cunningham is an experienced private equity finance and administration executive with 34 years of experience in the industry. He previously served as Chief Financial Officer and Chief Operating Officer for Barclays Private Equity for six years prior to joining the Manager in May 2008, and previously served as Director, Head of Finance & Product Control Projects at Barclays Capital. Mr. Cunningham is Chairman of the International Private Equity and Venture Capital Valuation Guidelines Board. Prior to joining Barclays, he worked within the finance functions of various major investment banks, including Deutsche Bank and Credit Suisse, since qualifying as a Chartered Accountant with Ernst & Whinney in 1989. He graduated with a BS (Hons) in Mathematics from Imperial College.

Biographical Information Regarding the Directors of SA Sub

Dylan Buttrick (38) — Please see above under "— Biographical Information Regarding the Directors of Mauritius Sub".

Paul Gerard Cunningham (57) — Please see above under "— Biographical Information Regarding the Directors of Mauritius Sub"

Graeme Rate (52) – Mr. Rate is the Country Head of South Africa and Malta at SANNE (South Africa). Since joining SANNE (formerly IDS Fund Services) in 2014, Mr. Rate has worked in various capacities, including Deputy CEO with responsibility for Middle Office, Private Equity and CIS administration and Head of Hedge responsible for delivering the Hedge division's business plan and ensuring highest quality of service delivery to clients. Prior to joining SANNE, Mr. Rate held various roles for over 25 years ranging from Trainee accountant at BDO to COO at Decillion Fund Management and CEO at Prime Securities. Mr. Rate has over 17 years` experience in the hedge fund market and has significant strategic, operational and market expertise having worked for a large fund manager, a stockbroker and an administration business servicing the hedge fund industry. Mr. Rate is a qualified South Africa Stockbroker and a Chartered Accountant CA (SA).

Duties of Directors of Mauritius Sub Board

The duties of directors of entities incorporated in the Republic of Mauritius have been extensively codified in the Companies Act such that every director of a company incorporated under the Companies Act, in exercising his or her powers and discharging his or her duties, is required to, *inter alia*:

(i) exercise his/her powers in accordance with the Companies Act and within the limits and subject to the conditions and restrictions established by the company's constitution;

(ii) obtain the authorization of a meeting of shareholders before doing any act or entering into any transaction for which the authorization or consent of a meeting of shareholders as required by the Companies Act or by the company's constitution;

(iii) not agree to the company incurring any obligation unless the director believes at that time, on reasonable grounds that the company will be able to perform the obligation when it is required to do so;

(iv) account to the company for any monetary gain, or the value of any other gain or advantage, obtained by him/her in connection with the exercise of his/her powers, or by reason of his/her position as directors of the company, except remuneration, pensions provisions and compensation for loss of office in respect of his/her directorships of any company;

(v) not make use of or disclose any confidential information received by his/her on behalf of the company as directors otherwise than as permitted under the Companies Act;

(vi) not compete with the company or become a director or officer of a competing company, unless approved by the company pursuant to the Companies Act;

(vii) where directors are interested in a transaction to which the company is a party, disclose such interest pursuant to the Companies Act;

(viii) not use any assets of the company for any illegal purpose or purpose in breach of the first and third items above, and not do, or knowingly allow to be done, anything by which the company's assets may be damaged or lost, otherwise than in the ordinary course of carrying on its business;

(ix) transfer forthwith to the company all cash or assets acquired on its behalf, whether before or after its incorporation, or as the result of employing its cash or assets, and until such transfer is effected to hold such cash or assets on behalf of the company and to use it only for the purposes of the company;

(x) attend meetings of the directors of the company with reasonable regularity, unless prevented from so doing by illness or other reasonable excuse; and

(xi) keep proper accounting records in accordance with the Companies Act and make such records available for inspection in accordance with the Companies Act.

These duties are coupled with the overriding requirement that every officer (which includes director or secretary) must exercise the powers and discharge the duties of his office honestly, in good faith and in the best interests of the company; and exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Duties of Directors of SA Sub Board

The South African Companies Act prescribes the obligations and duties of directors, while this legislation introduces a partial codification of directors' duties, including a fiduciary duty and duty of care, skill and diligence, these obligations and duties operate in addition to common law duties. These duties apply to all directors, including alternate directors, prescribed officers and members of board committees, irrespective of whether or not such persons are also members of the company's board of directors. As set out in the South African Companies Act, a director must exercise his or her powers and perform his or her functions, *inter alia*:

- in good faith and for a proper purpose;
- in the best interest of the company; and
- with the degree of care, skill and diligence that may reasonably be expected of a person carrying out the same functions and having the general knowledge, skill and experience of that director.

The fiduciary duty of directors both in statute and/or under common law includes, but is not limited to:

- the duty to individually and collectively exercise their powers *bona fide* in the best interest of the company;
- the duty not to exceed their powers;
- the duty not to act illegally dishonestly, or ultra vires;
- the duty to act with unfettered discretion;
- the duty to avoid conflicts of interest;
- a director is accountable to the company for secret profits made by virtue of the fiduciary position or from the appropriation of a corporate opportunity;
- the duty not to compete with the company; and

- the duty not no misuse confidential information.

THE PORTFOLIO ADVISOR AND THE MANAGER

Each of the Company, Mauritius Sub and SA Sub have appointed the Portfolio Advisor as its portfolio advisor to source and advise with respect to all investments for the Company, Mauritius Sub and SA Sub, and any other subsidiary through which the Company invests, from time to time.

The head office of the Portfolio Advisor is located at De Catapan House, Grange Road, St. Peter Port, Guernsey.

The Portfolio Advisor may, from time to time, retain the services of one or more sub-advisors to assist the Portfolio Advisor in researching and identifying investment opportunities for the Company, Mauritius Sub and SA Sub and any other subsidiary through which the Company invests in Africa from time to time. The Portfolio Advisor has appointed the Manager as a sub-advisor to the Portfolio Advisor in connection with the advisory services provided to the Company, Mauritius Sub and SA Sub. See "The Manager". Fees payable to any sub-advisors from time to time or to the Manager will be borne by the Portfolio Advisor and no additional amount will be payable by the Company, Mauritius Sub or SA Sub, or any other Company subsidiary in connection therewith.

Investment Advisory Agreement

Pursuant to the Investment Advisory Agreement, the Portfolio Advisor provides investment advisory services including advice and recommendations relating to potential investment opportunities. In providing such advice and recommendations, the Portfolio Advisor first determines which entity, as between the Company and each of its subsidiaries, is best-suited to make such an investment. In the event that the Portfolio Advisor determines that the Company is best-suited to make an investment, the Portfolio Advisor has discretionary authority to negotiate and complete the investment on behalf of the Company. If the Portfolio Advisor determines that Mauritius Sub or SA Sub is best-suited to make the investment, the Portfolio Advisor will provide advice and recommendations relating to such investment to the Mauritius Sub Board or the SA Sub Board, as the case may be, at which point the ultimate investment analysis and decision is made by the Mauritius Sub Board or the SA Sub Board, as the case may be. In connection with the Portfolio Advisor's advice and recommendations to the Mauritius Sub Board or the SA Sub Board with respect to a particular investment, the Portfolio Advisor also provides advice relating to appropriate levels of leverage in respect of such investments.

The Portfolio Advisor, and any agent to whom the Portfolio Advisor has validly delegated any of its duties (including the Manager), is required to exercise its powers and discharge the duties of its office without gross negligence, willful misconduct or fraud. The Investment Advisory Agreement provides that the Portfolio Advisor and its affiliates (other than the Company and its subsidiaries) and their respective employees, members, advisers, consultants, officers, directors and shareholders will not be liable in any way for any costs, damages or losses relating to any manner to the carrying out of the Portfolio Advisor's duties under the Investment Advisory Agreement, other than any direct financial losses suffered by the Company, Mauritius Sub or SA Sub as a result of an error or omission in implementing investment decisions or advice determined by a court (in a decision which is not overturned on initial appeal) to have been caused by the gross negligence, wilful misconduct or fraud of the Portfolio Advisor or any sub-advisor or other material breach of the Investment Advisory Agreement. In addition, the Portfolio Advisor will not be liable for any financial losses suffered by the Company, Mauritius Sub or SA Sub as a result of the actions of any sub-advisor, provided such sub-advisor was selected by the Portfolio Advisor with reasonable care.

The Portfolio Advisor provides investment advice to the Company and its subsidiaries in accordance with the Company's investment objective. The services performed by the Portfolio Advisor are conducted only by officers and employees who have appropriate experience and qualifications.

The Company or the Portfolio Advisor may terminate the Investment Advisory Agreement by giving the other party at least 90 days' prior written notice of its intention to terminate, provided that the Investment Advisory Agreement will not be terminated by the Company unless: (i) the requirements of Sections 2.1(e)(i) of the securityholders' rights agreement (the "**Securityholders' Rights Agreement**"); and (ii) until such time as Principal Holdco or an affiliate thereof beneficially owns less than 15% of the Multiple Voting Shares and Subordinate Voting Shares at any time following the fifth anniversary of the effective date of the Investment Advisory Agreement, the requirements of 2.1(e)(iv) of the Securityholders' Rights Agreement have been met, and in the case of termination by the Portfolio Advisor, as if Sections 2.1(e)(i) and 2.1(e)(iv) of the Securityholders' Rights Agreement referred to termination of such Agreement by Helios.

The Company may terminate the Investment Advisory Agreement immediately if: (A) a final, non-appealable judgment by a court of competent jurisdiction finds that the Portfolio Advisor (i) has materially breached or materially defaulted on any of its obligations under the Investment Advisory Agreement (other than those set out in Section 8.1 of the Investment Advisory Agreement) and if such breach or default is capable of remedy, remains uncured on the date of such final, non-appealable court judgment or (ii) was grossly negligent in the performance of its services under the Investment Advisory Agreement; (B) a final, non-appealable judgment by a court of competent jurisdiction finds that the Portfolio Advisor has committed fraud or willful misconduct in connection with the performance of its duties under the Investment Advisory Agreement; (C) the Portfolio Advisor or its general partner becomes bankrupt or insolvent or makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or (D) the Portfolio Advisor's or its general partner's assets become subject to seizure or confiscation by any public or governmental authority.

As compensation for the provision of portfolio administration and investment advisory services provided by the Portfolio Advisor, the Company pays the Administration and Advisory Fee and, if applicable, the Performance Fee, in each case, together with any applicable sales taxes thereon to the Portfolio Advisor. The Company pays on behalf of SA Sub for the portion of Administration and Advisory Fee and Performance Fee allocated to SA Sub. See "Summary of Fees and Expenses".

Pursuant to the Investment Advisory Agreement, the Portfolio Advisor has also agreed to provide certain portfolio administration services to the Company and its subsidiaries, including: (i) monitoring the performance of investments; (ii) engaging support services with respect to the management and operation of the investment portfolio; (iii) yield review; (iv) computation of market decline tests; (v) computation of liquidity analysis; (vi) analysis of book values (e.g., bond amortizations and investment provisions); (vii) analysis of gross gain and loss positions; (viii) cash flow obligations; (ix) broker relationships; (x) review and analysis of foreign exchange positions; (xi) performance reporting of the Company; (xii) software provider functioning and testing; and (xiii) assistance with complex accounting issues. The Portfolio Advisor is entitled to receive payment from the Company for the performance of these services to the Company as part of the Administration and Advisory Fee described under "Summary of Fees and Expenses".

Pursuant to the Investment Advisory Agreement, the Portfolio Advisor has also agreed to provide investment management and advisory services, including advice and recommendations relating to potential investment opportunities, to HFP, Mauritius Sub and SA Sub. The Portfolio Advisor will have discretionary authority to implement the acquisition and disposition of investments on behalf of HFP, Mauritius Sub and SA Sub. Notwithstanding the foregoing, the Portfolio Advisor: (A) will request approval by the Board, by simple majority, prior to making any investment which has a value in excess of the greater of (x) 10% of HFP's Net Asset Value as of HFP's most recently ended fiscal quarter and (y) $50 million; and (B) will not make any insurance-related investment without the prior written consent of Fairfax, in each case, for so long as such consent is required pursuant to the Securityholders' Rights Agreement.

Conflicts Policy

The investment advisory and portfolio administration services of the Portfolio Advisor are not exclusive and nothing in the Investment Advisory Agreement prevents the Portfolio Advisor or any of its affiliates from providing similar investment advisory or portfolio administration services to other clients, including certain funds managed by the Manager (whether or not their investment objective, strategies and policies are similar to those of the Company) or from engaging in other activities. The allocation of investment opportunities among the Company and its subsidiaries and other portfolio clients of the Manager is made in accordance with a conflicts policy. As a result of this conflicts policy, the Company may, from time to time, be precluded from participating in an investment opportunity available to the Portfolio Advisor and the Manager, in its role as sub-advisor, that would otherwise be compatible with the Company's investment objectives and restrictions.

See "Risk Factors".

The Portfolio Advisor

The Portfolio Advisor is a limited partnership established under the laws of Guernsey. Its general partner is HFA GP Guernsey Limited, a company established under the laws of Guernsey.

The Manager

Established in 2004, the Manager is the largest Africa-focused private investment firm, with a record that spans creating start-ups to providing established companies with growth capital and expertise. Led and predominantly staffed by

African professionals with the language skills and cultural affinity to engage with local entrepreneurs, managers and intermediaries on the continent, the Manager leverages its local and global networks to identify business opportunities and structure proprietary transactions around them. The Manager's unique combination of a deep knowledge of the African operating environment, a singular commitment to the region and a proven capability to manage complexity, is reflected in its diverse portfolio of growing, market-leading businesses and its position as a partner of choice of multinational corporations in Africa. The Manager is among the world's the largest emerging markets-focused private equity firms to receive "B Corp" certification. "B Corp" status recognizes the Manager's long-standing commitment to sustainability and responsible business practices.

The registered office of the Manager is located at 12 Charles II Street, 2nd Floor, London, SW1Y 4QU, United Kingdom.

CALCULATION OF TOTAL ASSETS AND NET ASSET VALUE

The total assets of the Company on a particular date are equal to the aggregate fair value of the consolidated assets of the Company and its subsidiaries on such date, without deduction of liabilities, expressed in U.S. dollars (the "**Total Assets**"). The net asset value of the Company on a particular date is equal to the aggregate fair value of the consolidated assets of the Company and its subsidiaries (including Mauritius Sub and SA Sub), excluding the limited partnership interests of the Portfolio Advisor held directly or indirectly by the Company, in each case on such date, less the aggregate carrying value of (i) the consolidated liabilities of the Company and its subsidiaries (including Mauritius Sub and SA Sub), (ii) the liabilities associated with the limited partnership interests of the Portfolio Advisor held directly or indirectly by the Company, and (iii) any issued and outstanding preference shares, expressed in U.S. dollars, such value being determined, in each case, in accordance with the prevailing valuation policy adopted by the Portfolio Advisor in respect of the Helios Funds; provided that (a) for the avoidance of doubt, (i) any cash balances of the Company which are pending reinvestment and are attributable to distributions received by the Company, directly or indirectly, in respect of any management fee, carried interest entitlements or equivalent amounts from any Helios Fund shall not be taken into account for the purposes of calculating Net Asset Value or for the purposes of calculating the Performance Fee; and (ii) any securities or other interests distributed in specie to the Company, directly or indirectly, in respect of any carried interest entitlement or otherwise in relation to the Company's holding of limited partnership interests in Helios shall be taken into account for the purposes of calculating the Net Asset Value and the Performance Fee and (b) to the extent any cash or investment of the Company is denominated in a currency other than United States dollars, the value of such cash or investment will be converted into United States dollars at the exchange rate prevailing between the relevant currency and the United States dollar as published by Bloomberg on the relevant date (or, if in Helios' good faith determination there exists a material discrepancy between the rate as published by Bloomberg and the market rate which is accessible by Helios, as a practical matter, such market rate as is determined by Helios in its good faith discretion) (the "**Net Asset Value**").

The assets of the Company, Mauritius Sub, SA Sub and any other subsidiary through which the Company invests in Africa from time to time are valued by the Company in accordance with the procedures described below, subject to the control of the Board, the Mauritius Sub Board, the SA Sub Board and the board of directors of such subsidiary, as the case may be. Foreign currency-denominated investments are valued using foreign currency exchange rates provided by independent sources. Assets are valued at market prices provided by independent pricing sources, except to the extent that market prices are not readily available or do not reflect the fair value of such assets. If market prices are not readily available or if it is determined, following procedures approved by the Board, that market prices may not reflect the fair value of such assets, the Company, in consultation with the Portfolio Advisor, values such assets in accordance with policies and procedures approved by the Board, the Mauritius Sub Board, the SA Sub Board and the board of directors of another subsidiary, as the case may be. Assets that may be valued using fair value pricing include, but are not limited to: (i) an unlisted security; (ii) a restricted security; (iii) a security whose trading has been suspended or which has been de-listed from its primary trading exchange; (iv) a security that is thinly traded; (v) a security whose issuer is in default or bankruptcy proceedings for which there is no current market quotation; (vi) a security affected by extreme market conditions; (vii) a security affected by currency controls or restrictions; and (viii) a security affected by a significant event (e.g., an event that occurs after the close of the markets on which the security is traded).

THE CUSTODIANS

RBC Investor Services Trust (the "**Company Custodian**") and The Bank of New York Mellon (the "Subsidiary Custodian" and collectively, the "Custodians"), at their respective principal offices in Toronto, Ontario, and New York City, New York, were appointed the custodians of the Company's, Mauritius Sub's and SA Sub's assets pursuant to the custodian agreements entered into between the relevant custodian and the Company or its subsidiaries, as applicable. The Custodians

may employ sub-custodians as considered appropriate in the circumstances in accordance with the terms of the applicable custodian agreement. Any sub-custodians appointed from time to time must satisfy the requirements of section 6.2 or 6.3 of National Instrument 81-102 — *Investment Funds* ("**NI 81-102**"), as applicable.

Any replacement custodian that is retained by the Company will be an entity that would be qualified to act as (i) a custodian or sub-custodian for assets held in Canada, or (ii) a custodian or sub-custodian for assets held outside Canada, as the case may be, in each case in accordance with Part 6 of NI 81-102. Each of the Custodians is qualified to act as a custodian or sub-custodian for assets held in Canada, or a custodian or sub-custodian for assets held outside Canada, as the case may be, in each case in accordance with Part 6 of NI 81-102.

The Company Custodian Agreement

The Company Custodian, in carrying out its duties in respect of the safekeeping of, and dealing with, the Property (as defined in the Company Custodian Agreement), will exercise: (i) the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances; or (ii) at least the same degree of care as it exercises with respect to its own property of a similar kind, if this is a higher degree of care than the degree of care referred to in (i).

Unless the Company Custodian has not complied with the standard of care set forth above, the Company Custodian will not be liable for (i) any act or omission in the course of, or connected to, rendering the services under the Company Custodian Agreement or (ii) loss to, or diminution of, the Property. The Company Custodian will not be liable at any time for indirect, incidental, special, or consequential damages and damages for loss of profits, revenue or savings (actual or anticipated), economic loss, loss of data or loss of goodwill. For greater certainty, and except to the extent that the Company Custodian has breached the standard of care referred to above, the Company Custodian will not be responsible for: (a) the authenticity or validity of title to any Property which the Company Custodian did not arrange itself to have appropriately registered; (b) any act or omission required or demanded by any governmental, taxing, regulatory or other competent authority in any country in which all or part of the Property is held or which has jurisdiction over the Company Custodian or the Company; (c) any loss resulting from an event of force majeure, or any other event or factor beyond the reasonable control of the Company Custodian; (d) any failure to act on directions of the Company, if the Company Custodian reasonably believed that to do so might result in breach of applicable law or regulation or the terms of the Company Custodian Agreement; or (e) any Property which the Company Custodian does not hold or which is not directly controlled by the Company Custodian, its affiliates or it's appointed agents (including sub-custodians).

The Company will at all times indemnify and save harmless the Company Custodian, its directors, officers, and employees, from and against all taxes, duties, charges, costs, expenses, damages, claims, actions, demands and any other liability whatsoever to which such party may become subject, including legal fees and expenses, in respect of anything done or omitted to be done in connection with the Company Custodian Agreement, except to the extent occasioned by the negligence, wilful misconduct or lack of good faith of such party. If, at the Company's request, any indemnified party agrees to appear in, prosecute, defend or otherwise act in relation to any process or proceeding, either in its own name or in the name of its nominee, that party will first be indemnified to its satisfaction.

Either party may terminate the Company Custodian Agreement at any time without penalty by giving at least thirty (30) days' prior written notice to the other party of such termination. Such prior notice is not required and termination will be immediate upon the giving of notice in accordance with the Company Custodian Agreement in the event that: (a) either party is declared bankrupt or insolvent; or (b) the assets or the business of either party becomes liable to seizure or confiscation by any public or governmental authority.

Mauritius Sub and SA Sub Subsidiary Custodian Agreements

The Subsidiary Custodian will use reasonable care in the performance of its duties under the subsidiary custodian agreements ("**Subsidiary Custodian Agreements**"). Mauritius Sub and SA Sub will indemnify and hold harmless the Subsidiary Custodian from and against any loss, costs, damages, liability, claim or expense (including reasonable legal fees and disbursements) reasonably suffered or incurred by the Subsidiary Custodian arising from or in connection with the performance of its duties under the Subsidiary Custodian Agreements; provided, however, that such indemnity will not apply to any liability or expense occasioned by or resulting from the wilful misconduct, negligence, breach of the standard of care set forth above or wrongful act of the Subsidiary Custodian or any of their employees, directors, officers or sub-custodians in the performance of the Subsidiary Custodian's duties under the Subsidiary Custodian Agreements.

The Subsidiary Custodian will not be responsible for any loss or damage suffered by Mauritius Sub and SA Sub, as the case may be, as a result of the Subsidiary Custodian performing its duties or for any act or omission in respect of any instructions and/or under the Subsidiary Custodian Agreements unless the same results from the negligence or wilful default of the Subsidiary Custodian. The Subsidiary Custodian will not have any responsibility for any loss or liability owing to any reason or cause beyond its reasonable control, including events of force majeure. The Subsidiary Custodian will not be liable for any the action or inaction of any depository or for any losses resulting from the maintenance of securities with a depository. In addition, the Subsidiary Custodian will not be liable for any consequential, special or indirect loss.

Mauritius Sub, SA Sub, or the Subsidiary Custodian may terminate the applicable Subsidiary Custodian Agreement without any penalty upon at least 30 days' prior written notice to the other party. Any replacement custodian that is retained by Mauritius Sub or SA Sub will be an entity that would be qualified to act as (i) a custodian or sub-custodian for assets held in Canada, or (ii) a custodian or sub-custodian for assets held outside Canada, as the case may be, in each case in accordance with Part 6 of NI 81-102. The Subsidiary Custodian is qualified to act as a custodian or sub-custodian for assets held in Canada, or a custodian or sub-custodian for assets held outside Canada, as the case may be, in each case in accordance with Part 6 of NI 81-102.

SUMMARY OF FEES AND EXPENSES

The following table contains a summary of the fees and expenses payable or incurred by the Company, which will therefore reduce the Net Asset Value of the Company.

Administration and Advisory Fee and Performance Fee:

As compensation for the provision of portfolio administration and investment advisory services provided by the Portfolio Advisor, the Company pays the administration and advisory fee (the "**Administration and Advisory Fee**") and, if applicable, the Performance Fee, in each case, together with any applicable sales taxes thereon to the Portfolio Advisor.

The Administration and Advisory Fee is an amount equal to the sum of: (i) 1.5% of the Net Asset Value of the Company less the aggregate amount of any Undeployed Capital; and (ii) 0.5% of the aggregate amount of any Undeployed Capital. The Administration and Advisory Fee is calculated quarterly, as of the last business day of each quarter, and paid in arrears on the date which is the next business day following the relevant quarter end date. The Administration and Advisory Fee is allocated proportionately, once determined, based on the aggregate assets of the Company, Mauritius Sub, SA Sub and any other subsidiary through which the Company invests from time to time, unless otherwise agreed.

The performance fee (the "**Performance Fee**") is calculated on the last business day of each quarter and only for illustrative purposes for use by the Company in its financial reports. The amount of the Performance Fee shall be determined as of the end of the last day of each Calculation Period. All calculations with respect to the Performance Fee will be made to four decimal places.

The Performance Fee for a Calculation Period, if any, will be paid within 30 days after the Company issues its year end audited financial statements for the last calendar year of such Calculation Period. The Performance Fee will be allocated proportionately, once determined, based on the aggregate assets of the Company, Mauritius Sub, SA Sub and any other subsidiary through which the Company invests from time to time, and paid by the Company to the Portfolio Advisor, unless otherwise agreed.

The Performance Fee is payable to the Portfolio Advisor to the extent permitted under applicable law and stock exchange rules, in Subordinate Voting Shares or, at the Portfolio Advisor's option or to the extent not permitted by applicable law and stock exchange rules, wholly or partly in cash. If the Portfolio Advisor elects to have the Performance Fee paid in cash, such election must be made no later than January 15 of the last year of the applicable Calculation Period in respect of which the Performance Fee is to be paid. The number of Subordinate Voting Shares to be issued will be calculated based on market price (the "**Market Price**"), being the volume-weighted average trading price of the Subordinate Voting Shares on a recognized stock exchange for the 10 trading days prior to and including the last day of the Calculation Period in respect of which the Performance Fee is to be paid regardless of the actual date of issuance and for purposes of calculating the Performance Fee in respect of subsequent Calculation Periods thereafter, such

Subordinate Voting Shares will be deemed to be outstanding as of the first day of such Calculation Period regardless of the date of actual issuance.

The Performance Fee for a Calculation Period is equal to the product of:

(a) the aggregate number of Multiple Voting Shares and Subordinate Voting Shares and any preference shares or other class of shares the Company is authorized to issue from time to time outstanding on each day during such Calculation Period (calculated before taking into account any Subordinate Voting Shares issuable in payment of a Performance Fee for such Calculation Period), and

(b) 20% of the amount by which the sum of:

(i) the NAV per Share of the Company at the end of such Calculation Period (calculated before taking into account the Performance Fee payable for the period ending on the Determination Date for such Calculation Period), plus

(ii) the total amount of distributions paid on the Multiple Voting Shares and Subordinate Voting Shares and any preference shares or other class of shares the Company is authorized to issue from time to time during (i) such Calculation Period; and (ii) all consecutive immediately preceding Calculation Periods following January 1, 2021, if any, in respect of which no Performance Fee was paid divided by (y) the weighted average number of Multiple Voting Shares and Subordinate Voting Shares and any preference shares or other class of shares the Company is authorized to issue from time to time outstanding during such Calculation Periods,

exceeds the greater of:

(i) the High Water Mark, and

(ii) the Hurdle per Share.

The "**High Water Mark**" will be in respect of (a) the first Calculation Period, $2.97; and (b) any subsequent Calculation Period, (x) the highest NAV per Share on any preceding Determination Date for a Calculation Period in respect of which a Performance Fee was paid (calculated after taking into account the Performance Fee, if any, in respect of such Calculation Period, including any Performance Fee which is paid through the issuance of Subordinate Voting Shares) or (y) if no Performance Fee has yet been paid, $2.97.

The "**Hurdle per Share**" for a Calculation Period will be equal to the quotient of:

(a) the sum of:

(x) the product of (1) the Net Asset Value on January 1, 2021, (2) 5%, and (3) the number of years (which need not be an integer) since January 1, 2021, and

(y) the Net Asset Value on January 1, 2021,

divided by

(b) the average aggregate number of Multiple Voting Shares, Subordinate Voting Shares and any preference shares or other class of shares the Company is authorized to issue from time to time outstanding on each day during the period from January 1, 2021 to the Determination Date for the relevant Calculation

Period (excluding any Subordinate Voting Shares issued in payment of a Performance Fee).

For the year ended December 31, 2021, the Company determined that a significant portion of the Company's assets were invested in Portfolio Investments that are considered deployed capital and subject to a 1.5% per annum fee. The Administration and Advisory Fee payable for the year ended December 31, 2021 was $4,146,006. The Performance Fee payable to the Portfolio Advisor under the Investment Advisory Agreement for the year ended December 31, 2021 was $nil. The Company has determined that a Performance Fee of $937,528 should be accrued as at December 31, 2021.

Ongoing Fees and Expenses:

The Portfolio Advisor is responsible for its own day-to-day operating expenses, including in connection with the provision of investment advisory (including discovery and evaluation of investment opportunities) and portfolio administration services for the Company and its subsidiaries, compensation of its professional staff and the cost of office space, office supplies, communications, telephone, news, quotation and computer equipment, utilities and other normal overhead expenses. The Portfolio Advisor also bears fees and expenses payable to any sub-advisor, including the Manager.

Each of the Company and its subsidiaries are responsible for its own operating expenses including: (i) all expenses incurred in connection with trading and the acquisition, holding or disposition of investments following recommendation by the Portfolio Advisor, including taxes, brokerage fees and commissions, underwriting commissions and discounts, expenses related to indemnification obligations, and legal, accounting, investment banking, consulting, information services and other professional fees; (ii) all costs and expenses relating to investment transactions that are not consummated, and legal, accounting, investment banking, consulting, information services and other professional fees related thereto; (iii) entity-level taxes; (iv) all costs and fees relating to the preparation of financial statements, audits, financial and tax reports, portfolio valuations, tax returns and other reports and continuous disclosure materials, including fees and out-of-pocket expenses of any service company retained to provide accounting and bookkeeping services; (v) all ongoing legal and compliance costs and the costs of prosecuting or defending any legal action for or against any of the Company, SA Sub, Mauritius Sub, the Board, the SA Sub Board, the Mauritius Sub Board, any other subsidiary through which the Company invests from time to time and its board of directors, the Portfolio Advisor or any of its respective affiliates relating to the affairs of the Company and its subsidiaries; (vi) compensation of officers and employees (including the compensation of the Company's Co-Chief Executive Officers to the extent applicable pursuant to the terms of the employment agreements for such Co-Chief Executive Officers); (vii) all fees, costs and expenses related to all governmental filings of the Company or its subsidiaries; (viii) expenses of the directors, including directors' fees and travel expenses; (ix) expenses related to maintenance of corporate records and books of account, including accounting and auditing fees, disbursements and company secretarial expenses; and (x) expenses related to organization and conduct of directors' and shareholders' meetings and the preparation and distribution of all reports to, and other communications with, shareholders, expenses related to issuing and transferring shares and paying dividends or making other distributions thereon, extraordinary expenses and other similar expenses.

Any arrangements for additional services to be provided to the Company or its subsidiaries by the Portfolio Advisor or any affiliates thereof that have not been described in this annual information form will be on terms that are no less favourable to the Company or its subsidiaries than those available from arm's length persons (within the meaning of the Tax Act) for comparable services, and the Company or such subsidiary, as the case may be, will pay all expenses associated with any such additional services.

RISK FACTORS

An investment in the Company and the Subordinate Voting Shares carries a number of risks, many of which are inherent in the business to be conducted by the Company, including the risk that the entire investment may be lost. In addition to all other information set out in this annual information form, the following specific factors could materially adversely affect

the Company. Other risks and uncertainties that the Company does not currently consider to be material, or of which the Company is not currently aware, may become important factors that affect the Company's future financial condition and results of operations. The occurrence of any of the risks discussed below could materially adversely affect the business, prospects, financial condition, results of operations or cash flow of the Company.

Canadian and General Tax-Related Risk Factors

Taxation of the Company

The Company is subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year including income that is deemed to accrue to it in respect of the FAPI of any of its CFAs. To the extent that any CFA of the Company, including Mauritius Sub and SA Sub, earns income that is characterized as FAPI in a particular taxation year of the CFA, the FAPI of the CFA allocable to the Company must be included in computing the income of the Company for Canadian federal income tax purposes for the fiscal year of the Company in which the taxation year of the CFA ends, whether or not the Company actually receives a distribution of that FAPI. The Company and its CFAs are anticipated to earn FAPI in respect of certain interest, dividends and capital gains received from investments including, in certain circumstances, FAPI which arises from deemed income under section 94.1 of the Tax Act.

As the Company and its subsidiaries invest in investment securities issued by foreign issuers, the Company and its subsidiaries may be subject to foreign withholding taxes in respect of payments received or deemed to be received from such investments for which they may be unable to obtain relief in the form of deductions or credits from taxes otherwise payable.

In connection with the Strategic Transaction, the Company acquired the Purchased Partnership Interests of the Portfolio Adviser. Based on applicable law as at the date hereof, including the current provisions of the Tax Act, the regulations promulgated thereunder and the administrative policies and assessment practices of the Canada Revenue Agency published in writing by it prior to the date hereof, Helios has advised that it does not anticipate that: (i) the Company will be allocated income and/or capital gains in a year for purposes of the Tax Act without receiving sufficient distributions from the Portfolio Advisor for that year to pay any tax the Company may owe because of such allocation or that the Company will be subject to any material FAPI on account of its acquisition and holding of interests in the Portfolio Advisor, and (ii) Helios does not anticipate that the Company will be subject to tax in any jurisdiction other than Canada in respect of its acquisition and holding of interests in the Portfolio Advisor (other than possible withholding tax on investments underlying the Partnership's carried interest entitlements). There is, however, no assurance that this will continue in the future and the tax consequences to the Company could be materially and adversely different.

There is a risk that Canadian or foreign tax laws (including in relations to taxation rates), or the interpretation thereof, could change in a manner that adversely affects the Company. Canada, together with approximately 140 other countries comprising the Organisation for Economic Co-Operation and Development ("**OECD**") and the G20 Inclusive Framework on Base Erosion and Profit Shifting ("**BEPS**"), approved in principle in 2021 certain base erosion tax initiatives, including the introduction of a 15% global minimum tax which is intended to be effective in 2023. Canada has not yet released any domestic legislation in respect of the introduction of the global minimum tax. In February 2022, the Department of Finance Canada released for public comment draft legislative proposals which, if enacted, may limit the deductibility of interest and financing expenses for Canadian tax purposes. The draft legislative proposals are generally intended to apply in respect of taxation years beginning on or after January 1, 2023. Comments on the draft legislative proposals are invited until May 5, 2022. The Company will continue to monitor the BEPS and interest deductibility limitation proposals and any impact on the Company, which may result in an increase in future taxes and an adverse effect on the Company. No assurance can be given that the applicable tax laws or the interpretation thereof will not change or that new taxes will not be implemented which would adversely affect the Company.

Taxes and other constraints that would apply to the Company and its subsidiaries in jurisdictions in which they operate may not apply to other parties, and such parties may therefore have a significantly lower effective cost of capital and a corresponding competitive advantage in pursuing investments. A number of other factors may increase the effective tax rates, which would have a negative impact on net earnings. These include, but are not limited to, changes in the valuation of our deferred tax assets and liabilities, and any reassessment of taxes by a taxation authority.

Taxation of Mauritius Sub and SA Sub

It is assumed that Mauritius Sub and SA Sub will, at all times, be non-residents of Canada for purposes of the Tax Act. Mauritius Sub and SA Sub, however, may have directors who are resident in Canada (currently none of the Mauritius Sub and SA Sub directors are resident in Canada). A corporation that has its "mind and management" in Canada will be considered to be resident in Canada for Canadian federal income tax purposes, subject to possible treaty relief. The Company operates each of Mauritius Sub and SA Sub to ensure that its "mind and management" does not reside in Canada and that it does not carry on business in Canada. However, no assurances with respect to factual determinations such as these can be given. If Mauritius Sub or SA Sub were found to be resident in Canada, Mauritius Sub or SA Sub, as the case may be, would be subject to tax in Canada on its worldwide income. In the case of SA Sub, the residency tie-breaker clause in the income tax treaty between Canada and South Africa provides that SA Sub shall be deemed to be a resident only of the State of which it is a national (i.e. South Africa. If Mauritius Sub or SA Sub were found to carry on business in Canada, Mauritius Sub or SA Sub, as the case may be, would be subject to tax in Canada on its income in respect of its business carried on in Canada, unless in the case of SA Sub, such income would be excluded by the income tax treaty between Canada and South Africa.

Risk Factors Related to the Business of the Company

The COVID-19 Pandemic

The rapid spread of the COVID-19 virus, which was declared by the World Health Organization to be a pandemic on March 11, 2020, and actions taken globally in response to COVID-19, have significantly disrupted business activities throughout the world. The Company's Portfolio Investments rely, to a certain extent, on free movement of goods, services, and capital from around the world, which has been significantly restricted as a result of COVID-19.

Given the ongoing and dynamic nature of the circumstances surrounding COVID-19, including subsequent variants, it is difficult to predict how significant the impact of COVID-19, including any responses to it, will be on the global economy and the Company's Portfolio Investments in particular, or for how long any disruptions are likely to continue. The extent of such impact will depend on future developments, including new information which may emerge concerning the severity of COVID-19 and additional actions which may be taken to contain COVID-19. In particular, the potential resurgence of COVID-19 cases and its new variants, and consequently the extension or reintroduction of containment measures may contribute to greater uncertainty and delay the recovery of economic activity. Such further developments could have a material adverse effect on the company's business, financial condition, results of operations and cash flows.

Substantial Loss of Capital

The investments made by the Company are speculative in nature and purchasers of Subordinate Voting Shares could experience a loss of all or substantially all of their investment in the Company. There can be no assurance that the Company will be able to make and realize investments or generate positive returns. There can also be no assurance that the returns generated, if any, will be commensurate with the risks of investing in the types of investments contemplated by the Company's investment objectives. As such, an investment in the Company should only be considered by persons who can afford a loss of their entire investment.

Shareholders Are Not Entitled to Vote on the Company's Proposed Investments

The Company relies on the Portfolio Advisor to source and identify suitable investments. Accordingly, holders of Subordinate Voting Shares will not be afforded the opportunity to either approve or oppose an investment opportunity of the Company. Thus, the Company may consummate any such investment even if a majority of the holders of its outstanding equity securities do not favour the particular investment.

Long-Term Nature of Investment

An investment in Subordinate Voting Shares requires a long-term commitment with no certainty of return. Most significant investments to be made by the Company are not expected to generate current income. Therefore, the return of capital to the Company and the realization of gains, if any, from the Company's investments will generally occur only upon the partial or complete realization or disposition of such investment. While an investment of the Company may be realized or disposed of at any time, it is generally expected that the ultimate realization or disposition of most of the Company's investments will not occur for a number of years after each such investment is made.

Geographic Concentration of Investments

The Company has invested substantially all of the cash proceeds it has raised in various investment opportunities in 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 is particularly sensitive to changes in the economic condition and regulatory environment in the countries in Africa in which it invests. Adverse changes in the economic condition or regulatory environment of the countries in Africa in which it invests may have a material adverse effect on the Company's business, cash flows, financial condition and results of operations.

Potential Lack of Diversification

Although the Company's investments are required to be in Africa and African businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, Africa, the Company does not have any specific limits on investments in businesses in any one industry or size of business. The Company's investments made to date have been made in portfolio companies in the agricultural, financial services, food processing, education and engineering infrastructure industries. The Company's investments may be more susceptible to fluctuations in value resulting from adverse economic conditions affecting any such particular industry or segment of business in the countries in Africa in which it invests than would be the case if the Company were required to satisfy certain investment guidelines relating to business diversification.

Financial Market Fluctuations

The Company invests in both private businesses and publicly traded businesses. With respect to publicly traded businesses, fluctuations in the market prices of such securities may negatively affect the value of such investments. In addition, general instability in the public debt market and other securities markets may impede the ability of businesses to refinance their debt through selling new securities, thereby limiting the Company's investment options with regard to a particular portfolio investment.

Global capital markets have experienced extreme volatility and disruption in recent years as evidenced by the failure of major financial institutions, significant write-offs suffered by the financial services sector, the re-pricing of credit risk, the unavailability of credit or the downgrading and the possibility of default by sovereign issuers, forced exit or voluntary withdrawal of countries from a common currency and/or devaluation. Despite actions of government authorities, these events have contributed to a worsening of general economic conditions, high levels of unemployment in certain Western economies and the introduction of austerity measures by certain governments.

Such worsening of financial market and economic conditions may have a negative effect on the valuations of, and the ability of the Company to exit or partially divest from, investment positions. Adverse economic conditions may also decrease the value of collateral securing some of its positions, and require the Company to contribute additional collateral.

Depending on market conditions, the Company may incur substantial realized and unrealized losses in future periods, all of which may materially adversely affect its results of operations and the value of any investment in the Company.

Pace of Completing Investments

The Company's business is to identify, with the assistance of the Portfolio Advisor, suitable investment opportunities, pursuing such opportunities and consummating such investment opportunities. If the Company is unable to source and manage its investments effectively, it would adversely impact the Company's financial position and earnings. There can be no assurance as to the pace of finding and implementing investment opportunities.

Conversely, there may only be a limited number of suitable investment opportunities at any given time. This may cause the Company, while it deploys cash proceeds not yet invested, to hold significant levels of Permitted Investments. A lengthy period prior to which capital is deployed may adversely affect the Company's overall performance.

Control or Significant Influence Position Risk

Although non-control investments may also be made, the Company generally intends, subject to compliance with applicable law, to make investments that allow the Company to acquire control or exercise significant influence over

management and the strategic direction of a business. The exercise of control over a business imposes additional risks of liability for environmental damage, product defects, failure to supervise management and other types of liability in which the limited liability characteristic of business operations may be ignored. The exercise of control over an investment could expose the assets of the Company to claims by such businesses, its shareholders and its creditors. While the Company manages its investments in a manner that will minimize the exposure to these risks, the possibility of successful claims cannot be precluded.

Minority Investments

The Company may make minority equity investments in which the Company does not participate in the management or otherwise influence the business or affairs of such businesses. The Company will monitor the performance of each investment and maintain an ongoing dialogue with each business' management team. However, day-to-day operations will primarily be the responsibility of each business' management team and the Company may not have the right to influence such operations.

Ranking of the Company's Investments and Structural Subordination

The Company invests in public and private equity securities and debt instruments. Portfolio investments may have, or may be permitted to incur, other debt that ranks equally with, or senior to, the debt in which the Company invests. By their terms, such debt instruments may entitle the holders to receive payment of interest or principal on or before the dates on which the Company is entitled to receive payments with respect to the debt instruments in which the Company invests. Also, in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a portfolio business, holders of debt instruments ranking senior to the Company's investment in that portfolio business would typically be entitled to receive payment in full before the Company receives any distribution. After repaying such senior creditors, such portfolio business may not have any remaining assets to use to repay its obligation to the Company. In the case of debt ranking equally with debt instruments in which the Company invests, the Company would have to share on an equal basis any distributions with other creditors holding such debt in the event of an insolvency, liquidation, dissolution, reorganization or bankruptcy of the relevant portfolio business. The Company's current Portfolio Investments in debt instruments are its investments in certain bonds of Atlas Mara, Nova Pioneer and the PGR2 Loan.

Follow-On Investments

Following the initial investment in a business, the Company may be called upon to provide additional funds or have the opportunity to increase its investment in such business through the exercise of a warrant or other right to purchase securities or to fund additional investments through such business. There is no assurance that the Company will make follow-on investments or that the Company will have sufficient funds to make any such investment. Even if the Company has sufficient capital to make a desired follow-on investment, the Company may elect not to make such investment, as the Company may not want to increase its level of risk, the Company may prefer other opportunities or the Company may be restricted from doing so under its investment guidelines. Any decision by the Company not to make follow-on investments or its inability to make such follow-on investments may have a negative impact on the portfolio business in need of such investment, may result in a missed opportunity for the Company to increase its participation in a successful operation or may reduce the expected return on the investment.

Prepayments of Debt Investments

Debt investments made by the Company may be repaid or prepaid by portfolio businesses prior to maturity. When this occurs, the Company will generally reinvest these proceeds in temporary investments, pending their future investment in new portfolio businesses. These temporary investments will typically have substantially lower yields than the debt being prepaid and the Company could experience significant delays in reinvesting these amounts. Any future investment in a new portfolio business may also be at lower yields than the debt that was repaid. As a result, the Company's results of operations could be materially adversely affected if one or more portfolio businesses elect to prepay amounts owed to the Company. Downward changes in interest rates may cause prepayments to occur at a faster than expected rate, thereby effectively shortening the maturity of the security and making the security less likely to be an income-producing instrument. Additionally, prepayments, net of prepayment fees (if any), could negatively impact the Company's return on equity.

Risks upon Dispositions of Investments

In connection with the disposition of an investment in a business, the Company may be required to make representations about the business and financial affairs of the business, or may be responsible as a selling stockholder for the contents of disclosure documents under applicable securities laws. The Company may also be required to indemnify the borrowers, investors or purchasers of such investment or underwriters to the extent that any such representation turns out to be incorrect, inaccurate or misleading.

Bridge Financings

From time to time, the Company may lend to businesses on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term securities. Such bridge loans will typically be convertible into a more permanent, long-term security. It is possible, however, for reasons not always in the Company's control, that such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Company.

Reliance on Key Personnel and Risks Associated with the Investment Advisory Agreement

The management and governance of the Company depends on the services of certain key personnel, including key personnel of the Portfolio Advisor, the Manager, as sub-advisor of the Portfolio Advisor, and certain executive officers of the Company. The loss of the services of any key personnel, particularly the Principals, could have a material adverse effect on the Company and materially adversely affect the Company's financial condition and results of operations.

The Company relies on the Portfolio Advisor and any of its sub-advisors or consultants, from time to time, including the Manager, with respect to the sourcing and advising, as applicable, with respect to their investments. Consequently, the Company's ability to achieve its investment objectives depends in large part on the Portfolio Advisor and the Manager, in its role as sub-advisor, and their respective ability to identify and advise the Company on attractive investment opportunities. This means that the Company's investments are dependent upon the business contacts of the Portfolio Advisor and the Manager, in its role as sub-advisor, and their respective ability to (i) successfully hire, train, supervise and manage their personnel and (ii) maintain their operating systems. If the Company were to lose the services provided by the Portfolio Advisor, the Manager, in its role as sub-advisor, or their key personnel or if the Portfolio Advisor or the Manager, in its role as sub-advisor, fail to satisfactorily perform the Portfolio Advisor's obligations under the Investment Advisory Agreement, the Company's investments and growth prospects may decline.

The Company may be unable to duplicate the quality and depth of management from the Portfolio Advisor or the Manager, in its role as sub-advisor, if the Company were to source and manage its own investments or if it were to hire another investment advisor. Prospective investors should not purchase any securities of the Company unless they are prepared to rely on the Directors, the Sub Directors, each of their respective executive officers and the Portfolio Advisor and any of its sub-advisors (including the Manager). The Investment Advisory Agreement may be terminated in certain circumstances and is only renewable on certain conditions. Accordingly, there can be no assurance that the Company will continue to have the benefit of the services of the Portfolio Advisor and the Manager, in its role as sub-advisor, including their respective executive officers, investment professionals and other personnel, that the Portfolio Advisor will continue to be the Company's investment advisor, that the Manager will continue to be the Portfolio Advisor's sub-advisor, or that the Portfolio Advisor will continue to provide investment administration services to the Company. If the Portfolio Advisor or the Manager should cease for whatever reason to be the investment advisor of the Company or sub-advisor of the Portfolio Advisor, the cost of obtaining substitute services may be greater than the fees the Company will pay the Portfolio Advisor under the Investment Advisory Agreement. Such increased fees may adversely affect the Company's ability to meet its objectives and execute its strategy which could materially and adversely affect the Company's cash flows, operating results and financial condition.

Effect of Fees

The Company will be required to pay the Administration and Advisory Fee and the Performance Fee, if any, to the Portfolio Advisor. Although the Company may be able to recoup a portion of the Administration and Advisory Fee through its entitlement to the excess fees, defined as all management and other fees paid to Helios in connection with the management of any existing or future fund managed by Helios (including fees paid in respect of the management of the Company and its subsidiaries) less expenses or taxes incurred or payable or reserves taken in connection with the generation of such fees and any fee reductions or fee offsets, from time to time, the payment of such fees will reduce the actual returns to holders of

Subordinate Voting Shares. A portion of these fees will be payable to the Portfolio Advisor regardless of whether the Company produces positive investment returns. The Portfolio Advisor will remit the Performance Fee, if any, to members of the Manager.

The Performance Fee could induce the Portfolio Advisor and the Manager to make Speculative Investments

The Performance Fee that may be payable to the Portfolio Advisor and members of the Manager may create an incentive for the Portfolio Advisor or the Manager to make or recommend investments that are more speculative or involve more risk than would be the case in the absence of such a compensation arrangement. The way in which the Performance Fee payable is determined (calculated as a percentage of the return above a certain amount on invested capital) may encourage the Portfolio Advisor or the Manager to use or recommend the use of leverage to increase the return on the Company's investments. Moreover, no portion of the Performance Fee, whether paid in cash or in Subordinate Voting Shares in lieu of cash, will accrue to the Company pursuant to the Purchased Partnership Interests. Increased use of leverage and the corresponding increased risk of replacement of that leverage at maturity could increase the likelihood of default by the Company, and could materially and adversely affect the Company's cash flows, operating results and financial condition.

Operating and Financial Risks of Portfolio Investments

Businesses in which the Company invests could deteriorate as a result of, among other factors, an adverse development in their business operations, a change in the competitive environment or an economic downturn. As a result, businesses that the Company expects to be stable may operate at a loss or have significant variations in operating results, may require substantial additional capital to support their operations or to maintain their competitive position, or may otherwise have a weak financial condition or experience financial distress. In some cases, the success of the Company's investment strategy will depend, in part, on the ability of the Company to restructure and effect improvements in the operations of a business in which it has invested. The activity of identifying and implementing restructuring programs and operating improvements at businesses entails a high degree of uncertainty. There can be no assurance that the Company will be able to successfully identify and implement such restructuring programs and improvements.

Allocation of Personnel

The Company's and the Portfolio Advisor's officers and employees are not able to devote all of their business time and attention to the Company as they will continue to be involved in the operations of Helios' and the Portfolio Advisor's other lines of business, respectively. The Company's and the Portfolio Advisor's officers and employees devote such time and attention to the business of the Company as they reasonably consider necessary to effectively carry out the operations of the Company and, in the case of the Portfolio Advisor, to satisfactorily perform its obligations under the Investment Advisory Agreement.

Potential Conflicts of Interest

The Company relies on the expertise of the Portfolio Advisor and the Manager, in its role as sub-advisor, in identifying and advising on investment opportunities, transaction execution and asset management capabilities. The Manager and its affiliates also provide similar services to other subsidiaries of funds they manage. The advisory services provided by the Portfolio Advisor under the Investment Advisory Agreement are provided on a non-exclusive basis to the Company and its subsidiaries, and accordingly, there are no restrictions on the Portfolio Advisor, the Manager or their affiliates from providing similar services to other entities, including certain funds managed by the Manager, or from engaging in other activities in the future (whether or not their investment objectives, strategies and policies are similar to those of the Company). The Company acknowledges that the Portfolio Advisor, the Manager and their affiliates will allocate investment opportunities among the Company and its subsidiaries and the other portfolio clients of the Portfolio Advisor, the Manger and their affiliates in accordance with their conflicts policy. As a result of this conflicts policy, the Company may, from time to time, be precluded from participating in an investment opportunity available to the Portfolio Advisor and the Manager, in its role as sub advisor, that would otherwise be compatible with the Company's investment objectives and restrictions.

In addition, although allocation of investment opportunities will be made in accordance with the conflicts policy, the Portfolio Advisor, the Manager and their affiliates may encounter conflicts of interest when allocating investment opportunities among the Company and their other portfolio clients.

The Portfolio Advisor, the Manager and their affiliates are not restricted from forming additional investment funds, entering into other investment advisory relationships, exercising investment responsibility, engaging in other business (or non-

business) activities or directly or indirectly purchasing, selling, holding or otherwise dealing with any securities for the account of any such other business or for other portfolio clients (including, without limitation, for or on behalf of clients that invest or may invest in the Company). These activities, including the establishment of other investment funds that may be more, similarly or less concentrated than the Company, may be in competition with the Company or involve substantial time and resources of the Portfolio Advisor, the Manager and their affiliates and may give rise to additional conflicts of interest. Furthermore, certain African portfolio investments of the Helios Funds, each of which are comprised of their own management teams, will continue to operate their existing business as they see fit and pursue additional African investment opportunities for themselves as they may desire. Such competition may increase the cost of investment opportunities that are of interest to the Company, increase competition for those investment opportunities generally or inhibit their consummation altogether.

In addition, the Sub Directors will, from time to time, in their individual capacities, deal with parties with whom the Company or its subsidiaries may be dealing, or may be seeking investments similar to those desired by the Company or its subsidiaries. It is possible that the interests of these persons could conflict with those of the Company or its subsidiaries. Conflicts may also exist due to the fact that certain Directors or Sub Directors are affiliated with the Portfolio Advisor, the Manager and their affiliates.

While the Company, the Portfolio Advisor and the Manager will be guided by the conflicts policy in managing potential conflicts of interest, the Portfolio Advisor, the Manager and their affiliates are engaged in a wide variety of business activities, and the Company may, consequently, become involved in transactions that conflict with the interests of the Portfolio Advisor, the Manager and their affiliates. Applicable corporate law contains conflict of interest provisions requiring the directors of the Company to disclose their interests in certain contracts and transactions and to refrain from voting on those matters.

The Liability of the Portfolio Advisor is Limited

Under the Investment Advisory Agreement, the Portfolio Advisor does not assume any responsibility other than to perform the obligations, duties and responsibilities described in the Investment Advisory Agreement. As a result, the right of the Company to recover against the Portfolio Advisor may be limited to damages arising out of the performance or non-performance of the responsibilities explicitly set forth in the Investment Advisory Agreement. In addition, the Investment Advisory Agreement contains provisions exonerating the Portfolio Advisor and related persons from liability in connection with the performance of obligations under the Investment Advisory Agreement or indemnifying the Portfolio Advisor or related persons under certain circumstances, even if the Portfolio Advisor has been negligent. These protections from liability may result in the Portfolio Advisor tolerating greater risks when making investment-related decisions or providing investment-related advice than would otherwise be the case, including when determining whether to use or advise with respect to leverage in connection with investments.

Employee Misconduct at the Portfolio Advisor or the Manager Could Harm the Company

There is a risk that employees of the Portfolio Advisor, the Manager or their affiliates could engage in misconduct that adversely affects its reputation, business and ability to successfully execute its investment strategy and that, in turn, may harm the operations and financial condition of the Company. the business of the Portfolio Advisor, the Manager and their affiliates often require that they deal with confidential matters relating to companies on which they may provide advice or invest. It is not always possible to detect or deter employee misconduct, and the precautions the Portfolio Advisor, the Manager and their affiliates take to detect and prevent these types of activities may not be effective in all cases. If any of the employees of the Portfolio Advisor, the Manager or their affiliates were to engage in misconduct or were to be accused of such misconduct, whether or not substantiated, the business and reputation of the Portfolio Advisor, the Manager and their affiliates could be adversely affected and a loss of investor confidence could result, which could materially adversely affect the Company.

Valuation Methodologies Involve Subjective Judgments

For purposes of IFRS-compliant financial reporting, the Company's financial assets and liabilities will be valued in accordance with IFRS. Accordingly, the Company is required to follow a specific framework for measuring the fair value of its assets and liabilities and, in its audited financial statements, to provide certain disclosures regarding the use of fair value measurements.

The fair value measurement accounting guidance establishes a hierarchal disclosure framework that ranks the observability of market inputs used in measuring financial instruments at fair value. The observability of inputs depends on a

number of factors, including the type of financial instrument, the characteristics specific to the financial instrument and the state of the marketplace, including the existence and transparency of transactions between market participants. Financial instruments with readily quoted prices, or for which fair value can be measured from quoted prices in active markets, generally will have a high degree of market price observability and less judgment applied in determining fair value.

A portion of the Company's portfolio investments are in the form of securities that are not publicly traded and thus have no readily ascertainable market prices. The fair value of securities and other investments that are not publicly traded may not be readily determinable. The Company will value these securities quarterly at fair value as determined in good faith by the Company and in accordance with the valuation policies and procedures under IFRS. The Company may utilize the services of an independent valuation firm to aid it in determining the fair value of these securities. The types of factors that may be considered in fair value pricing of the Company's investments include the nature and realizable value of any collateral, the portfolio business' ability to make payments and its earnings, the markets in which the portfolio investment does business, comparison to publicly traded companies, discounted cash flow and other relevant factors. Because such valuations, and particularly valuations of private securities and private companies, are inherently uncertain, such valuations may fluctuate over short periods of time and may be based on estimates. Thus, the Company's determinations of fair value may differ materially from the prices that would have been obtained if a ready market for these securities existed. The value of the Company's Total Assets could be materially adversely affected if the Company's determinations regarding the fair value of its investments were materially higher than the values that it ultimately realizes upon the disposition of such securities.

The value of the Company's investment portfolio may also be affected by changes in accounting standards, policies or practices. From time to time, the Company will be required to adopt new or revised accounting standards or guidance. It is possible that future accounting standards that the Company is required to adopt could change the valuation of the Company's assets and liabilities.

Due to a wide variety of market factors and the nature of certain securities to be held by the Company, there is no guarantee that the fair value determined by the Company or any third-party valuation agents will represent the value that will be realized by the Company on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. Moreover, the valuations to be performed by the Company or any third-party valuation agents are inherently different from the valuation of the Company's securities that would be performed if the Company were forced to liquidate all or a significant portion of its securities, which liquidation valuation could be materially lower.

In addition, the values of the Company's investments are subject to significant volatility, including due to a number of factors beyond the Company's control. These include actual or anticipated fluctuations in the quarterly and annual results of these companies or companies in their industries, market perceptions concerning the availability of additional securities for sale, general economic, social or political developments, changes in industry conditions or government regulations, changes in management or capital structure and significant acquisitions or dispositions. In addition, because the Company often holds substantial positions in its investees, the disposition of these securities often is delayed for, or takes place over, long periods of time, which can further expose the Company to volatility risk. Even if the Company holds an investment that may be difficult to liquidate in a single transaction, the Company may not discount the market price of the security sufficiently for purposes of its valuations. If the Company realizes value on an investment that is significantly lower that the value at which it was recorded in its balance sheet, the Company would recognize investment losses.

Lawsuits

The Company may, from time to time, become party to a variety of legal claims and regulatory proceedings in Canada, Africa (including Mauritius) or elsewhere. The existence of such claims against the Company or its affiliates, directors or officers could have various adverse effects, including the incurrence of significant legal expenses defending such claims, even those claims without merit. The Company manages day-to-day regulatory and legal risk primarily by implementing appropriate policies, procedures and controls. Internal and external legal counsel also work closely with the Company to identify and mitigate areas of potential regulatory and legal risk. The Company's results of operations, financial condition and liquidity could be materially adversely affected by any such legal risks.

Foreign Currency Fluctuation

All of the Company's portfolio investments have been and will be made in Africa and in African businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, Africa, or in Permitted Investments, and the financial position and results for these investments are expected to be principally denominated in currencies other than

the United States dollar (other than Permitted Investments). The Company's functional and reporting currency is the United States dollar. Changes in the fair value of such Portfolio Investments will be translated at average rates of exchange in effect during the applicable reporting period. Assets and liabilities will be translated at the exchange rates in effect at the balance sheet date. As a result, the Company's consolidated financial position is subject to foreign currency fluctuation risk, which could materially adversely impact its operating results and cash flows. Although the Company may enter into currency hedging arrangements in respect of its foreign currency cash flows, there can be no assurance that the Company will do so or, if they do, that the full amount of the foreign currency exposure will be hedged at any time.

Derivative Risks

The Company may employ hedging techniques to minimize certain investment risks, such as fluctuations in interest and currency exchange rates, but the Company can offer no assurance that such strategies will be effective. If the Company engages in hedging transactions, it may expose itself to risks associated with such transactions. The Company may utilize instruments such as forward contracts, currency options and interest rate swaps, caps, collars and floors to seek to hedge against fluctuations in the relative values of the Company's portfolio positions from changes in currency exchange rates and market interest rates. Hedging against a decline in the value of the Company's portfolio positions does not eliminate the possibility of fluctuations in the values of such positions or prevent losses if the values of such positions decline. However, such hedging can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of such portfolio positions. Such hedging transactions may also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible to hedge against an exchange rate or interest rate fluctuation that is so generally anticipated that the Company is not able to enter into a hedging transaction at an acceptable price.

The degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged may vary. Moreover, for a variety of reasons, the Company may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Any such imperfect correlation may prevent the Company from achieving the intended hedge and expose the Company to risk of loss. In addition, it may not be possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies. While the Company has no current intention of engaging in any of the hedging transactions described above, it nonetheless reserves the right to do so in the future.

Unknown Merits and Risks of Future Investments

Although the Company's officers, directors and the Portfolio Advisor endeavour to evaluate the risks inherent in a particular investment, there can be no assurance that the Company or the Portfolio Advisor will properly ascertain or assess all of the significant risks. Furthermore, some of these risks may be outside of the Company's control and leave the Company with no ability to control or reduce the chances that those risks will adversely impact a target business.

Opinions From Independent Investment Banks or Accounting Firms Are Not Contemplated

The Company is not required to obtain an opinion from an independent investment banking or accounting firm that the price the Company is paying for a particular investment is fair to the Company from a financial point of view. If no such opinion is obtained, holders of Subordinate Voting Shares will be relying on the judgment of the Board, its executive officers and the Portfolio Advisor, who will determine fair market value based on standards generally accepted by the financial community. Except as required by law, the Company has no intention of obtaining an opinion from an independent investment banking or accounting firm prior to making each of its investments.

Resources Could Be Wasted In Researching Investment Opportunities That Are Not Ultimately Completed

The investigation of each specific investment opportunity that has been recommended by the Portfolio Advisor and the negotiation, drafting and execution of the relevant agreements, disclosure documents and other instruments requires substantial management time and attention and substantial costs for accountants, lawyers and others. In the event that the Company elects not to complete a specific investment, the costs incurred up to that point for the proposed transaction are not likely to be recoverable by the Company. Furthermore, in the event that the Company reaches an agreement relating to a specific investment, it may fail to complete such an investment for any number of reasons, including those beyond the Company's control. Any such occurrence will similarly likely result in a loss to the Company of the related costs incurred for accountants, lawyers and others.

Investments May Be Made In Foreign Private Businesses Where Information Is Unreliable or Unavailable

In pursuing the Company's investment strategy, the Company may seek to make one or more investments in privately-held businesses (e.g., AGH, Nova Pioneer, Philafrica, Access Bank SA and NBA Africa are privately held businesses). As minimal public information exists about private businesses, the Company could be required to make investment decisions on whether to pursue a potential investment in a private business on the basis of limited information, which may result in an investment in a business that is not as profitable as the Company initially suspected, if at all.

Investments in private businesses pose certain incremental risks as compared to investments in public businesses, including that they:

- have reduced access to the capital markets, resulting in diminished capital resources and ability to withstand financial distress;

- may have limited financial resources and may be unable to meet their obligations under any debt securities that the Company may hold, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of the Company realizing any guarantees that it may have obtained in connection with its investment;

- may have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and changing market conditions, as well as general economic downturns;

- are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on a portfolio investment and, as a result, the Company; and

- generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position.

Material, Non-Public Information

The Company may substantially participate in or influence the conduct, affairs or management of portfolio businesses in which it invests. Directors, officers, employees, designees, associates or affiliates of the Company may, from time to time, serve as directors of, or in a similar capacity with, businesses in which the Company invests. By reason of their responsibilities in connection with these and other activities, certain Company, Portfolio Advisor or Manager personnel or advisors may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Company will not be free to act upon any such information. In addition, these individuals may become subject to trading restrictions pursuant to the internal trading policies of such businesses. Due to these restrictions, the Company may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold. Conversely, the Company may not have access to material non-public information in the possession of the Portfolio Advisor or the Manager which might be relevant to an investment decision to be made by the Company and the Company may initiate a transaction or sell an investment which, if such information had been known to it, may not have been undertaken.

Illiquidity of Investments

Some of the investments of the Company in Africa or in African businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, Africa, are expected to be in private businesses (e.g., AGH, Nova Pioneer, Philafrica, Access Bank SA and NBA Africa are privately held businesses) and, in turn, highly illiquid. Accordingly, there can be no assurance that the Company will be able to realize on its investments in a timely manner or at all, which may also make the Company difficult to accurately value. Illiquidity may result from the absence of an established market for the investments as well as legal or contractual restrictions on their resale. In addition, private equity investments by their nature are often difficult and time consuming to liquidate. If the Company is required to liquidate all or a portion of its portfolio investments quickly, it may realize significantly less than the value at which the Company previously recorded such investments.

Furthermore, it is possible that unlisted portfolio businesses in which the Company invests will consider having their securities listed with an African or overseas stock exchange, as a means of creating liquidity for its investors. However, there can be no assurance that the listing of these securities will provide a viable exit mechanism, as these securities may experience low trading volumes and a low market capitalization at the time of intended disposal. Also, stock market regulations generally impose a lock in period on promoters' holdings in businesses seeking listing through initial public offerings, which would reduce secondary market liquidity. Although the Company would generally endeavour to avoid or minimize such lock-in restrictions on its shareholdings in its portfolio investments, there can be no assurance that it will be able to do so.

Competitive Market for Investment Opportunities

The Company competes with a large number of other investors focused on Africa, such as private equity funds, mezzanine funds, investment banks and other equity and non-equity based public and private investment funds, and other sources of financing, including traditional financial services companies, such as commercial banks. Competitors may have a lower cost of funds and may have access to funding sources that are not available to the Company. In addition, certain competitors of the Company may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships and build their respective market shares. There can be no assurance that the competitive pressures faced by the Company will not have a material adverse effect on its activities, financial condition and results of operations. In addition, as a result of this competition, the Company may not be able to take advantage of attractive investment opportunities from time to time and there can be no assurance that it will be able to identify and make investments.

The success of the Company will depend on the availability of appropriate investment opportunities and the ability of the Portfolio Advisor to identify, source and make recommendations in respect of those investments. There can be no assurance that there will be a sufficient number of suitable investment opportunities to enable the Company to invest all of the cash proceeds raised by the Company or that such investment opportunities will lead to completed investments by the Company. As noted above, the Company will be competing with private equity funds, as well as mezzanine funds, institutional investors and, potentially, strategic investors, for prospective investments. As a result of this competition, there can be no assurance that the Company will be able to locate suitable additional investment opportunities, acquire such investments on acceptable terms, achieve an acceptable rate of return or fully invest the cash proceeds raised by the Company.

Use of Leverage

The Company may rely on the use of leverage when making its investments. As such, the ability to achieve attractive rates of return on such investments will significantly depend on the Company's continued ability to access sources of debt financing on attractive terms. An increase in either market interest rates or in the risk spreads demanded by lenders would make it more expensive for the Company to finance its investments and, in turn, would reduce net returns therein. Increases in interest rates could also make it more difficult for the Company to locate and consummate investments because other potential buyers, including operating companies acting as strategic buyers, may be able to bid for an asset at a higher price due to a lower overall cost of capital. Availability of capital from debt capital markets is subject to significant volatility and the Company may not be able to access those markets on attractive terms, or at all, when completing an investment. Any of the foregoing circumstances could have a material adverse effect on the financial condition and results of operations of the Company.

Investing in Leveraged Businesses

The Company may invest in highly leveraged businesses which involves a high degree of risk and will increase the exposure of the Company to adverse economic factors, such as downturns in the economy or deteriorations in the condition of the business in which the Company invests or its industry. In the event that any such business in which the Company invests cannot generate adequate cash flow to meet its debt service obligations, the Company may suffer a partial or total loss of capital invested in such business. Such an occurrence may materially adversely affect the Company's return on its investment.

Regulation

The Company is subject to various laws and regulations governing its business, employment standards, taxes and other matters. It is possible that future changes in applicable federal, provincial or common laws or regulations or changes in their enforcement or regulatory interpretation could result in changes in the legal requirements affecting the Company (including with retroactive effect). Any changes in the laws to which the Company is subject could materially adversely affect the Company's investments and its overall business. It is impossible to predict whether there will be any future changes in the

regulatory regimes to which the Company will be subject or the effect of any such change on its investments. Similarly, the businesses in which the Company expects to invest are expected to be principally subject to the laws of relevant countries in Africa. Any changes to the existing laws and regulations of those countries in Africa could have a material adverse effect on the businesses in which the Company invests, which may in turn have a material adverse effect on the Company.

Risk Factors Related to the Subordinate Voting Shares

Potential Volatility of Subordinate Voting Share Price

The market price for Subordinate Voting Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including the following: (i) actual or anticipated fluctuations in the Company's quarterly results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) addition or departure of the Company's or the Portfolio Advisor's executive officers and other key personnel; (v) release or expiration of lock-up or other transfer restrictions on outstanding Multiple Voting Shares; (vi) sales or perceived sales of additional Multiple Voting Shares or Subordinate Voting Shares; (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and (viii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

Financial markets have experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the Subordinate Voting Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to satisfy such criteria may result in limited or no investment in the Subordinate Voting Shares by those institutions, which could materially adversely affect the trading price of the Subordinate Voting Shares. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue for a protracted period of time, the Company's operations and the trading price of the Subordinate Voting Shares may be materially adversely effected.

Dilution

The issuance of additional Multiple Voting Shares or Subordinate Voting Shares may have a dilutive effect on the interests of Shareholders. The number of Multiple Voting Shares and Subordinate Voting Shares that the Company is authorized to issue is unlimited. The Company may, in its sole discretion, issue additional Multiple Voting Shares or Subordinate Voting Shares from time to time (including to satisfy payment of the Performance Fee to the Portfolio Advisor, pursuant to the Company's special incentive plan or any equity-based compensation plans that may be introduced in the future or in connection with the issuance of convertible securities), and the interests of Shareholders may be diluted thereby.

Market Discount

The price of the Subordinate Voting Shares fluctuates with market conditions and other factors. If a holder of Subordinate Voting Shares sells its Subordinate Voting Shares, the price received may be more or less than the original investment. The Subordinate Voting Shares may trade at a discount from their book value.

Limited Control

Holders of Subordinate Voting Shares have limited control over changes in the Company's policies and operations, which increases the uncertainty and risks of an investment in the Company. The Board will determine major policies, including policies regarding financing, growth, debt capitalization and any future dividends to Shareholders. Generally, the Board may amend or revise these and other policies without a vote of the holders of Subordinate Voting Shares. Holders of Subordinate Voting Shares will only have a right to vote, as a class, in the limited circumstances described elsewhere in this annual information form and in the documents incorporated by reference herein. The Board's broad discretion in setting policies and

the limited ability of holders of Subordinate Voting Shares to exert control over those policies increases the uncertainty and risks of an investment in the Company.

Financial Reporting and Other Public Company Requirements

The Company is subject to reporting and other obligations under applicable Canadian securities laws and rules of any stock exchange on which the Subordinate Voting Shares are listed, including National Instrument 52-109 — *Certification of Disclosure in Issuers' Annual and Interim Filings*. These reporting and other obligations will place significant demands on the Company's management, administrative, operational and accounting resources. In order to support the Company's management in meeting such requirements, the Company has entered into a management services agreement with Fairfax, wherein Fairfax has agreed to provide certain administrative services in accordance with the terms of the agreement. However, if the Company is unable to accomplish any such objectives in a timely and effective manner, the Company's ability to comply with its financial reporting obligations and other rules applicable to reporting issuers could be impaired. Moreover, any failure to maintain effective internal controls could cause the Company to fail to satisfy its reporting obligations or result in material misstatements in its financial statements. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially adversely effected which could also cause investors to lose confidence in the Company's reported financial information, which could result in a reduction in the trading price of the Subordinate Voting Shares.

The Company does not expect that the Company's disclosure controls and procedures and internal controls over financial reporting will prevent all error or fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within an organization are detected. The inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all.

Limited Voting Rights of the Subordinate Voting Shares

Holders of Subordinate Voting Shares and Multiple Voting Shares generally have similar rights, except that holders of Subordinate Voting Shares are entitled to one vote per Subordinate Voting Share whereas holders of Multiple Voting Shares are entitled to 50 votes per Multiple Voting Share. The different voting rights of the Subordinate Voting Shares and Multiple Voting Shares could diminish the value of the Subordinate Voting Shares to the extent that investors or any potential future purchasers of Subordinate Voting Shares attribute value to the superior voting or other rights of the Multiple Voting Shares.

Significant Ownership by Fairfax and Principal Holdco May Adversely Affect the Market Price of the Subordinate Voting Shares

As of March 22, 2022, Fairfax and its affiliates hold a 53.3% and 32.6% voting and equity interest (on an undiluted basis), respectively, in the Company through ownership of 30,000,000 issued and outstanding Multiple Voting Shares and 5,302,912 Subordinate Voting Shares. Fairfax and its affiliates also own 3,000,000 warrants exercisable for one Subordinate Voting Share each.

As of March 22, 2022, Principal Holdco and its affiliates hold a 45.9% and 46.3% voting and equity interest, respectively, in the Company through ownership of 25,452,865 issued and outstanding Multiple Voting Shares and 24,632,413 Subordinate Voting Shares.

For so long as Fairfax or Principal Holdco, respectively, either directly or through one or more subsidiaries, maintain a significant voting interest in the Company, Fairfax and Principal Holdco, as applicable, will have the ability to exercise substantial influence with respect to the Company's affairs and significantly affect the outcome of shareholder votes, and may have the ability to prevent certain fundamental transactions.

Accordingly, the Subordinate Voting Shares may be less liquid and trade at a relative discount compared to such Subordinate Voting Shares in circumstances where Fairfax or Principal Holdco did not have the ability to significantly influence or determine matters affecting the Company. Additionally, Fairfax's and Principal Holdco's respective significant voting

interests in the Company may discourage transactions involving a change of control of the Company, including transactions in which an investor, as a holder of Subordinate Voting Shares, might otherwise receive a premium for its Subordinate Voting Shares over the then-current market price.

Status Under the Investment Company Act

The Company, were it to publicly offer its securities (including the Subordinate Voting Shares) in the United States, likely would be considered an investment company subject to registration and regulation under the U.S. Investment Company Act of 1940 (the "**Investment Company Act**"). The Company has taken various steps so as to qualify for an exemption from registration pursuant to Section 3(c)(7) of the Investment Company Act. So long as the Company continues to be so exempt, the investor protections under the Investment Company Act will not apply to the Company. If that exemption were not available, the Company would be subject to restrictions imposed by the Investment Company Act, including limitations on the Company's capital structure and the Company's ability to transaction with affiliates, which could make it impractical for the Company to continue its business as contemplated and would have a material adverse effect on the Company's businesses and the trading price of the Subordinate Voting Shares.

Trading Price of Subordinate Voting Shares Relative to Book Value per Share

The Company is neither a mutual fund nor an investment fund, and due to the nature of its business and investment strategy, and the composition of its investment portfolio, the market price of the Subordinate Voting Shares, at any time, may vary significantly from its book value per share. This risk is separate and distinct from the risk that the market price of the Subordinate Voting Shares may decrease.

Risk Factors Related to Investments in Africa

Emerging Markets

The Company's investment objective is to achieve long-term capital appreciation, while preserving capital, by investing in Portfolio Investments. Foreign investment risk is particularly high given that the Company invests in securities of issuers based in or doing business in emerging market countries.

The economies of emerging market countries have been and may continue to be adversely affected by economic conditions in the countries with which they trade. The economies of emerging market countries may also be predominantly based on only a few industries or dependent on revenues from particular commodities. In addition, custodial services and other investment-related costs may be more expensive in emerging markets than in many developed markets, which could reduce the Company's income from securities or debt instruments of emerging market country issuers.

Certain African countries still have some form of exchange control regulation that can lead to additional costs, delays and/or restrictions/requirements on the repatriation of profits for the Company. There is a heightened possibility of imposition of withholding taxes on interest or dividend income generated from emerging market securities. In this regard, certain African countries seek to impose tax on the sale of shares of companies that are resident in their jurisdiction. Furthermore, there are legislative developments in certain jurisdictions aimed to allow for tax in the event of an indirect disposal or change of control. It is also possible that certain African revenue authorities will apply a withholding tax in breach of the relevant tax treaty and the Company may be unable to reclaim this undue tax in the form of a tax credit. Governments of emerging market countries may engage in confiscatory taxation or expropriation of income and/or assets to raise revenues or to pursue a domestic political agenda. In the past, emerging market countries have nationalized assets, companies and even entire sectors, including the assets of foreign investors, with inadequate or no compensation to the prior owners. Certain governments in African countries may also restrict or control the ability of foreign investors to invest in securities by varying degrees. These restrictions and controls may limit or preclude foreign investment, require governmental approval, special licences, impose certain costs and expenses, and/or limit the amount of foreign investment, or limit such investment to certain classes of securities that may be less advantageous than the classes available for purchase by domestic investors. There can be no assurance that the Company will not suffer a loss of any or all of its investments or, interest or dividends thereon, due to adverse fiscal or other policy changes in emerging market countries.

Governments of many emerging market countries have exercised and continue to exercise substantial influence over many aspects of the private sector. In some cases, the government owns or controls many companies, including some of the largest in the country. Crime, corruption and fraud in certain African countries, as well as ties between government, agencies or officials and the private sector, have resulted, and could in the future result, in preferential treatment for local competitors,

inefficient resource allocation, arbitrary decisions and other practices or policies. Accordingly, government actions could have a significant effect on economic conditions in an emerging country and on market conditions, prices and yields of securities in the Company's portfolio.

Bankruptcy law and creditor reorganization processes in the African countries in which the Company may invest may differ substantially from those in Canada and the United States, resulting in greater uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of claims. In certain emerging market countries, although bankruptcy laws have been enacted, the process for reorganization remains highly uncertain. In addition, it may be impossible to seek legal redress against an issuer that is a sovereign state.

Also, because publicly traded debt instruments of emerging market issuers represent a relatively recent innovation in the world debt markets, there is little historical data or related market experience concerning the attributes of such instruments under all economic, market and political conditions.

Other heightened risks associated with emerging markets investments include without limitation: (i) risks due to less social, political and economic stability, including the risk of war, terrorism, nationalization, limitations on the removal of funds or other assets, or diplomatic developments that affect investments in these countries; (ii) the smaller size of the market for such securities and a lower volume of trading, resulting in a lack of liquidity and in price volatility; (iii) certain national policies which may restrict the Company's investment opportunities, including restrictions on investing in issuers or industries deemed sensitive to relevant national interests and requirements that government approval be obtained prior to investment by foreign persons; (iv) certain national policies and other factors that may restrict the Company's repatriation of investment income, capital or the proceeds of sales of securities, including temporary restrictions on foreign capital remittances and shortages of foreign currency; (v) the lack of uniform accounting and auditing standards and/or standards that may be significantly different from the standards required in Canada; (vi) less publicly available financial and other information regarding issuers; (vii) potential difficulties in enforcing contractual obligations; (viii) higher rates of inflation, higher interest rates and other economic concerns; and (ix) less development and/or obsolescence in banking systems and practices, postal systems, communications and information technology and transportation networks. The Company may invest to a substantial extent in emerging market securities that are denominated in currencies other than the United States dollar, subjecting the Company to a greater degree of foreign currency risk. Also, investing in emerging market countries may entail purchases of securities of issuers that are insolvent, bankrupt or otherwise of questionable ability to satisfy their payment obligations as they become due, subjecting the Company to a greater amount of credit risk and/or high yield risk. Additionally, the demand for securities of the Company may be more volatile due to general market volatility in demand for investments in emerging markets.

As reflected in the above discussion, investments in emerging market securities involve a greater degree of risk than, and special risks in addition to the risks associated with, investments in domestic securities or in securities of foreign developed countries.

Corporate Disclosure, Governance and Regulatory Requirements

In addition to their smaller size, reduced liquidity and greater volatility, African securities markets are less developed than Canadian securities markets and may differ in fundamental ways. Disclosure and regulatory standards are in many respects less stringent than Canadian standards. Issuers in certain African countries are subject to accounting, auditing and financial standards and requirements that differ, in some cases significantly, from those applicable to Canadian reporting issuers. In particular, the assets and profits appearing on the financial statements of an African issuer may not reflect its financial position or results of operations in the way they would be reflected had such financial statements been prepared in accordance with Canadian generally accepted accounting principles. Accordingly, information available to the Company, including both general economic and commercial information concerning specific enterprises or assets, may be less reliable and less detailed than information available in Canada or the United States.

Generally speaking, there is less regulation and monitoring of African securities markets and the activities of investors, brokers and other participants than in Canada. Moreover, issuers of securities in certain African countries are not subject to the same degree of regulation as are Canadian reporting issuers with respect to such matters as insider trading rules, tender offer regulation, shareholder proxy requirements and the timely disclosure of information. There is also generally less publicly available information about African issuers than Canadian reporting issuers.

Legal, Tax and Regulatory Risks

Legal, tax and regulatory changes in the African investment environment and the jurisdictions through which such investments are made could have a material adverse effect on the Company and the Portfolio Investments. Such changes could include changes in applicable tax law, treaties or regulations or their interpretation, including actions undertaken in connection with the OECD's BEPS project.

Many of the laws that govern private and foreign investment, equity securities transactions and other contractual relationships in the countries in Africa in which the Company may invest are untested. As a result, the Company may be subject to a number of risks, including: inadequate investor protection; contradictory legislation; incomplete, unclear and changing laws; ignorance or breaches of regulations on the part of other market participants; lack of established or effective avenues for legal redress; lack of standard practices; confidentiality customs characteristic of developed markets; and lack of enforcement of existing regulations. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the Company and its operations. Existing regulatory controls and corporate governance of businesses in the countries in Africa in which the Company may invest occasionally confer fewer protections for minority shareholders. The concept of fiduciary duty to investors by officers and directors in some African companies is also limited when compared to such concepts in western markets. In certain instances, the Company may take significant actions without the consent of investors and anti-dilution protection may also be limited.

Further, it is possible that there will be tax and regulatory changes in the African investment environment that may have a material adverse impact on the Company and the Portfolio Investments.

Volatility of the African Securities Markets

Stock exchanges in Africa have, in the past, experienced substantial fluctuations in the prices of listed securities. The securities markets in Africa are often considered to be less correlated to the global economic cycles than markets located in more developed economies. The stock exchanges in Africa have also experienced temporary exchange closures, broker defaults, longer settlement periods and, settlement delays, and strikes by brokerage firm employees. In addition, the governing bodies of the stock exchanges in Africa have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed businesses and stock exchanges in Africa and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. Such volatility in the trading performance may negatively affect the Company's future revenues and earnings.

Political, Economic, Social and Other Factors

The Company holds and will hold assets in various countries in Africa, and such assets may be adversely affected by various levels of political, economic, social and other factors, changes in law or regulations and the status of the relevant African countries' relations with other countries. In addition, the economy of countries in which the Company invests may differ favourably or unfavourably from the Canadian economy in such respects as the rate of GDP growth, the rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position. Agriculture occupies a more prominent position in the economy of certain countries in which the Company invests than in Canada, and such economies therefore are more susceptible to adverse changes in weather. These risks and uncertainties vary from country to country and include, but are not limited to: terrorism; hostage taking; crime, including organized criminal enterprise; thefts and illegal incursions on property, which illegal incursions could result in serious security and operational issues, including the endangerment of life and property; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; military coups; the risks of civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; changes to policies and regulations; adequacy, response and training of local law enforcement; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls, and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Governance Issues Risk

Recent instances of governance issues in Africa have the potential to discourage investors and derail the growth prospects of the African economy. Governance issues create economic and regulatory uncertainty and could have an adverse effect on the returns on investment.

Tax Laws in Mauritius and South Africa

In February 2013 the South African Minister of Finance, when tabling the 2013/14 Budget, announced that the South African Government will initiate a tax review "to assess our tax policy framework and its role in supporting the objectives of inclusive growth, employment, development and fiscal sustainability". The committee set up to conduct the review is known as The Davis Tax Committee ("**DTC**"). The terms of reference of the DTC (the "**Terms of Reference**") are to inquire into the role of the tax system in the promotion of inclusive economic growth, employment creation, development and fiscal sustainability. Aspects that are to receive specific attention from the DTC include a review of the corporate tax system, whether the current mining tax regime is appropriate and the efficiency and effectiveness of the VAT system (sub committees have been set up to deal with specific items in the terms of reference). The DTC will make recommendations to the Minister of Finance and any tax proposals arising from these recommendations will be announced as part of the usual budget and legislative processes. In April 2018 the DTC announced its conclusion based on the Terms of Reference. It is important to note that in the Terms of Reference, "the Committee is advisory in nature, and will make recommendations to the Minister of Finance. The Minister will take into account the report and recommendations and will make any appropriate announcements as part of the normal budget and legislative processes. As with all tax policy proposals, these will be subject to the normal consultative processes and Parliamentary oversight once announced by the Minister." During the 2020 National Budget Speech, the Minster confirmed that the DTC had been re-established to focus on combatting tax leakages, customs fraud and trade mispricing.

Accordingly, it is possible that SA Sub and its investments in South Africa could become subject to taxation outlined in the reports that is not currently anticipated, or it may become subject to a higher rate of taxation, which could have a materially adverse effect on its business, financial condition and results of operations in South Africa.

During the 2021 National Budget Speech, the South African Minster of Finance announced proposals that are aligned to some of the DTC's recommendations. In this regard, it was announced that the corporate income tax rate will be lowered to 27 per cent for companies with years of assessment commencing on or after April 1, 2022. The reduction of the corporate income tax rate is to be implemented alongside a broadening of the corporate income tax base by limiting interest deductions and assessed losses, reducing the availability of tax incentives and imposing taxes on cross border e-commerce trade in line with the OECD proposals. The Taxation Laws Amendment Act, 2021 (Act No 20 of 2021) ("**TLAA**") was promulgated on January 19, 2022, giving legislative effect to certain tax proposals as outlined by the Minister of Finance in his annual National Budget Speech delivered on February 24, 2021. As mentioned, the TLAA proposal to restrict the offset of the balance of assessed losses carried forward to the greater of R1 million or 80% of taxable income will come into effect at the same time as the reduced income tax rate for the relevant company.

Furthermore, an amendment to the hybrid debt anti-avoidance and debt relief rules came info effect on January 19, 2022. The amendment seeks to explicitly extend the deeming provision to apply to the holder of a tainted instrument or recipient of tainted return. In addition, consequential amendments exclude the reclassified return from withholding tax on interest. These amendments need to be considered in relation to any lending arrangements into the operations in South Africa.

Changes in Law

The Republic of Mauritius or South African legal framework under which Mauritius Sub and SA Sub, respectively, invest in Africa may undergo changes in the future, which could impose additional costs or burdens on the Company's operations. Future changes to Mauritian or South African law, or the relevant tax treaties, or the interpretations given to them by regulatory or tax authorities, could impose additional costs or obligations on Mauritius Sub's and SA Sub's activities in Mauritius or South Africa. Significant adverse tax consequences could result if Mauritius Sub or SA Sub do not qualify for benefits under the relevant tax treaties. There can be no assurance that Mauritius Sub or SA Sub will continue to qualify for or receive the benefits of the relevant tax treaties or that the terms of the relevant tax treaties will not be modified. It is possible that provisions of the relevant tax treaties will be overridden by local legislation in a way that materially adversely affects the Company, Mauritius Sub and SA Sub. Further, there can be no assurance that changes in the law or government policies of Mauritius or South Africa that may limit or eliminate a non-Mauritian or non-South African investor's ability to make investments into other countries in Africa via Mauritius or South Africa will not occur.

MLI

It is possible that changes in applicable tax treaties in connection with BEPS could result in a loss of benefits or taxation that is not currently anticipated. Under a mandate given by G20 nations to address global tax avoidance, in 2015, the OECD developed 15 action plans aimed at tackling BEPS strategies. Action Plan 15 of the BEPS project envisaged a multilateral instrument ("**MLI**") for modifying the global DTA network in a timely and synchronized manner. Mauritius and

Canada (along with 97 other jurisdictions as of February 28, 2022) are signatories to the MLI, and deposited their instruments of ratification with the OECD in 2019. South Africa is a signatory to the MLI, but has not yet deposited its instrument of ratification with the OECD. During the 2021 National Budget Speech, the South African Minister of Finance announced that the MLI will be ratified as soon as possible; however, no commitment was made on the timing of such ratification.

South African Exchange Control Regulations

The Excon Regulations regulate the export of capital from South Africa. The Excon Regulations could hinder SA Sub's ability to: (a) export capital from South Africa; (b) hold foreign currency or incur indebtedness denominated in foreign currencies; and (c) acquire an interest in a foreign venture, without SA Sub adhering to certain reporting obligations or obtaining prior approval from either an Authorised Dealer or the Financial Surveillance Department of the South African Reserve Bank, depending on the circumstances.

In the 2020 National Budget Speech, the South African Minister of Finance announced that a more modern, transparent and risk-based capital flow management framework will be introduced. Under this framework, all cross-border transactions will be allowed except for those that are subject to the capital flow management measures and/or pose a high risk of illegitimate cross-border financial flows. In other words, all cross-border transactions will be allowed, except for a risk-based list of capital flow measures. The new capital flow management system is still not in place, however, the Company is hopeful it may be implemented this year.

South African Currency Fluctuations

As a company incorporated in South Africa, SA Sub could be subject to fluctuations in the value of the South African Rand. In recent years, the value of the Rand, as measured against the United States dollar, has fluctuated considerably. Fluctuations in the exchange rate between the Rand and the United States dollar could have an impact on the United States dollar or Canadian dollar equivalent of any dividends and distributions of SA Sub's shares, the comparability of SA Sub's results between financial periods and the amount in Rand of any non-Rand denominated debt. In addition, fluctuations in currency exchanges between the Rand and currencies in African countries where SA Sub invests could impact on the value of these investments and net profit. Under the HQ Regime, this exposure may be better managed.

South African Bilateral Investment Treaties

As a company that is subject to South Africa's legal and regulatory framework, SA Sub and investors seeking to contract with SA Sub could be impacted by recent changes to the South African Government's investment policy framework. In particular, the termination of most of South Africa's bilateral investment treaties ("**BITs**") and their replacement with a new domestic framework for the protection of foreign investment through the enactment of the *Protection of Investment Act 22 of 2015* may not afford foreign investors the same level of protection afforded to them by way of the relevant BITs, particularly in the context of a market value payment in the event of an expropriation and the mediation and arbitration of any disputes in relation to foreign investment.

South Africa is currently in the process of considering an amendment to section 25 of its Constitution with regard to the expropriation of land without compensation. This provision (expropriation without compensation) will be mirrored in the Protection of Investment Act 22 of 2015. A key aspect to BITs is that they contain clauses which state that in the event of assets being expropriated from foreign investors, these investors must be adequately compensated. For expropriation to be lawful, according to BITs, it must occur against compensation, which should be 'prompt, adequate, and effective' or 'immediate, full and effective'. The amendment of section 25 of the Constitution, coupled with the termination of most of South Africa's BITs, is expected to adversely affect the level of protection afforded to the Company's operations in South Africa.

South African Black Economic Empowerment

As a company that has invested, and may seek to complete further investment, in South Africa, the entities in which the Company may invest could be required to comply with the South African government's policy and legal framework relating to black economic empowerment in respect of any South African investments. Black economic empowerment is governed generally by the *Broad-Based Black Economic Empowerment Act of 2003* and the *Codes of Good Practice*, promulgated under that Act. The relevant South African entities will be required to comply with local procurement, employment equity, ownership and other regulations which are designated to address social and economic transformation issues, redress social and economic inequalities and ensure socio-economic stability from time to time. Compliance with the said legislation and policies, including

the need to meet minimum equity ownership targets depending on the sector of the proposed investment, may result in the dilution of the Company's indirect interest in its South African investments whilst non-compliance with the said legislation and policies may result in financial penalties, the loss of key customer contacts with state owned entities and parastatals or the suspension or revocation of any underlying licenses that the relevant entity requires in order to conduct its business which, in either case, could have an adverse effect on the Company's business, financial condition and results of operations.

Enforcement of Rights

The Company's assets may be held in accounts by custodians, or pledged to creditors of the Company as per applicable law, in jurisdictions outside of Canada. Accordingly, there can be no assurance that judgments obtained in Canadian courts will be enforceable in any of those jurisdictions. It is possible that events such as the expropriation, confiscatory taxation or nationalization of foreign bank deposits or other assets may occur, which may result in the Company being unable to enforce its legal rights or protect its investments.

Legal principles relating to corporate affairs and the validity of corporate procedures, directors' fiduciary duties and liabilities and shareholders' rights may differ from those that may apply in other jurisdictions. Shareholders' rights under the laws of African countries may not be as extensive as those that exist under the laws of Canada. The Company may therefore have more difficulty asserting its rights as a shareholder of an African company in which it invests than it would as a shareholder of a comparable Canadian company.

Smaller Company Risk

The Company may invest in less seasoned and smaller and mid-capitalization African businesses. Investments in such businesses may present greater opportunities for growth, but also involve greater risks than are customarily associated with investments in more established and larger capitalized businesses. It is more difficult to obtain information about less seasoned and smaller capitalization businesses as they tend to be less well-known and have shorter operating histories and because they tend not to have significant ownership by large investors or be followed by many securities analysts. Investments in larger and more established businesses present certain advantages in that such businesses generally have greater financial resources, more extensive research and development, manufacturing, marketing and service capabilities, more stability and greater depth of management and technical personnel.

Due Diligence and Conduct of Potential Investment Entities

Before making investments, the Portfolio Advisor and the Company typically conduct due diligence that they deem reasonable and appropriate based on the facts and circumstances applicable to each investment. Due diligence may entail evaluation of important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment. Such involvement of third party advisers or consultants may present a number of risks primarily relating to the Company's or the Portfolio Advisor's reduced control of the functions that are outsourced. In addition, if the Company or the Portfolio Advisor are unable to timely engage third party providers, their ability to evaluate and acquire more complex targets could be adversely affected. When conducting due diligence and making an assessment regarding an investment, the Company or the Portfolio Advisor will rely on the resources available to it, including publicly available information, information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence investigation that the Company or the Portfolio Advisor carries out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful. There can be no assurance that attempts to provide downside protection with respect to investments will achieve their desired effect and potential investors should regard an investment in the Company as being speculative and having a high degree of risk.

In addition, when assessing an investment opportunity for the Company, investment analyses and decisions by the Company or the Portfolio Advisor may be undertaken on an expedited basis in order to take advantage of what it perceives to be short-lived investment opportunities. In such cases, the available information at the time of an investment may be limited, inaccurate or incomplete.

There can be no assurance that the Company or the Portfolio Advisor will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase or during its efforts to monitor the investment on an ongoing basis. In the event of fraud by any portfolio business or any of its affiliates, the Company may

suffer a partial or total loss of capital invested in that business. An additional concern is the possibility of material misrepresentation or omission on the part of the portfolio business or the seller. Such inaccuracy or incompleteness may adversely affect the value of the Company's securities and/or instruments in such business. The Company and the Portfolio Advisor will rely upon the accuracy and completeness of representations made by the portfolio business and/or their former owners in the due diligence process to the extent reasonable when it makes its investments, but cannot guarantee such accuracy or completeness. As a result, there can be no assurance that the due diligence investigations carried out by the Portfolio Advisor or the Company will reveal or highlight all relevant facts that may be necessary or helpful in evaluating investment opportunities. Any failure to identify relevant facts may result in inappropriate investment decisions, which may have a material adverse effect on the value of any investment in the Company. Under certain circumstances, payments to the Company may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Reliance on Trading Partners

The African economy is dependent on commodity prices and the economies of the European Union, Asia and the United States as key trading partners. Reduction in spending on African products and services by any of these trading partners or a slowdown or recession in any of these economies could materially adversely affect the African economy and, in turn, the Company.

Natural Disaster Risks

The occurrence of natural disasters, including fires, droughts, severe weather, insect infestations, explosions and pandemic diseases, could adversely affect returns from Portfolio Investments and, in turn, the Company.

Sovereign Debt Risk

The governments of certain of the countries in Africa have experienced chronic structural public sector deficits. High amounts of debt and public spending may stifle African economic growth, cause prolonged periods of recession, or lower Africa's sovereign debt rating.

Economic Risk

The economies of certain African countries have grown rapidly during the past several years and there is no assurance that this growth rate will be maintained. Certain countries in Africa may experience substantial (and, in some cases, extremely high) rates of inflation or economic recessions causing a negative effect on such economies. Certain countries in Africa may also impose restrictions on the exchange or export of currency, institute adverse currency exchange rates or experience a lack of available currency hedging instruments. Any of these events could have a material adverse effect on their respective economies.

Weather Risk

Certain Portfolio Investments are operating in industries exposed to weather risk. The revenue of these portfolio companies may be adversely affected during a period of severe weather conditions in Africa. Because weather events are by their nature unpredictable, historical results of operations of certain Portfolio Investments may not be indicative of its future results of operations. As a result of the occurrence of one or more major weather catastrophes in any given period, the expected returns from Portfolio Investments impacted by weather risk may fall short of the Company's expectations.

DIVIDEND POLICY

The Company has not declared or paid any dividends since its incorporation. In December 2020, the Board adopted a dividend policy (the "**Dividend Policy**") with respect to the discretionary payment by the Company of a regular dividend to holders of Multiple Voting Shares and Subordinate Voting Shares, subject to the capital needs of the Company and the overriding discretion of the Board. A copy of our Dividend Policy is attached as Appendix A.

DESCRIPTION OF SHARE CAPITAL

The following briefly summarizes the provisions of the Company's articles of incorporation and articles of amendment, including a description of the Company's share capital. The following description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of the Company's articles of incorporation and articles of amendment. As of March 22, 2022, there were 55,452,865 Multiple Voting Shares, 52,743,940 Subordinate Voting Shares and no preference shares issued and outstanding.

Authorized Share Capital

The Company's authorized share capital consists of (i) an unlimited number of Multiple Voting Shares that may only be issued to Fairfax or Principal Holdco or their respective affiliates, (ii) an unlimited number of Subordinate Voting Shares and (iii) an unlimited number of preference shares, issuable in series. Except as required by law or as provided for 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 receive notice of, attend or vote at any meeting of the Shareholders of the Company.

Multiple Voting Shares and Subordinate Voting Shares

Dividend Rights

Holders of Multiple Voting Shares and Subordinate Voting Shares are entitled to receive dividends out of the assets of the Company legally available for the payment of dividends at such times and in such amount and form as the Board may from time to time determine and the Company will pay dividends thereon on a *pari passu* basis, if, as and when declared by the Board. The Company has not declared or paid any dividends since its incorporation. In December 2020, the Board adopted the Dividend Policy.

Voting Rights

The Multiple Voting Shares are entitled to 50 votes per Multiple Voting Share, and the Subordinate Voting Shares are entitled to one vote per Subordinate Voting Share. The outstanding Subordinate Voting Shares currently represent 1.9% of the total votes attached to all classes of the Company's outstanding shares.

The following matters require the approval by $66^{2}/_{3}$% of the votes attached to the Multiple Voting Shares and the Subordinate Voting Shares, each voting separately as a class, at a duly convened meeting of holders of Multiple Voting Shares and Subordinate Voting Shares:

1. An amendment to the Company's articles of incorporation or by-laws to:

    (i) increase or decrease any maximum number of authorized shares of the Multiple Voting Shares or the Subordinate Voting Shares, or increase any maximum number of authorized shares of a class having rights or privileges equal or superior to the Multiple Voting Shares or the Subordinate Voting Shares, except for the issuance of preference shares;

    (ii) effect an exchange, reclassification or cancellation of all or part of the Multiple Voting Shares or Subordinate Voting Shares;

    (iii) add, change or remove the rights, privileges, restrictions or conditions attached to the Multiple Voting Shares or Subordinate Voting Shares, including:

        (a) remove or change prejudicially rights to accrued dividends or rights to cumulative dividends,

        (b) add, remove or prejudicially change redemption rights,

        (c) reduce or remove a dividend preference or a liquidation preference, or

(d) add, remove or change prejudicially conversion privileges, options, voting, transfer or pre-emptive rights, or rights to acquire securities of a corporation, or sinking fund provisions;

(iv) increase the rights or privileges of any class of shares having rights or privileges equal or superior to the Multiple Voting Shares or the Subordinate Voting Shares;

(v) create a new class of shares equal or superior to the Multiple Voting Shares or Subordinate Voting Shares, except for the issuance of preference shares;

(vi) make any class of shares having rights or privileges inferior to the Multiple Voting Shares or Subordinate Voting Shares equal or superior to the shares of either the Multiple Voting Shares or Subordinate Voting Shares;

(vii) effect an exchange or create a right of exchange of all or part of the shares of another class into the shares of a class; or

(viii) constrain the issue, transfer or ownership of the shares of a class or change or remove such constraint;

2. Any change to the Company's investment objective or investment restrictions;

3. A transfer by the Portfolio Advisor of the Investment Advisory Agreement to a non-affiliate of the Portfolio Advisor; or

4. A change to the basis of the calculation of a fee that is charged to the Company by the Portfolio Advisor in a way that could result in an increase in charges to the Company.

The Company has included in its by-laws express provisions setting forth: (i) its investment objective; (ii) its investment restrictions; and (iii) the requirement for one or more custodians to hold its assets, where each such custodian must be an entity that would be qualified to act as a custodian or sub-custodian for assets held in Canada or a custodian or sub-custodian for assets held outside Canada, as the case may be, in each case in accordance with Part 6 of National Instrument 81-102 — *Investment Funds* (collectively the "**Mandatory By-Law Provisions**"). Any amendments to the Mandatory By-Law Provisions will require the approval of both the holders of the Multiple Voting Shares and the Subordinate Voting Shares, each voting separately as a class. Each such approval shall be evidenced by a "special resolution", as such term is defined under the *Canada Business Corporations Act* (the "**CBCA**"), except for amendments to the Company's custodian requirement, which approvals shall be evidenced by an "ordinary resolution", as such term is defined under the CBCA.

Notwithstanding the foregoing, a Multiple Voting Share will convert, without any further action on the part of the Company or the holder of such shares, automatically into a Subordinate Voting Share on a one for one basis in the event that: (i) such Multiple Voting Share is transferred to, or held by, any person who is not Fairfax, Principal Holdco or their respective permitted transferees (including by virtue of a change of control of the applicable Fairfax or Principal Party entity that holds such Multiple Voting Share where such entity no longer remains controlled by Fairfax or Principal Holdco, as applicable, but excluding any assignment or other transfer for purposes of providing security); (ii) such Multiple Voting Share is subject to an Equity Monetization Arrangement; or (iii) Fairfax or Principal Holdco (together with their respective permitted transferees), as applicable, no longer beneficially own, in the aggregate, at least 5% of the total number of all of the issued and outstanding Multiple Voting Shares and Subordinate Voting Shares on a non-diluted basis, in which case all of the Multiple Voting Shares held by Fairfax or Principal Holdco, as applicable, will convert into Subordinate Voting Shares on such basis.

Holders of Multiple Voting Shares and Subordinate Voting Shares are entitled to receive notice of any meeting of Shareholders and may attend and vote at such meetings, except those meetings where only the holders of shares of another class or of a particular series are entitled to vote. A quorum for the transaction of business at a meeting of shareholders shall be two persons present and each entitled to vote at the meeting who, together, hold or represent by proxy not less than 15% of the votes attaching to the outstanding voting shares of the Company entitled to vote at the meeting.

Pre-emptive, Subscription, Redemption and Conversion Rights

Other than as described under "Principal Shareholders", holders of Multiple Voting Shares and Subordinate Voting Shares will have no pre-emptive or subscription rights. Holders of Subordinate Voting Shares will have no redemption or conversion rights. Multiple Voting Shares, however, are convertible at any time at the option of the holder into fully-paid, non-assessable Subordinate Voting Shares on a one-for-one basis. In accordance with the Company's articles of amendment, Multiple Voting Shares may only be issued to Fairfax, Principal Holdco or their respective affiliates.

Liquidation Rights

Upon the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of Multiple Voting Shares and Subordinate Voting Shares, without preference or distinction, are entitled to receive rateably all of the Company's assets remaining after payment of all debts and other liabilities, subject to the prior rights of the holders of any other prior ranking shares that may be outstanding at such time.

Modifications

Modifications to the provisions attaching to the Multiple Voting Shares as a class, or to the Subordinate Voting Shares as a class, require the separate affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of the shares of each such class.

No subdivision or consolidation of the Multiple Voting Shares or Subordinate Voting Shares may occur unless the shares of both classes are concurrently subdivided or consolidated and in the same manner and proportion.

Other than as described in this annual information form, no new rights to acquire additional shares or other securities or property of the Company will be issued to holders of Multiple Voting Shares or Subordinate Voting Shares unless the same rights are concurrently issued to the holders of shares of both classes.

Nomination of Directors

Nomination Rights

The Securityholders' Rights Agreement provides each of Fairfax and Principal Holdco with the right to nominate Directors to the Board in proportion to the votes attaching to their respectively held Multiple Voting Shares and Subordinate Voting Shares ("**Voting Power**").

For so long as the Voting Power of Fairfax or Principal Holdco (as applicable) equals or exceeds 25%, (i) Fairfax may nominate three Directors; (ii) Principal Holdco may nominate two Directors; and (iii) Fairfax and Principal Holdco may mutually nominate four Directors (each of whom must be independent in accordance with the requirements of Section 1.4 and Section 1.5 of National Instrument 52-110 – *Audit Committees* of each of the Company, Fairfax and Principal Holdco and each of their respective affiliates, and who are not and have not been during the preceding three years a director, officer or employee of Fairfax, Principal Holdco or certain specified Helios-related entities, or their respective affiliates (each, an "**Independent Director**")).

If Fairfax and Principal Holdco cannot agree on their four mutual nominees or if Fairfax or Principal Holdco's Voting Power falls below 25%, Fairfax or Principal Holdco, respectively, may nominate such number of Directors as reflected in the following table, subject to Principal Holdco's overriding entitlement to nominate not less than two Directors for so long as the Investment Advisory Agreement remains in place:

Beneficial Ownership of Voting Power of Fairfax or Principal Holdco, as applicable	***Fairfax***		***Principal Holdco***	
	Total Number of Directors	**Number of Independent Directors Required out of the Total Number**	**Total Number of Directors**	**Number of Independent Directors Required out of the Total Number**

25% +	5	2	4	2
20% – 24.99%	4	2	3	1
15% – 19.99%	3	1	2	0
10% – 14.99%	2	0	N/A	N/A
5% – 14.99%	N/A	N/A	1	0
5% – 9.99%	1	0	N/A	N/A
Below 5%	0	0	0	0

For so long as each of Fairfax and Principal Holdco have the right to nominate Independent Directors, such Independent Directors are to be nominated jointly. In the event Fairfax and Principal Holdco are unable to agree on such Independent Directors to nominate jointly, each of Fairfax and Principal Holdco will be entitled to nominate the number of additional Independent Directors it is then entitled to nominate as described in the above table.

Pursuant to the Securityholders Rights Agreement, Fairfax is entitled to nominate the Chairman of the Board provided it beneficially owns (i) at least 10% of the Multiple Voting Shares and Subordinate Voting Shares; and (ii) at least 25% of the Voting Power of the Company.

Shareholder nominations

We have included certain advance notice provisions in our by-laws (the "**Advance Notice Provisions**") for the nomination of directors. The Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general or, where the need arises, special meetings; (ii) ensure that all shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees; and (iii) allow shareholders to register an informed vote. Only persons who are nominated by shareholders in accordance with the Advance Notice Provisions will be eligible for election as Directors. Nominations of persons for election to the Board may be made for any annual meeting of shareholders, or for any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of Directors: (a) by or at the direction of the Directors, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more shareholders pursuant to a shareholder proposal or requisition of the shareholders made in accordance with applicable law; or (c) by any person (a "**Nominating Shareholder**"): (A) who, at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the Company's register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth in the Advance Notice Provisions.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Directors. To be timely, a Nominating Shareholder's notice to the Directors must be made: (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing Directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders, or an announcement thereof, re-start the initially required time periods for the giving of a Nominating Shareholder's notice as described above. For greater certainty, this means that a Nominating Shareholder who failed to deliver a timely Nominating Shareholder's notice in proper written form to the Directors for purposes of the originally scheduled shareholders' meeting shall not be entitled to provide a Nominating Shareholder's notice for purposes of any adjourned or postponed meeting of shareholders related thereto as the determination as to whether a Nominating Shareholder's notice is timely is to be determined based off of the original shareholders' meeting date and not any adjourned or postponed shareholders' meeting date.

To be in proper written form, a Nominating Shareholder's notice to the Directors must set forth: (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a Director: (a) the name, age, business address and residential address of the person; (b) the principal occupation or employment of the person; (c) the class or series and number of shares which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting

of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (d) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of Directors pursuant to applicable securities laws; and (ii) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of Directors pursuant to applicable securities laws. The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

The chairperson of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, the discretion to declare that such defective nomination shall be disregarded.

Notwithstanding the foregoing, the Directors may, in their sole discretion, waive any requirement in the Advance Notice Provisions.

Preference Shares

The preference shares may at any time and from time to time be issued in one or more series, each series to consist of such number of preference shares as may, before the issue thereof, be determined by resolution of the Board. Subject to the provisions of the CBCA, the Board may, by resolution, fix from time to time before the issue thereof the designation, rights, privileges, restrictions and conditions attaching to the preference shares of each series including, without limitation, any right to receive dividends (which may be cumulative or non-cumulative and variable or fixed) or the means of determining such dividends, the dates of payment thereof, any terms or conditions of redemption or purchase, any conversion rights, any voting rights, any retraction rights and any rights on the liquidation, dissolution or winding up of the Company, any sinking fund or other provisions, the whole to be subject to the issue of a certificate of amendment setting forth the designation, rights, privileges, restrictions and conditions attaching to the preference shares of the series. Except as required by law or as provided for in any special rights or restrictions attaching to any series of preference shares, the holders of preference shares will not be entitled to receive notice of, attend or vote at any meeting of the Shareholders of the Company.

Generally, preference shares of each series, if and when issued, will, with respect to the payment of dividends, rank on a parity with the preference shares of every other series and be entitled to preference over the Multiple Voting Shares, the Subordinate Voting Shares and any other shares of the Company ranking junior to the preference shares with respect to payment of dividends. If any amount of cumulative dividends (whether or not declared) or any amount payable on any such distribution of assets constituting a return of capital in respect of the preference shares of any series is not paid in full, the preference shares of such series shall participate rateably with the preference shares of every other series in respect of all such dividends and amounts.

In the event of liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of preference shares will generally be entitled to preference with respect to distribution of the property or assets of the Company over the Multiple Voting Shares, the Subordinate Voting Shares and any other shares of the Company ranking junior to the preference shares with respect to the repayment of paid-up capital remaining after payment of all outstanding debts on a *pro rata* basis, and the payment of any and all declared but unpaid cumulative dividends, or any and all declared but unpaid non-cumulative dividends, on the preference shares. The Company currently anticipates that there will be no pre-emptive, subscription, redemption or conversion rights attaching to any series of preference shares issued from time to time.

The Company filed an undertaking with the Ontario Securities Commission pursuant to which it will agree to provide reasonable prior notice to the Ontario Securities Commission in the event the Company intends to issue a series of preferred shares that: (a) carry a greater number of votes on a per share basis, irrespective of the number or percentage of preferred shares owned, than the Subordinate Voting Shares; or (b) would cause any of the factors set out in section 4.1 of OSC Rule 56-501 Restricted Shares to be present in relation to the Subordinate Voting Shares, regardless of any existing restrictions on the Subordinate Voting Shares due to the existence of the Multiple Voting Shares.

PRINCIPAL SHAREHOLDERS

Fairfax

Fairfax owns 30,000,000 Multiple Voting Shares, 5,302,912 Subordinate Voting Shares, and 3,000,000 warrants exercisable for one Subordinate Voting Share each. As of March 22, 2022, the Multiple Voting Shares and Subordinate Voting Shares owned or controlled by Fairfax or its subsidiaries collectively represent approximately 53.3% of the voting rights of the Company and a 32.6% equity interest in the Company (on an undiluted basis). As of March 22, 2022, Fairfax, through its subsidiaries, owns 54.1% of the Multiple Voting Shares and owns or controls approximately 10.05% of the Subordinate Voting Shares.

Fairfax has provided an undertaking to the applicable Canadian securities regulatory authorities wherein it agreed to retain, either directly or through one or more of its subsidiaries, a substantial equity investment in the Company in accordance with the following principles (the "**Retained Interest Requirement**"):

(a) prior to the fifth anniversary of the IPO Closing, Fairfax and its subsidiaries will not sell any portion of the Substantial Equity Investment if, as a result of such sale, the aggregate equity investment of Fairfax and its subsidiaries in Multiple Voting Shares would have a market value of less than US$300,000,000. This means, however, that if the market value of the Substantial Equity Investment increases to an amount greater than US$300,000,000 following the IPO Closing, Fairfax and its subsidiaries will be permitted to sell any part of their aggregate equity investment in Multiple Voting Shares so long as, immediately following such sale, they continue to hold an aggregate equity interest in Multiple Voting Shares with a market value of at least US$300,000,000;

(b) on or after the fifth anniversary of the IPO Closing, but prior to the tenth anniversary of the IPO Closing, Fairfax and its subsidiaries will be permitted to sell any part of their aggregate equity investment in Multiple Voting Shares so long as, immediately following such sale, they continue to hold an aggregate equity interest in Multiple Voting Shares having a market value of at least US$150,000,000;

(c) on or after the tenth anniversary of the IPO Closing, Fairfax and its subsidiaries will be permitted to sell, subject to compliance with applicable securities laws and stock exchange requirements, any part of their aggregate equity investment in Multiple Voting Shares; and

(d) prior to the tenth anniversary of the IPO Closing, if Fairfax or its subsidiaries desire to sell any part of their aggregate investment in Multiple Voting Shares in a transaction that would not satisfy conditions (a) or (b) above, Fairfax and its subsidiaries will only be able to complete such a sale if the acquiror agrees, subject to compliance with applicable securities laws and stock exchange requirements, to acquire a *pro rata* share of the equity investment of all other investors in the Company.

In connection with the filing of the Company's final short form base shelf prospectus dated December 7, 2017 (the "**Prior Shelf Prospectus**") with the Canadian securities regulatory authorities on December 7, 2017, Fairfax provided an additional undertaking to the applicable Canadian securities regulatory authorities whereby it extended the Retained Interest Requirement, in the same manner as (a) through (d) above, until the fifth anniversary and tenth anniversary (as applicable) of the last offering completed under the Prior Shelf Prospectus.

Fairfax also agreed on IPO Closing that it and its affiliates will not sell or transfer any Multiple Voting Shares that are part of the Substantial Equity Investment until at least 80% of the Net Proceeds of the Offerings have been invested in Portfolio Investments. Any sale or transfer by Fairfax or any of its affiliates of Multiple Voting Shares to a non-affiliate of Fairfax will result in such Multiple Voting Shares being automatically converted into Subordinate Voting Shares. See "Description of Share Capital".

Principal Holdco

Principal Holdco owns an aggregate total of 24,632,413 Subordinate Voting Shares and 25,452,865 Multiple Voting Shares. As of March 22, 2022, the Multiple Voting Shares and Subordinate Voting Shares owned or controlled by Principal Holdco represent approximately 45.9% of the voting rights of the Company and 46.3 % of the equity interest in the Company.

The Securityholders' Rights Agreement sets out matters requiring approval of the Board, Principal Holdco and/or Fairfax. For so long as each of Fairfax and Principal Holdco beneficially own at least 15% of the voting power of the Multiple Voting Shares and Subordinate Voting Shares, certain fundamental and other corporate actions will require the approval of at least 75% of the Directors entitled to vote on such matter. Consent of Principal Holdco will also be required for certain fundamental and other corporate actions. Approval by a simple majority of the Board is required for any investments by the Company that are in excess of the greater of (x) 10% of the Company's Net Asset Value (as defined in the Investment Advisory Agreement) and (y) $50 million. For so long as Fairfax owns at least 15% of the outstanding shares of the Company, it must approve any insurance-related investments to be made by the Company.

Under the terms of the Securityholders' Rights Agreement, Principal Holdco agreed not to sell any shares of HFP prior to the earlier of (x) the date that is five years from closing of the Strategic Transaction and (y) the termination of the Investment Advisory Agreement, without the written consent of Fairfax and approval by the Board by simple majority. However, if Fairfax transfers any shares of HFP during this period, or if Principal Holdco has an indemnification obligation under the purchase agreement dated as of July 10, 2020 in respect to the Strategic Transaction (the "**Purchase Agreement**"), Principal Holdco will be permitted to transfer an equal proportion of its shares to that being transferred by Fairfax or a number of shares to satisfy the indemnification obligation, as the case may be.

Amended and Restated Coattail Agreement

Under applicable Canadian law, an offer to purchase Multiple Voting Shares would not necessarily require that an offer be made to purchase Subordinate Voting Shares. In accordance with the rules of the TSX designed to ensure that, in the event of a take-over bid, the holders of Subordinate Voting Shares will be entitled to participate on an equal footing with holders of Multiple Voting Shares, Fairfax and Principal Holdco, as the owners of all the outstanding Multiple Voting Shares, entered into a customary coattail agreement with the Company and a trustee (the "**Amended and Restated Coattail Agreement**") on the date of the closing of the Strategic Transaction, which amended and restated a coattail agreement between Fairfax, the Company and the trustee dated as of the date of the IPO Closing. The Amended and Restated Coattail Agreement contains provisions customary for dual class, TSX-listed corporations designed to prevent transactions that otherwise would deprive the holders of Subordinate Voting Shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the Multiple Voting Shares had been Subordinate Voting Shares.

The undertakings in the Amended and Restated Coattail Agreement do not apply to prevent a sale by Fairfax, Principal Holdco or their respective permitted transferees of Multiple Voting Shares if concurrently an offer is made to purchase Subordinate Voting Shares that:

1. offers a price per Subordinate Voting Share at least as high as the highest price per share paid pursuant to the take-over bid for the Multiple Voting Shares;

2. provides that the percentage of outstanding Subordinate Voting Shares to be taken up (exclusive of shares owned immediately prior to the offer by the offeror or persons acting jointly or in concert with the offeror) is at least as high as the percentage of Multiple Voting Shares to be sold (exclusive of Multiple Voting Shares owned immediately prior to the offer by the offeror and persons acting jointly or in concert with the offeror);

3. has no condition attached other than the right not to take up and pay for Subordinate Voting Shares tendered if no shares are purchased pursuant to the offer for Multiple Voting Shares; and

4. is in all other material respects identical to the offer for Multiple Voting Shares.

In addition, the Amended and Restated Coattail Agreement does not prevent the transfer of Multiple Voting Shares by Fairfax, Principal Holdco or their respective affiliates to their respective permitted transferees, as applicable, provided such transfer is not or would not have been subject to the requirements to make a take-over bid (if the vendor or transferee were in Canada) or constitutes or would constitute an exempt take-over bid (as defined in applicable securities legislation). The conversion of Multiple Voting Shares into Subordinate Voting Shares, whether or not such Subordinate Voting Shares are subsequently sold, would not constitute a disposition of Multiple Voting Shares for the purposes of the Amended and Restated Coattail Agreement.

The Amended and Restated Coattail Agreement contains provisions for authorizing action by the trustee to enforce the rights under the Amended and Restated Coattail Agreement on behalf of the holders of the Subordinate Voting Shares. The

obligation of the trustee to take such action is conditional on the Company or holders of the Subordinate Voting Shares providing such funds and indemnity as the trustee may reasonably require. No holder of Subordinate Voting Shares has the right, other than through the trustee, to institute any action or proceeding or to exercise any other remedy to enforce any rights arising under the Amended and Restated Coattail Agreement unless the trustee fails to act on a request authorized by holders of not less than 10% of the outstanding Subordinate Voting Shares and reasonable funds and indemnity have been provided to the trustee.

Other than in respect of non-material amendments and waivers that do not adversely affect the interests of holders of Subordinate Voting Shares, the Amended and Restated Coattail Agreement provides that it may not be amended, and no provision thereof may be waived, unless, prior to giving effect to such amendment or waiver, the following have been obtained: (i) the consent of the TSX and any other applicable securities regulatory authority in Canada; and (ii) the approval of at least two-thirds of the votes cast by holders of Subordinate Voting Shares represented at a meeting duly called for the purpose of considering such amendment or waiver, excluding votes attached to Subordinate Voting Shares held by Fairfax, Principal Holdco and their respective permitted transferees and any persons who have an agreement to purchase Multiple Voting Shares on terms which would constitute a sale or disposition for purposes of the Amended and Restated Coattail Agreement, other than as permitted thereby.

No provision of the Amended and Restated Coattail Agreement will limit the rights of any holders of Subordinate Voting Shares under applicable law.

Pre-Emptive Rights

In the event that the Company decides to issue additional Subordinate Voting Shares or securities convertible into or exchangeable for Subordinate Voting Shares or an option or other right to acquire any such securities ("**Issued Securities**"), the Securityholders' Rights Agreement between the Company, Fairfax, Hamblin Watsa, Principal Holdco and the Principals (Fairfax, Hamblin Watsa, Principal Holdco and the Principals, collectively, the "**Shareholder Parties**") provides each of Fairfax and Principal Holdco, for so long as such holder beneficially owns, in the aggregate, at least 10% of the Multiple Voting Shares and Subordinate Voting Shares, with pre-emptive rights to purchase Issued Securities, to maintain their respective direct and indirect effective pro rata ownership interests. The pre-emptive right does not apply to the issuance of Issued Securities in certain circumstances, including: (i) in respect of the exercise of options, warrants, rights or other securities issued under the Company's security based compensation arrangements (including the Company's special incentive plan); (ii) in connection with a subdivision of then-outstanding Subordinate Voting Shares into a greater number of Subordinate Voting Shares; (iii) the issuance of equity securities of the Company in lieu of cash dividends, if any; (iv) pursuant to a shareholders' rights plan of the Company, if any; (v) pursuant to a dividend reinvestment plan of the Company, if any; (vi) upon the exercise by a holder of a conversion, exchange or other similar privilege pursuant to the terms of any equity security that was issued in compliance with or was exempt from the pre-emptive right; (vii) as consideration for any acquisition by the Company or any of its subsidiaries of equity in, or assets of, another person, business unit, division or business; (viii) to the Company or any subsidiary of the Company; (ix) in the event that the pre-emptive rights are waived by Fairfax or Principal Holdco (but only in respect of such waiving party); and (x) any issuance of Subordinate Voting Shares pursuant to an over-allotment option granted to the agents or underwriters, as applicable, in connection with an offering of Subordinate Voting Shares.

Registration Rights

The Securityholders' Rights Agreement provides the Shareholder Parties with the right (the "**Piggy-Back Registration Right**") to require the Company to include Multiple Voting Shares or Subordinate Voting Shares held by it in any future offerings undertaken by the Company by way of prospectus that it may file with applicable Canadian securities regulatory authorities (a "**Piggy-Back Distribution**"). In such a case, any Multiple Voting Shares to be part of such an offering would first be exchanged by the Company for Subordinate Voting Shares on a one-for-one basis in accordance with their terms. The Company is required to use reasonable commercial efforts to cause to be included in the Piggy-Back Distribution all of the Subordinate Voting Shares (including Subordinate Voting Shares that were formerly Multiple Voting Shares) that a Shareholder Party requests to be sold, provided that if the Piggy-Back Distribution involves an underwriting and the lead underwriter reasonably determines that the aggregate number of Subordinate Voting Shares (including Subordinate Voting Shares that were formerly Multiple Voting Shares) to be included in such Piggy-Back Distribution should be limited for certain prescribed reasons, the Subordinate Voting Shares to be included in the Piggy-Back Distribution will be first allocated to the Company.

In addition, the Securityholders' Rights Agreement provides the Shareholder Parties with the right (the "**Demand Registration Right**") to require the Company to use reasonable commercial efforts to file one or more prospectuses with applicable Canadian securities regulatory authorities, qualifying Multiple Voting Shares or Subordinate Voting Shares held by

a Shareholder Party (a "**Demand Distribution**"). In such a case, any Multiple Voting Shares to be part of such an offering would first be exchanged by the Company for Subordinate Voting Shares on a one-for-one basis in accordance with their terms. Each Shareholder Party is entitled to request not more than two Demand Distributions per calendar year, and each Demand Distribution must be comprised of such number of Subordinate Voting Shares (including Subordinate Voting Shares that were formerly Multiple Voting Shares) that would reasonably be expected to result in gross proceeds of at least US$20 million. The Company may also distribute Subordinate Voting Shares in connection with a Demand Distribution provided that if the Demand Distribution involves an underwriting and the lead underwriter reasonably determines that the aggregate number of Subordinate Voting Shares to be included in such Demand Distribution should be limited for certain prescribed reasons, the Subordinate Voting Shares (including Subordinate Voting Shares that were formerly Multiple Voting Shares) to be included in the Demand Distribution will be first allocated to any Shareholder Parties.

Each of the Piggy-Back Registration Right and the Demand Registration Right are exercisable, subject to a Shareholder Party directly or indirectly beneficially owning at least a 5% of the Multiple Voting Shares and the Subordinate Voting Shares. The Piggy-Back Registration Right and the Demand Registration Right are subject to various conditions and limitations, and the Company is entitled to defer any Demand Distribution in certain circumstances for a period not exceeding 90 days. The expenses in respect of a Piggy-Back Distribution, subject to certain exceptions, will be borne by the Company, provided that any Shareholder Party participating in the Piggy-Back Registration Right will bear the fees and expenses of its external legal counsel. The expenses in respect of a Demand Distribution, subject to certain exceptions, will be borne by the Company. Pursuant to the Securityholders' Rights Agreement, the Company will indemnify each of Fairfax and Principal Holdco, as applicable for any misrepresentation in a prospectus under which Subordinate Voting Shares (including Subordinate Voting Shares that were formerly Multiple Voting Shares) are distributed (other than in respect of any information provided by a Shareholder Party for inclusion in the prospectus) and each Shareholder Party will indemnify the Company for any misrepresentation in any information provided by such Shareholder Party, in respect of such Shareholder Party, for inclusion in the prospectus.

Co-Branding and License Agreement

Fairfax is the owner of and has registered the trademark "Fairfax" (and certain logos and other marks which incorporate such trademarks) in several jurisdictions, including Canada, the United States, South Africa, Botswana and Mauritius. The Manager is the owner of the trademark "Helios" (and certain logos and other marks which incorporate such trademarks). The Company has entered into a co-branding and licence agreement (the "**Co-Branding Agreement**") with Fairfax and the Manager which provides the Company with a worldwide, non-exclusive, non-transferable, royalty-free licence to use the "Fairfax" and "Helios" trademark**s** in connection with its business. Fairfax, the Manager or the Company may terminate the Co-Branding Agreement with immediate effect if the Investment Advisory Agreement is terminated. Upon termination of the Co-Branding Agreement, the Company must cease all use of the licensed trademarks.

MARKET FOR SECURITIES

Trading Price and Volume

Prior to the Strategic Transaction, the Subordinate Voting Shares were listed for trading on the TSX under the symbol "FAH.U" and are now listed for trading on the TSX under the symbol "HFPC.U". The Subordinate Voting Shares trade in U.S. dollars. The following table sets out the market price range in U.S. dollars and aggregate trading volume of the Subordinate Voting Share for the periods indicated in 2021:

Month	High	Low	Close	Volume
January	$5.25	$4.25	$4.40	98,483
February	$4.99	$4.10	$4.20	48,062
March	$5.50	$4.26	$4.56	230,380
April	$4.97	$4.10	$4.60	104,540
May	$4.60	$4.19	$4.55	81,941
June	$4.76	$4.32	$4.61	52,638
July	$4.82	$4.40	$4.41	42,215
August	$4.60	$4.14	$4.20	43,366
September	$4.29	$3.51	$3.75	85,793
October	$4.41	$3.75	$4.05	148,910
November	$4.20	$3.34	$3.39	153,319

December	$3.63	$2.90	$3.37	1,000,000

There is no market where the Multiple Voting Shares are traded as all such shares are owned by Fairfax, Principal Holdco or their respective affiliates.

DIRECTORS AND MANAGEMENT OF THE COMPANY

Directors and Executive Officers

The Board consists of nine Directors, the majority of whom are Independent Directors under Canadian securities laws. The Directors will be elected by shareholders at each annual meeting of the Company's shareholders, and all Directors will hold office for a term expiring at the close of the next annual meeting or until their respective successors are elected or appointed and will be eligible for re-election or re-appointment. The nominees for election by shareholders as Directors will be determined in accordance with the Securityholders' Rights Agreement, the provisions of applicable corporate law and the charter of the Governance, Compensation and Nominating Committee.

The following table sets forth information regarding the Directors and executive officers of the Company as at March 22, 2022.

Name, Province or State and Country of Residence	Position/Title	Independent	Date of Appointment to Board	Principal Occupation	Ownership or control over voting securities of the Company
Kofi Adjepong-Boateng[5] Accra, Ghana	Director	Yes	November 4, 2021	Co-Founder and Partner of Pembani Remgro Infrastructure Managers; Senior Operating Partner of Sanlam Africa Real Estate Advisor Proprietary Limited	—
Ken Costa[1] London, United Kingdom	Director and Chairman	No	March 4, 2021	Partner and Co-Chairman of Alvarium Investments	—
Lt. Gen. (ret.) Roméo Dallaire[5] Gatineau, Quebec, Canada	Director	Yes	February 14, 2019	Founder of the Roméo Dallaire Child Soldiers Initiative	—
Christopher Hodgson[5][6] Markham, Ontario, Canada	Lead Director	Yes	December 22, 2016	President, Ontario Mining Association	4,000 Subordinate Voting Shares
Tope Lawani[2] London, United Kingdom	Director and Co-Chief Executive Officer	No	December 8, 2020	Co-Chief Executive Officer of the Company; Managing Partner of the Manager	24,636,913 Subordinate Voting Shares 25,452,865 Multiple Voting Shares[3]
Quinn McLean[4] Toronto, Ontario, Canada	Director	No	December 22, 2016	Managing Director, Middle East and Africa of Hamblin Watsa	25,970 Subordinate Voting Shares
Sahar Nasr[6] Cairo, Egypt	Director	Yes	March 3, 2022	Professor, Economics Department, School of Business, American University in Cairo	—
Babatunde Soyoye[2] London, United Kingdom	Director and Co-Chief Executive Officer	No	December 8, 2020	Co-Chief Executive Officer of the Company; Managing Partner of the Manager	24,632,413 Subordinate Voting Shares 25,452,865 Multiple Voting Shares[3]
Masai Ujiri[6] Toronto, Ontario, Canada	Director	Yes	August 3, 2021	Vice-Chairman and President of the Toronto Raptors	—

Belinda Blades Woodbridge, Ontario, Canada	Chief Financial Officer	N/A	N/A	Chief Financial Officer of the Company	—
Jennifer Pankratz Toronto, Ontario, Canada	General Counsel and Corporate Secretary	N/A	N/A	General Counsel and Corporate Secretary of the Company	
Amy Sherk Whitby, Ontario, Canada	Vice President	N/A	N/A	Vice President of the Company	2,000 Subordinate Voting Shares

Notes:

(1) Mr. Costa is considered a non-independent Director as he is a nominee of Fairfax.
(2) Mr. Lawani and Mr. Soyoye are considered non-independent Directors as they are the Co-Chief Executive Officers of the Company, owners of Principal Holdco and are nominees of Principal Holdco.
(3) Messrs. Lawani and Soyoye beneficially hold 24,632,413 subordinate voting shares and 25,452,865 multiple voting shares of HFP through their control of Principal Holdco. In addition to his beneficial ownership through Principal Holdco, Mr. Lawani directly owns 4,500 subordinate voting shares.
(4) Mr. McLean is considered a non-independent Director, as he is Managing Director, Middle East and Africa of Hamblin Watsa and is a nominee of Fairfax.
(5) Member of the Governance, Compensation and Nominating Committee (Chair — Christopher D. Hodgson).
(6) Member of the Audit Committee (Chair — Christopher D. Hodgson).

As of March 22, 2022, to the Company's knowledge, the Directors and executive officers of the Company beneficially owned, directly or indirectly, or exercised control or direction over, approximately 25,452,865 Multiple Voting Shares (representing 45.90% of the outstanding Multiple Voting Shares) and 24,668,883 Subordinate Voting Shares (representing 46.77% of the outstanding Subordinate Voting Shares).

Biographical Information Regarding the Directors and Executive Officers of the Company

*Kofi Adjepong-Boateng (*59*)* — Mr. Adjepong-Boateng is a member of our Board and a member of the Governance, Compensation and Nominating Committee. Mr. Adjepong-Boateng is a founding partner of Pembani Remgro Infrastructure Managers and Senior Operating Partner of Sanlam Africa Real Estate Advisor Proprietary Limited. Both these companies are based in South Africa and invest in African businesses. Before taking up these two positions, Mr. Adjepong-Boateng cofounded First Africa, a corporate advisory firm, with offices in Johannesburg, Nairobi and elsewhere around the world. The firm was subsequently purchased by Standard Chartered Bank. Mr. Adjepong-Boateng was past chair of the Policy Committee of the Centre for the Study of African Economies at the Department of Economics, University of Oxford and as a Trustee of the School of Oriental and African Studies, University of London. Mr. Adjepong-Boateng is a resident of Accra, Ghana.

Ken Costa (72) — Mr. Costa has been the Chairman of our Board since March 2021. Mr. Costa is a Partner and Co-Chairman at Alvarium Investments. Prior to joining Alvarium, Mr. Costa served as Chairman of Lazard International from 2007 until 2011 and previously served as Chairman of UBS Investment Bank for Europe, the Middle East and Africa. He also served as Vice Chairman of Investment Banking at UBS. Mr. Costa is also the Chairman of Glorify, serves on the board of directors of Oppenheimer Partners UK and LJ GP Partnership, and is trustee to The Lambeth Trust. Mr. Costa studied Law and Philosophy at Witwatersrand University in South Africa and holds a Masters of Law Degree and a Certificate in Theology from Queens' College, Cambridge. Mr. Costa is a resident of London, United Kingdom.

Lt. Gen. (ret.) Roméo Dallaire (75) — General Roméo Dallaire is a member of our Board and a member of the Governance, Compensation and Nominating Committee. General Dallaire is founder of the Roméo Dallaire Child Soldiers Initiative, a global partnership with the mission to end the recruitment and use of child soldiers. General Dallaire is also a respected government and UN advisor and former Canadian Senator. General Dallaire had a distinguished military career spanning forty years. Most notably, he was appointed Force Commander of the United Nations Assistance Mission for Rwanda prior to and during the 1994 genocide. General Dallaire is a recipient of the Order of Canada, the Meritorious Service Cross, the United States Legion of Merit, and the Aegis Award on Genocide Prevention. General Dallaire is a resident of Gatineau, Quebec

Christopher D. Hodgson (60) — Mr. Hodgson is a member of our Board, the Lead Director and is also Chair of the Audit Committee and the Governance, Compensation and Nominating Committee. Mr. Hodgson is the President of the Ontario Mining Association, and a board member of Fairfax India Holdings Corporation, Recipe Unlimited Corporation and Hemlo Explorers Inc. He previously served as lead director for The Brick Ltd. As a member of provincial parliament, he served as Minister of Natural Resources, Minister of Northern Development and Mines, Chairman of the Management Board of Cabinet, Commissioner of the Board of Internal Economy, and Minister of Municipal Affairs and Housing. Previously he enjoyed a career in municipal government and real estate development and is an Honours Bachelor of Arts graduate from Trent University. Mr. Hodgson is a resident of Markham, Ontario, Canada.

Tope Lawani, (51) — Mr. Lawani is our Co-Chief Executive Officer and a member of our Board. Mr. Lawani joined the Company on closing of the Strategic Transaction. Mr. Lawani is a co-founder and Managing Partner of the Manager and has 25 years of principal investment experience. Prior to forming the Manager, he was a Principal in the San Francisco and London offices of TPG Capital, a leading global investment firm managing private equity, venture capital, credit and real estate investment funds. At TPG Mr. Lawani had a lead role in the execution of several significant leveraged buyout and venture capital investments, including the acquisitions of Burger King Corp., Debenhams plc., J. Crew Group, and Scottish & Newcastle Retail. He began his career as a Mergers & Acquisitions and Corporate Development Analyst at the Walt Disney Company. Mr. Lawani serves on the boards of directors of Helios Towers PLC, Vivo Energy, ZOLA Electric, OVH Energy, Thunes, Starsight Energy, Pershing Square Holdings Ltd and NBA Africa. He also serves as a member of the MIT Corporation (Massachusetts Institute of Technology's board of trustees), the MIT School of Engineering Dean's Advisory Council, the Harvard Law School Dean's Advisory Board and the board of directors of The END Fund, a leader in the global health movement to tackle Neglected Tropical Diseases. He has previously served on the Overseers' Visiting Committee of the Harvard Business School, the MIT OpenCourseWare Advisory Board and on the board of directors of the Emerging Markets Private Equity Association (EMPEA). Mr. Lawani received a B.S. in Chemical Engineering (with a Minor in Economics) from the Massachusetts Institute of Technology, a Juris Doctorate (cum laude) from Harvard Law School and an MBA from Harvard Business School. He is fluent in Yoruba, a widely spoken West African language. Mr. Lawani is a resident of London, United Kingdom.

Quinn McLean (42) — Mr. McLean is a member of our Board and Managing Director, Middle East and Africa and a member of the investment committee of Hamblin Watsa. Mr. McLean joined Hamblin Watsa in 2011. Mr. McLean has over 14 years' of experience in investment management and currently manages the investment float for Fairfax in the Middle East and Africa. Mr. McLean is a member of the board of directors of Gulf Insurance Group, Farmers Edge Inc. and Boat Rocker Media. Mr. McLean earned his B.A. (Accounting) and MBA from the University of Toronto, received a Chartered Financial Analyst designation and is a Chartered Accountant and Chartered Professional Accountant. Mr. McLean is a resident of Toronto, Ontario, Canada.

Sahar Nasr, (56) — Ms. Nasr is a member of our Board and a member of the Audit Committee. Ms. Nasr is an associate professor at the Department of Economics at the American University in Cairo, where she has been teaching for 30 years, and a lecturer at several other esteemed universities, including Cambridge, Oxford, and UC Berkley. She teaches a wide range of specialized courses, including advanced macroeconomics, microeconomics, economic development, money & banking, monetary policies, international finance & business, and public finance. Ms. Nasr was sworn in as Minister of International Cooperation in 2015, and as Minister of Investment and International Cooperation of Egypt in 2017 until 2019. During her four years in office, Ms. Nasr succeeded in bolstering Egypt's relations with development partners and international institutions, raising funds amounting to over $50 billion to support sustainable development efforts. Prior to that, she served as the Governor of Egypt to numerous international financial institutions, after playing a pivotal role in 2014 as a member of the Presidential Council for Economic Development, setting the grounds for a comprehensive economic and social reform program. Ms. Nasr worked at the World Bank for 20 years where she led major operations in developing countries, overseeing a portfolio of $40 billion, focusing on economic and financial and private sector development, financial inclusion, governance, and female economic empowerment. Ms. Nasr serves on the board of directors of Allianz Life Assurance Company. Ms. Nasr earned her Ph.D. in economics from Cairo University. Ms. Nasr is a resident of Cairo, Egypt.

Babatunde Soyoye, (53) — Mr. Soyoye is our Co-Chief Executive Officer and a member of our Board. Mr. Soyoye joined the Company on closing of the Strategic Transaction. Mr. Soyoye is a co-founder and Managing Partner of the Manager and has 23 years of principal investment experience. Prior to forming the Manager, he was a Principal at TPG Capital in London responsible for telecommunications and media investments across Europe. Before joining TPG, Mr. Soyoye was a Senior Member of the Corporate Strategy team at British Telecom, and a Manager of Business Development at Singapore Telecom International. He has played a key role in the execution of over $7 billion completed investments across Africa, Europe, Asia and North America. He has also served as an Executive Consultant to Actis West Africa, an emerging market private equity fund. Mr. Soyoye serves on the board of directors of Interswitch and TPAY Mobile FZ LLC. He previously served on the board of directors of PSPLS, Nigeria's Privatisation Share Purchase Loan Scheme, among others. Mr. Soyoye is a member of the Commonwealth Enterprise & Investment Council (CWEIC) and sits on the Board of Trustees of Save the Children UK. He was also a member of the LSE-University of Oxford Commission on State Fragility, Growth and Development, chaired by former UK Prime Minister David Cameron. Mr. Soyoye received a BEng in Engineering and an MBA from the University of London (Kings & Imperial College). He is a fluent Yoruba speaker. Mr. Soyoye is a resident of London, United Kingdom.

Masai Ujiri (51) — Mr. Ujiri is a member of our Board and a member of the Audit Committee. Mr. Ujiri is the Vice-Chairman and President of the Toronto Raptors of the National Basketball Association. He is also the Co-Founder of Giants of Africa, a non-profit organization which aims to enrich the lives of youth through sports. Mr. Ujiri serves on the board of Ujiri Productions

Inc. and ZMA Holdings ULC. Prior to joining the Toronto Raptors in 2013, Mr. Ujiri was the General Manager of the Denver Nuggets. He was awarded the NBA's Executive of the Year award that same year. Mr. Ujiri is a member of the advisory board at the Dallaire Institute of Peace and Security, and has served as a director of the NBA's Basketball Without Borders Africa program. Mr. Ujiri is a resident of Toronto, Ontario, Canada.

Belinda Blades (60) — Ms. Blades was appointed Chief Financial Officer of the Company in June 2021. Ms. Blades previously served as a strategic consultant to senior executives of various public and private companies and pension plans. Prior to this, she spent seven years with the Healthcare of Ontario Pension Plan, where she was Vice President & Financial Controller. Ms. Blades is a CPA and CA and graduated from the University of Toronto with a BA in Commerce and Economics. Ms. Blades is a resident of Woodbridge, Ontario, Canada.

Amy Sherk (41) — Ms. Sherk was appointed Vice President of the Company in June 2021. Prior to this, she was our Chief Financial Officer. Ms. Sherk is also the Chief Financial Officer of Fairfax India Holdings Corporation. Prior to this, Ms. Sherk was Assistant Vice President of Investment Accounting at FairVentures, a wholly-owned subsidiary of Fairfax. In her role with FairVentures, Ms. Sherk led the FairVentures investment accounting team, which was responsible for the classification, measurement and reporting of all of the investments in Fairfax's investment portfolio. Ms. Sherk holds an Honours Bachelor Degree in Business Administration with a concentration in Finance from Wilfrid Laurier University, and achieved her CPA, CMA designation in 2008. Ms. Sherk is a resident of Whitby, Ontario, Canada.

Jennifer Pankratz (44) — Ms. Pankratz was appointed as our General Counsel and Corporate Secretary in July 2021. Ms. Pankratz was previously Senior Legal Counsel at Fairfax. Before joining Fairfax, Ms. Pankratz was a Partner at Davies Ward Phillips & Vineberg LLP in Toronto in the M&A/corporate finance groups. Ms. Pankratz received a Bachelor of Laws degree from Osgoode Hall Law School and has an Honours Double Major Bachelor of Arts degree from York University. Ms. Pankratz is a resident of Toronto, Ontario, Canada.

Penalties or Sanctions

None of the Directors or executive officers of the Company, and to the best of its knowledge, no shareholder holding a sufficient number of securities to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Individual Bankruptcies

None of the Directors or executive officers of the Company, and to the best of its knowledge, no shareholder holding a sufficient number of securities to affect materially the control of the Company, has, within the 10 years prior to the date of this annual information form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Cease Trade Orders and Bankruptcies

Other than as set out below, none of the Directors or executive officers of the Company, and to the best of its knowledge, no shareholder holding a sufficient number of securities to affect materially the control of the Company is, as at the date of this annual information form, or has been within the 10 years before the date of this annual information form, (a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while the existing or proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the existing or proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, or (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Conflicts of Interest

Tope Lawani and Babatunde Soyoye, Directors and Co-Chief Executive Officers of the Company and principals of the Manager, will be required to disclose the nature and extent of their interest in, and are not entitled to vote on, any resolution to approve, any material contract or transaction or any proposed material contract or transaction between the Company and the Manager, or any of their affiliates, or any other entity in which Messrs. Lawani and Soyoye have an interest (unless the contract or transaction relates to their remuneration or an indemnity on liability insurance).

As Ken Costa, the Chair of the Board, is not an Independent Director, Christopher Hodgson, an Independent Director was appointed as "Lead Director" in order to ensure appropriate leadership for the Independent Directors. The Lead Director will (i) ensure that appropriate structures and procedures are in place so that the Board may function independently of management of the Company; and (ii) lead the process by which the Independent Directors seek to ensure that the Board represents and protects the interests of all shareholders. The Lead Director, Christopher Hodgson, is also the Chair of the Governance, Compensation and Nominating Committee and the Audit Committee.

Committees of the Board

The Board has established two committees: the Audit Committee and the Governance, Compensation and Nominating Committee. All members of the Audit Committee will be persons determined by the Board to be Independent Directors, except for temporary periods in limited circumstances in accordance with National Instrument 52-110 — *Audit Committees* ("**NI 52-110**"). All of the members of the Governance, Compensation and Nominating Committee will be persons determined by the Board to be Independent Directors.

Audit Committee

A copy of our Audit Committee Charter is attached as Appendix B. The Audit Committee is comprised of three Directors, all of whom are persons determined by the Company to be both Independent Directors and financially literate within the meaning of NI 52-110. The Audit Committee is comprised of Christopher D. Hodgson (Chair), Sahar Nasr and Masai Ujiri. Each of the Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting.

The Audit Committee's responsibilities include: (i) reviewing the Company's procedures for internal control with the Company's auditor and Chief Financial Officer; (ii) reviewing and approving the engagement of the auditor; (iii) reviewing annual and quarterly financial statements and all other material continuous disclosure documents, including the Company's annual information form and management's discussion and analysis; (iv) assessing the Company's financial and accounting personnel; (v) assessing the Company's accounting policies; (vi) reviewing the Company's risk management procedures; (vii) reviewing any significant transactions outside the Company's ordinary course of business and any legal matters that may significantly affect the Company's financial statements; (viii) overseeing the work and confirming the independence of the external auditor; and (ix) reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management.

The Audit Committee has direct communication channels with the Chief Financial Officer and the external auditor of the Company to discuss and review such issues as the Audit Committee may deem appropriate.

Accountant fees incurred for the year ended December 31, 2021 to our external auditor, PricewaterhouseCoopers LLP, and its member firms, by us and our subsidiaries were $611,907. The fees incurred to PricewaterhouseCoopers LLP in 2021 and 2020 are detailed below.

	Year ended December 31, 2021	Year ended December 31, 2020
Audit fees	$411,900	$384,194
Tax fees	$nil	$31,144
All other fees	$200,007	$134,000
Total	$611,907	$549,338

The nature of each category of fees is described below.

Audit Fees

Audit fees were incurred for professional services rendered for the audits of our consolidated financial statements, statutory and subsidiary audits, and assistance with review of documents filed with regulatory authorities.

Tax Fees

Tax fees incurred for services related to tax compliance, tax advice and tax planning professional services.

All Other Fees

Fees disclosed in the table above under the item "all other fees" incurred for services other than the audit fees and tax fees described above. These services consisted primarily of assistance with respect to regulatory compliance matters and French translation of our continuous disclosure documents.

PROMOTER

Fairfax has taken the initiative in founding and organizing the Company and may therefore be considered a promoter of the Company for the purposes of applicable securities legislation. Fairfax is a holding company which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and investment management. Fairfax is listed on the TSX under the symbol "FFH". The number of Multiple Voting Shares and Subordinate Voting Shares (and the equity percentage outstanding) that is held by Fairfax, either directly or through one or more subsidiaries, is set forth under "Principal Shareholders". Fairfax will not receive any benefits, directly or indirectly from the Company other than as described under "Summary of Fees and Expenses" and "Principal Shareholders".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not aware of any existing or contemplated legal proceedings to which it is or was a party since the beginning of its most recently completed financial year.

The Company is not aware of any penalties or sanctions imposed by a court or securities regulatory authority or other regulatory body against the Company, nor has the Company entered into any settlement agreements before a court or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as noted below and as described herein, there are no material interests, direct or indirect, of any director or executive officer of the Company, any shareholder that beneficially owns, or controls or directs (directly or indirectly), more than 10% of the aggregate votes attached to the Multiple Voting Shares and Subordinate Voting Shares, or any associate or affiliate of any of the foregoing persons, in any transaction within the three years before the date hereof that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

Fairfax holds a significant interest in the Company. See "Principal Shareholders" and "Promoter".

Principal Holdco holds a significant interest in the Company. See "Principal Shareholders".

Upon closing of the Strategic Transaction, Michael Wilkerson received an incremental bonus in the amount of $300,000 payable by Fairfax.

In connection with the Strategic Transaction, Tope Lawani and Babatunde Soyoye acquired an aggregate total of 24,632,413 Subordinate Voting Shares and 25,452,865 Multiple Voting Shares, held through Principal Holdco. In addition to his beneficial ownership through Principal Holdco, Mr. Lawani directly owns 4,500 subordinate voting shares.

In connection with the Strategic Transaction, Fairfax acquired the ordinary shares of Atlas Mara Limited owned by Company.

AUDITOR, TRANSFER AGENT AND REGISTRAR

PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, is the auditor of the Company.

The transfer agent and registrar for the Multiple Voting Shares and the Subordinate Voting Shares is Computershare Trust Company of Canada at its principal office in Toronto, Ontario.

MATERIAL CONTRACTS

The following are the only material agreements of the Company that were entered into in the financial year ended December 31, 2021 or that remain in effect as of the date hereof (other than certain agreements entered into in the ordinary course of business):

(a) the Amended and Restated Coattail Agreement (see "Principal Shareholders — Coattail Agreement");

(b) the Investment Advisory Agreement (see "Portfolio Advisor and the Manager — Investment Advisory Agreement");

(c) the Securityholders' Rights Agreement (see "Principal Shareholders — Pre-Emptive Rights");

(d) the Purchase Agreement (see "Principal Shareholders — Principal Holdco");

(e) the Portfolio Insurance Subscription Agreement (see "General Development of the Business – Overview"); and

(f) the credit agreement dated as of March 3, 2022 in respect of the 2022 Credit Facility between the Company and FirstRand Bank Limited (acting through Rand Merchant Bank division) (see "General Development of the Business – Overview").

Copies of the foregoing documents are available on SEDAR.

INTERESTS OF EXPERTS

Our independent auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants. PricewaterhouseCoopers LLP has advised that they are independent with respect to HFP within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

ADDITIONAL INFORMATION

Additional information about the Company including directors' and officers' remuneration and indebtedness, principal holders of our securities and securities authorized for issuance under equity compensation plans is contained in our information circular for our annual and special meeting of shareholders to be held on April 20, 2022. Additional financial information is provided in our audited consolidated financial statements for the year ended December 31, 2021 and our 2021 MD&A, all of which may be found on SEDAR at www.sedar.com.

GLOSSARY

"**2019 Credit Facility**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**2021 Annual Financial Statements**" has the meaning ascribed thereto under "General Development of the Business – Recent Developments";

"**2021 Annual Report**" means the annual report of the Company dated March 22, 2022;

"**2021 MD&A**" has the meaning ascribed thereto under "General Development of the Business – Recent Developments";

"**2022 Credit Facility**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Access Bank SA**" has the meaning ascribed thereto under "Corporate Structure – Inter-corporate Relationships";

"**Administration and Advisory Fee**" has the meaning ascribed thereto under "Summary of Fees and Expenses";

"**Advance Notice Provisions**" has the meaning ascribed thereto under "Description of Share Capital — Multiple Voting Shares and Subordinate Voting Shares";

"**AGH**" has the meaning ascribed thereto under "Corporate Structure – Inter-corporate Relationships";

"**AGH Transaction**" means the contribution to the Company by Fairfax of its indirect interest in AGH, in exchange for 7,284,606 Multiple Voting Shares, as further described under "General Development of the Business – Overview";

"**Amended and Restated Coattail Agreement**" has the meaning ascribed thereto under "Principal Shareholders — Amended and Restated Coattail Agreement";

"**Atlas Mara**" has the meaning ascribed thereto under "Corporate Structure – Inter-corporate Relationships";

"**Audit Committee**" means the audit committee of the Company, as further described under the heading "Directors and Management of the Company — Audit Committee";

"**BEPS**" has the meaning ascribed thereto under "Risk Factors – Taxation of the Company";

"**BITs**" has the meaning ascribed thereto under "Risk Factors – South African bilateral investment treaties";

"**Board**" means the board of directors of the Company;

"**Calculation Period**" means, as the context requires: (a) in respect of the first Calculation Period, the period commencing on the January 1, 2021 and ending on December 31, 2023; and (b) in respect of each subsequent Calculation Period, the period which will commence on the date immediately following the Determination Date for the preceding Calculation Period and end on the Determination Date for the next Calculation Period;

"**CBCA**" means the *Canada Business Corporations Act*;

"**CFA**" means "controlled foreign affiliate" as defined in the Tax Act;

"**CIG**" has the meaning ascribed thereto under "Corporate Structure – Inter-corporate Relationships";

"**Co-Branding Agreement**" has the meaning ascribed thereto under "Principal Shareholders – Co-Branding and Licence Agreement";

"**Companies Act**" has the meaning ascribed thereto under "Mauritius Sub and SA Sub";

"**Company**" means Helios Fairfax Partners Corporation, as interpreted in the manner described under "Certain References and Forward-Looking Statements";

"**Company Custodian**" means RBC Investor Services Trust;

"**Company Custodian Agreement**" means the custodian agreement dated February 7, 2017 between the Company and the Company Custodian;

"**Cornerstone Investment**" has the meaning ascribed thereto under "General Development of the Business";

"**COVID-19**" has the meaning ascribed thereto under "Risk Factors – COVID-19 Global Health Pandemic";

"**Custodians**" means, collectively, the Company Custodian and the Subsidiary Custodian;

"**DBRS**" means DBRS Limited;

"**Demand Distribution**" has the meaning ascribed thereto under "Principal Shareholders — Registration Rights";

"**Demand Registration Right**" has the meaning ascribed thereto under "Principal Shareholders — Registration Rights";

"**Designated Rating**" has the same meaning as in National Instrument 81-102 – *Investment Funds*;

"**Designated Rating Organization**" means (a) each of DBRS, Fitch, Moody's, S&P, including their Specified Affiliates, or (b) any other credit rating organization that has been designated under applicable Canadian securities legislation;

"**Determination Date**" means, as the context requires: (a) in respect of the first Calculation Period, December 31, 2023; and (b) in respect of each subsequent Calculation Period, the date which is the third anniversary of the immediately preceding Determination Date;

"**Directors**" means the directors of the Company, and "**Director**" means any one of them;

"**Dividend Policy**" has the meaning ascribed thereto under "Dividend Policy";

"**DTAs**" has the meaning ascribed thereto under "Mauritius Sub and SA Sub";

"**DTC**" has the meaning ascribed thereto under "Risk Factors – Tax Laws in Mauritius and South Africa";

"**ESG**" has the meaning ascribed thereto under "Description of the Business – Investment Selection";

"**Equity Monetization Arrangement**" means one or more agreements, arrangements or understandings to which a holder of a Multiple Voting Share is a party, the effect of which is to allow the holder of such Multiple Voting Share to receive a cash amount similar to proceeds of disposition, and transfer part or all of the economic risk and/or return associated with such Multiple Voting Share, without actually transferring ownership of or control over such Multiple Voting Shares; provided, however, that an Equity Monetization Arrangement expressly excludes (a) any pledge, grant of a security interest or other assignment or transfer for purposes of providing security relating to a Multiple Voting Share, or (b) any currency hedging activities;

"**Fairfax**" means Fairfax Financial Holdings Limited, a corporation established under the laws of Canada;

"**FAPI**" means "foreign accrual property income" as defined in the Tax Act;

"**Fitch**" means Fitch, Inc.;

"**forward-looking statements**" has the meaning ascribed thereto under "Certain References and Forward-Looking Statements";

"**FSC**" has the meaning ascribed thereto under "Mauritius Sub and SA Sub";

"**GDP**" means gross domestic product;

"**Hamblin Watsa**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Helios**" means the Manager, together with its controlled affiliates;

"**Helios Fund**" means any one or more of Helios Investors, L.P., Helios Investors II, L.P., Helios Investors III, L.P. and Helios Fund IV. together with: (i) any additional parallel funds, alternative investment vehicles or co-investment vehicles formed to invest alongside any of the foregoing; and (ii) any other investment vehicle managed or advised by Helios Investment Partners LLP or its affiliates from time to time;

"**Helios Fund IV**" means Helios Investors IV, L.P.;

"**HFP**" means Helios Fairfax Partners Corporation, as interpreted in the manner described under "Certain References and Forward-Looking Statements";

"**High Water Mark**" has the meaning ascribed thereto under "Summary of Fees and Expenses";

"**Holder**" means a Shareholder who at all relevant times, for purposes of the Tax Act, (a) beneficially owns Subordinate Voting Shares as capital property, and (b) deals at arm's length with the Company and is not affiliated with the Company;

"**Hurdle per Share**" has the meaning ascribed thereto under "Summary of Fees and Expenses";

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board;

"**Independent Director**" has the meaning ascribed thereto under "Description of Share Capital – Multiple Voting Shares and Subordinate Voting Shares";

"**Investment Advisory Agreement**" has the meaning ascribed thereto under "Corporate Structure – Inter-corporate Relationships";

"**Investment Company Act**" means the U.S. Investment Company Act of 1940;

"**Investment Concentration Restriction**" has the meaning ascribed thereto under "Description of the Business — Investment Restrictions";

"**IPO Closing**" means the closing of the Offering, which occurred on February 17, 2017;

"**Issued Securities**" has the meaning ascribed thereto under "Principal Shareholders — Pre-Emptive Rights";

"**Manager**" means Helios Investment Partners LLP;

"**Mandatory By-Law Provisions**" has the meaning ascribed thereto under "Description of Share Capital — Multiple Voting Shares and Subordinate Voting Shares";

"**Market Price**" has the meaning ascribed thereto in "Summary of Fees and Expenses";

"**Mauritius Administrator**" has the meaning ascribed thereto under "Mauritius Sub and SA Sub — Mauritius Administrator";

"**Mauritius Sub**" means HFP Investments Limited;

"**Mauritius Sub Board**" means the board of directors of Mauritius Sub;

"**Mauritius Sub Shares**" has the meaning ascribed thereto under "Mauritius Sub and SA Sub — Share Capital";

"**MLI**" has the meaning ascribed thereto under "Risk Factors – MLI";

"**Moody's**" means Moody's Investors Service Inc.;

"**Multiple Voting Shares**" means the multiple voting shares in the capital of the Company, as further described under "Description of Share Capital — Multiple Voting Shares and Subordinate Voting Shares", and "**Multiple Voting Share**" means any one of them;

"**NAV per Share**" means, on any day, the Net Asset Value of the Company on such day divided by the aggregate number of Multiple Voting Shares, Subordinate Voting Shares and any preference shares or other class of shares the Company is authorized to issue from time to time that are outstanding on such day;

"**NBA Africa**" has the meaning ascribed thereto under "Corporate Structure – Inter-corporate Relationships";

"**NCIB**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Net Asset Value**" has the meaning ascribed thereto under "Calculation of Total Assets and Net Asset Value";

"**Net Proceeds of the Offerings**" means the net proceeds of the Offering, together with the net proceeds of the Cornerstone Investment and the concurrent issuance of the Multiple Voting Shares;

"**NI 52-110**" — means National Instrument 52-110 — *Audit Committees* of the Canadian Securities Administrators, as amended from time to time;

"**NI 81-102**" means National Instrument 81-102 — *Investment Funds* of the Canadian Securities Administrators, as amended from time to time;

"**Nominating Shareholder**" has the meaning ascribed thereto under "Description of Share Capital — Multiple Voting Shares and Subordinate Voting Shares";

"**Notice Date**" has the meaning ascribed thereto under "Description of Share Capital — Multiple Voting Shares and Subordinate Voting Shares";

"**Nova Pioneer**" has the meaning ascribed thereto under "Corporate Structure – Inter-corporate Relationships";

"**OECD**" has the meaning ascribed thereto under "Risk Factors – Taxation of the Company";

"**Offering**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Performance Fee**" has the meaning ascribed thereto under "Summary of Fees and Expenses";

"**Permitted Investments**" means, (a) an evidence of indebtedness that is issued, or fully and unconditionally guaranteed as to principal and interest, by (i) the government of Canada or the government of a province or territory of Canada, (ii) the government of the United States of America, the government of one of the states of the United States of America, the government of another sovereign state, or a Permitted Supranational Agency, if, in each case, the evidence of indebtedness has a Designated Rating, except in the case of indebtedness issued by the government of Africa, in which case the evidence of indebtedness must be rated by a Designated Rating Organization or its Specified Affiliate as investment grade or higher or (iii) a Canadian financial institution or a financial institution that is not incorporated or organized under the laws of Canada or of a province or municipality thereof if, in either case, evidences of indebtedness of that issuer or guarantor that are rated as short term debt by a Designated Rating Organization or its Specified Affiliate have a Designated Rating, (b) commercial paper that has a term to maturity of 365 days or less and a Designated Rating and that was issued by a person or company other than a government or Permitted Supranational Agency, (c) an evidence of indebtedness that is issued by an entity the majority of the votes attached to all outstanding voting shares of which are held by the government of Africa, even if such indebtedness is not fully and unconditionally guaranteed by the government of Africa, if the evidence of indebtedness has the highest rating issued by a Designated Rating Organization or its Specified Affiliate, (d) a fixed income mutual fund that has the highest rating issued by a Designated Rating Organization or its Specified Affiliate and that is redeemable on a daily basis, or (e) a fixed income mutual fund that is redeemable on a daily basis and that is limited to investing in indebtedness that meets the criteria in (a), (b), (c) and (d), as applicable, of this Permitted Investments definition;

"**Permitted Supranational Agency**" means the African Development Bank, the Asian Development Bank, the Caribbean Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the International Bank for Reconstruction and Development and the International Finance Corporation;

"**PGR2 Loan**" means the loan provided by the Company to PGR2 Investments Proprietary Limited in May 2018;

"**Philafrica**" has the meaning ascribed thereto under "Corporate Structure – Inter-corporate Relationships";

"**Piggy-Back Distribution**" has the meaning ascribed thereto under "Principal Shareholders — Registration Rights";

"**Piggy-Back Registration Right**" has the meaning ascribed thereto under "Principal Shareholders — Registration Rights";

"**Portfolio Advisor**" means HFA Topco, L.P., a limited partnership established under the laws of Guernsey;

"**Portfolio Investments**" has the meaning ascribed thereto under "Description of the Business – Investment Objectives";

"**Portfolio Insurance Arrangement**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Portfolio Insurance Subscription Agreement**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Principal Holdco**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Principal Parties**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Principals**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Prior Shelf Prospectus**" has the meaning ascribed thereto under "Principal Shareholders";

"**Purchase Agreement**" has the meaning ascribed thereto under "Principal Shareholders";

"**Purchased Partnership Interests**" means, collectively, (i) all of the issued and outstanding Class A partnership interests of the Portfolio Advisor; and (ii) all of the issued and outstanding Class B partnership interests of the Portfolio Advisor;

"**Retained Interest Requirement**" has the meaning ascribed thereto under "Principal Shareholders";

"**S&P**" means Standard and Poor's Rating Services;

"**SA Sub**" means HFP South Africa Investments (PTY) Ltd.;

"**SA Sub Board**" means the board of directors of SA Sub;

"**SA Sub Shares**" has the meaning ascribed thereto under "Mauritius Sub and SA Sub — Share Capital";

"**Securityholders' Rights Agreement**" has the meaning ascribed thereto under "The Portfolio Advisor and the Manager — Investment Advisory Agreement";

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval at www.sedar.com;

"**Shareholder Parties**" has the meaning ascribed thereto under "Principal Shareholders — Pre-Emptive Rights";

"**Shareholders**" means, collectively, the holders of the Multiple Voting Shares and Subordinate Voting Shares, and "**Shareholder**" means any one of them;

"**South Africa Administrator**" has the meaning ascribed thereto under "Mauritius Sub and SA Sub — South Africa Administrator";

"**Specified Affiliates**" has the same meaning as in section 1 of National Instrument 25-101 — *Designated Rating Organizations* and also includes any subsidiaries of each of DBRS, Fitch, Moody's and S&P, including CRISIL Limited and ICRA Limited;

"**Strategic Transaction**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**Strategic Transaction Circular**" means the management information circular of the Company dated October 29, 2020, filed in connection with the Strategic Transaction;

"**Sub Directors**" means the directors of Mauritius Sub and SA Sub;

"**Subordinate Voting Shares**" means the subordinate voting shares in the capital of the Company, as further described under "Description of Share Capital — Multiple Voting Shares and Subordinate Voting Shares", and "**Subordinate Voting Share**" means any one of them;

"**Subsidiary Custodian**" means Bank of New York Mellon, New York City Branch;

"**Subsidiary Custodian Agreements**" means the custodian agreements dated February 17, 2017 between the Subsidiary Custodian and Mauritius Sub and SA Sub, respectively;

"**Substantial Equity Investment**" has the meaning ascribed thereto under "General Development of the Business";

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder;

"**Terms of Reference**" has the meaning ascribed thereto under "Risk Factors – Tax Laws in Mauritius and South Africa";

"**TLAA**" has the meaning ascribed thereto under "Risk Factors – Tax Laws in Mauritius and South Africa";

"**Total Assets**" has the meaning ascribed thereto under "Calculation of Total Assets and Net Asset Value";

"**TSX**" means the Toronto Stock Exchange;

"**U.S. Holdco**" has the meaning ascribed thereto under "General Development of the Business – Overview";

"**U.S. Securities Act**" means the *United States Securities Act of 1933*, as amended;

"**Undeployed Capital**" means all equity capital of the Company that is not then invested in (i) Portfolio Investments; or (ii) other investments of the Company which are otherwise approved by the Board;

"**United States**" has the meaning ascribed thereto in Regulation S under the U.S. Securities Act; and

"**Voting Power**" has the meaning ascribed thereto under "Description of Share Capital – Multiple Voting Shares and Subordinate Voting Shares".

APPENDIX A - DIVIDEND POLICY

1. Purpose of this Dividend Policy

The board of directors (the "**Board**") of Helios Fairfax Partners Corporation (the "**Company**") has adopted this dividend policy (the "**Dividend Policy**"), effective as of December 8, 2020, with the intent that it should serve as a statement of the principles to be applied in connection with the declaration and payment of dividends by the Company.

2. Dividend Policy

Subject to the provisions of this Dividend Policy, the Company intends to declare an annual dividend with respect to the Multiple Voting Shares and Subordinate Voting Shares of an amount sufficient to produce a 2% dividend yield per share (which will not be cumulative or accruing), 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, and paid in equal quarterly installments. The Board may declare additional (regular or special) dividends from time to time in accordance with the constating and governing documents of the Company and subject to the provisions of this Dividend Policy.

3. Discretion of the Board of Directors in Declaring and Paying Dividends

The declaration or other determinations of any such dividend pursuant to this Dividend Policy, including the amount, record date and actual date of payment of dividends will be determined by the Board, in its sole discretion, at the appropriate time and the Board will consider the cash flows, operations and earnings, capital requirements and surplus, general financial condition of the Company and its subsidiaries, contractual restrictions and such other business considerations and factors as the Board, in its sole discretion, deems relevant. This Dividend Policy will not be interpreted as creating a binding obligation on the Board to declare or pay a dividend.

4. Restrictions under the *Canada Business Corporations Act* and other Laws

The Board will not declare or cause to be paid any dividend on any class of shares of the Company unless (a) the Company is, at that time, in compliance with Section 42 of the *Canada Business Corporations Act*, or any similar or successor provision; and (b) such declaration or payment of dividend will not result in a violation of any applicable law in respect of which the Company must comply.

5. Annual Review

This Dividend Policy will be reviewed at least annually by the Board in order to ensure that it continues to be consistent with the Company's aspirations to create shareholder value.

APPENDIX B – AUDIT COMMITTEE CHARTER

HELIOS FAIRFAX PARTNERS CORPORATION
AUDIT COMMITTEE CHARTER

1. Statement of Purpose

The Audit Committee (the "**Committee**") of Helios Fairfax Partners Corporation (the "**Company**") has been established by the Board of Directors of the Company (the "**Board**") for the purpose of overseeing the accounting and financial reporting processes of the Company, including the audit of the financial statements of the Company.

The Committee is responsible for assisting with the Board's oversight of (1) the quality and integrity of the Company's financial statements and related disclosure, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications, performance and independence and (4) the integrity of the internal controls at the Company.

2. Committee Membership

Members

The Committee will consist of as many members of the Board as the Board may determine but, in any event, not less than three members, a majority of whom shall be resident Canadians. Members of the Committee will be appointed by the Board, taking into account any recommendation that may be made by the Governance, Compensation and Nominating Committee. Any member of the Committee may be removed and replaced at any time by the Board, and will automatically cease to be a member if he or she ceases to meet the qualifications set out below. The Board will fill vacancies on the Committee by appointment from among qualified members of the Board, taking into account any recommendation that may be made by the Governance, Compensation and Nominating Committee. If a vacancy exists, the remaining members of the Committee may exercise all of its powers so long as there is a quorum and subject to any legal requirements regarding the minimum number of members of the Committee.

Chair

Each year, the Board will designate one of the members of the Committee to be the Chair of the Committee, taking into account any recommendation that may be made by the Governance, Compensation and Nominating Committee. If, in any year, the Board does not appoint a Chair, the incumbent Chair shall continue in office until a successor is appointed. The Board will adopt and approve a position description for the Chair which sets out his or her role and responsibilities.

Qualifications

All of the members of the Committee shall be selected based upon the following, to the extent that the following are required under the applicable law: (i) each member shall be an independent director; and (ii) each member shall be financially literate. For the purpose of this Charter, the terms "independent" and "financially literate" shall have the meanings attributed thereto in Multilateral Instrument 52-110 — *Audit Committees*, as the same may be amended from time to time.

Tenure

Each member of the Committee shall hold office until his or her term as a member of the Committee expires or is terminated.

Ex Officio Members and Management Attendance

The Committee may invite, at its discretion, members of management to attend any meetings of the Committee. Any member of management will attend a Committee meeting if invited by the Committee. The Lead Director, if not already a member of the Committee, will be entitled to attend each meeting of the Committee as an observer.

3. Committee Operations

Frequency of Meetings

The Chair, in consultation with the other members of the Committee, will determine the schedule and frequency of meetings of the Committee, provided that the Committee will meet at least once per quarter.

Agenda and Reporting to the Board

The Chair will establish the agenda for meetings in consultation with the other members of the Committee, the Chairman of the Board and the Lead Director. To the maximum extent possible, the agenda and meeting materials will be circulated to the members in advance to ensure sufficient time for study prior to the meeting. The Committee will report to the Board at the next meeting of the Board following each Committee meeting.

Minutes

Regular minutes of Committee proceedings will be kept and will be circulated to all Committee members, the Chairman of the Board and the Lead Director (and to any other director that requests that they be sent to him or her) on a timely basis for review and approval.

Quorum

A quorum at any meeting will be a simple majority.

Procedure

The procedure at meetings will be determined by the Committee.

Transaction of Business

The powers of the Committee may be exercised at a meeting where a quorum is present or by resolution in writing signed by all members of the Committee.

Absence of Chair

In the absence of the Chair, the Committee may appoint one of its other members to act as Chair of that meeting.

Exercise of Power Between Meetings

Between meetings, and subject to any applicable law, the Chair of the Committee, or any member of the Committee designated for this purpose, may, if required in the circumstance, exercise any power delegated by the Committee. The Chair or other designated member will promptly report to the other Committee members in any case in which this interim power is exercised.

4. Committee Duties and Responsibilities

The Committee is responsible for performing the duties set out below and any other duties that may be assigned to it by the Board and performing any other functions that may be necessary or appropriate for the performance of its duties.

Independent Auditor's Qualifications and Independence

1. The Committee must recommend to the Board at all appropriate times the independent auditor to be nominated or appointed for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company and approve the compensation to be paid to the independent auditor.

2. The Committee is directly responsible for overseeing the work of the independent auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the independent auditor regarding financial reporting. The independent auditor will report directly to the Committee and the Committee will evaluate and be responsible for the Company's relationship with the independent auditor.

3. The Committee must pre-approve any permitted non-audit services to be provided by the independent auditor to the Company or its subsidiaries, provided that no approval will be provided for any service that is prohibited under the rules of the Canadian Public Accountability Board or the Independence Standards of the Canadian Institute of Chartered Accountants. The Committee may delegate to one or more of its members the authority to pre-approve those permitted non-audit services provided that any such pre-approval must be presented to the Committee at its next meeting and that the Committee may not delegate pre-approval of any non-audit internal control related services. The Committee may also adopt specific policies and procedures relating to pre-approval of permitted non-audit services to satisfy the pre-approval requirement provided that the procedures are detailed as to the specific service, the Committee is informed of each non-audit service and the procedures do not include the delegation of the Committee's responsibilities to management or pre-approval of non-audit internal control related services. The Committee will review with the lead audit partner whether any of the audit team members receive any discretionary compensation from the audit firm with respect to non-audit services performed by the independent auditor.

4. The Committee will obtain and review with the lead audit partner and a more senior representative of the independent auditor, annually or more frequently as the Committee considers appropriate, a report by the independent auditor describing: (a) the independent auditor's internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditor, or by any inquiry, review or investigation by governmental, professional or other regulatory authorities, within the preceding five years, respecting independent audits carried out by the independent auditor, and any steps taken to deal with these issues; and (c) in order to assess the independent auditor's independence, all relationships between the independent auditor and the Company and the independent auditor's objectivity and independence in accordance with the rules, policies and standards applicable to auditors.

5. After reviewing the report referred to above and the independent auditor's performance throughout the year, the Committee will evaluate the independent auditor's qualifications, performance and independence. The evaluation will include a review and evaluation of the lead partner of the independent auditor. In making its evaluation, the Committee will take into account the opinions of management and the Company's internal auditors (or other personnel responsible for the internal audit function). The Committee will also consider whether, in order to assure continuing auditor independence, there should be a rotation of the audit firm itself. The Committee will present its conclusions to the Board.

6. The Committee will review with the Board any issues that arise with respect to the performance and independence of the independent auditor and, where issues arise, make recommendations about whether the Company should continue with that independent auditor.

7. The Committee has the responsibility for approving the independent auditor's fees. In approving the independent auditor's fees, the Committee should consider, among other things, the number and nature of reports issued by the independent auditor, the quality of the internal controls, the impact of the size, complexity and financial condition of the Company on the audit work plan, and the extent of internal audit and other support provided by the Company to the independent auditor.

8. The Committee will ensure the regular rotation of members of the independent auditor's team as required by law.

9. The Committee will establish hiring policies for employees and former employees of its independent auditor.

Financial Statements and Financial Review

10. The Committee will review the annual audited financial statements and quarterly financial statements with management and the independent auditor, including MD&A, before their release and their filing with securities regulatory authorities. The Committee will also review all news releases relating to annual and interim financial results prior to their public release. The Committee will also consider, establish, and periodically review policies with respect to the release or distribution of any other financial information, including earnings guidance and any financial information provided to ratings agencies and analysts, and review that information prior to its release.

11. The Committee will review all other financial statements of the Company that require approval by the Board before they are released to the public, including, without limitation, financial statements for use in prospectuses or other offering or public disclosure documents and financial statements required by regulatory authorities. The Committee will review the Annual Information Form and Management Proxy Circular of the Company prior to its filing.

12. The Committee will meet separately and periodically with management, the internal auditors (or other personnel responsible for the internal audit function) and the independent auditor.

13. The Committee will oversee management's design and implementation of an adequate and effective system of internal controls at the Company, including ensuring adequate internal audit functions. The Committee will review the processes for complying with internal control reporting and certification requirements and for evaluating the adequacy and effectiveness of specified controls. The Committee will review the annual and interim conclusions of the effectiveness of the Company's disclosure controls and procedures and internal controls and procedures (including the independent auditor's attestation that is required to be filed with securities regulators).

14. The Committee will review with management and the independent auditor: (A) major issues regarding accounting principles and financial statement presentations, including critical accounting principles and practices used and any significant changes to the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (B) analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analysis of the effects of alternative GAAP methods on the financial statements of the Company and the treatment preferred by the independent auditor; (C) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company; and (D) the type and presentation of information to be included in earnings press releases (including any use of "*pro forma*" or "adjusted" non-GAAP information).

15. The Committee will regularly review with the independent auditor any difficulties the auditor encountered in the course of its audit work, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management. The Committee will also review with the independent auditor any material communications with the independent auditor, including any management letter or schedule of unadjusted differences.

16. The Committee will review with management, and any outside professionals as the Committee considers appropriate, important trends and developments in financial reporting practices and requirements and their effect on the Company's financial statements.

17. The Committee will review with management and the independent auditor the scope, planning and staffing of the proposed audit for the current year. The Committee will also review the organization, responsibilities, plans, results, budget and staffing of the internal audit departments. In addition, management of the Company's subsidiaries will consult with the Committee, or in the case of the Company's publicly traded subsidiaries, the audit committees of those subsidiaries, on the appointment, replacement, reassignment or dismissal of personnel in the respective internal audit departments.

18. The Committee will meet with management to discuss guidelines and policies governing the process by which the Company and its subsidiaries assess and manage exposure to risk and to discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

19. The Committee will review with management, and any internal or external counsel as the Committee considers appropriate, any legal matters (including the status of pending litigation) that may have a material impact on the Company and any material reports or inquiries from regulatory or governmental agencies.

20. The Committee will review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, compliance with legal or regulatory requirements, or the performance of the internal audit function.

Additional Oversight

21. The Committee will establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters or potential violations of law and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting, internal accounting controls or auditing matters or potential violations of law. This will include the establishment of a whistleblower policy.

5. Access to Advisors

The Committee may, in its sole discretion, retain counsel, auditors or other advisors in connection with the execution of its duties and responsibilities and may determine the fees of any advisors so retained. The Company will provide the Committee with appropriate funding for payment of compensation to such counsel, auditors or other advisors and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6. The Committee Chair

In addition to the responsibilities of the Chair described above, the Chair has the primary responsibility for monitoring developments with respect to financial reporting in general, and reporting to the Committee on any significant developments.

7. Committee Evaluation

The performance of the Committee will be evaluated by the Governance, Compensation and Nominating Committee as part of its annual evaluation of the Board committees.