



warwyck

PHOENIX VCC

warwyck
Global Invest Fund 2

ANNUAL REPORT 2024

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CORPORATE DATA

Date appointed

| | | | |
|------------------|---|--------------------------|------------------|
| Directors | : | Frank Brusco | 10 October 2014 |
| | | Mohammad Shameer Mohuddy | 20 January 2017 |
| | | Youmeshwar Ramdhony | 10 April 2017 |
| | | Oumila Sibartie | 03 November 2020 |
| | | Navinchandra Chattoor | 29 June 2022 |

Administrator and Secretary : Anex Management Services Ltd
8th Floor, Ebène Tower
52 Cybercity
Ebène 72201
Republic of Mauritius

Registered office : Warwyck House
Nalletamby Road, Phoenix 73538
Republic of Mauritius

SEM Authorised Representative and Sponsor : Perigeum Capital Ltd
Level 4, Alexander House
35 Cybercity
Ebène 72201
Republic of Mauritius

Auditors : Nexia Baker & Arenson
Chartered Accountants
5th Floor, C&R Court
49 Labourdonnais Street
Port Louis
Republic of Mauritius

Bankers : Warwyck Private Bank Ltd
Warwyck House
Nalletamby Road
Phoenix 73538
Republic of Mauritius

UBS (Monaco) SA
2 Avenue de Grande-Bretagne
Monte – Carlo B.P 189
MC 98007
Monaco Cedex

CORPORATE DATA (CONTD)

| | |
|---------------------------|---|
| Custodian | : Warwyck Private Bank Ltd Warwyck House Nalletamby Road, Phoenix 73538 Republic of Mauritius |
| Brokers | : Warwyck Phoenix Securities Ltd Warwyck House Nalletamby Road, Phoenix 73538 Republic of Mauritius UBS (Monaco) SA 2 Avenue de Grande-Bretagne, Monte-Carlo B.P 189 MC 98007 Monaco Cedex |
| Investment advisor | : Warwyck Private Bank Ltd Warwyck House Nalletamby Road, Phoenix 73538 Republic of Mauritius |
| Legal advisor | : Dentons Mauritius LLP Les Jamalacs Vieux Conseil Street Port Louis Republic of Mauritius |
| Tax advisor | : Grant Thornton (Advisory Services) Ltd Ebène Tower 52 Cybercity Ebène 72201 Republic of Mauritius |

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of Directors of **Warwyck Phoenix VCC** (*Formerly known as Warwyck Phoenix PCC*) (the “Company”), is pleased to present the annual report together with the audited financial statements of the **Warwyck Phoenix Global Invest Fund 2** (the “sub-fund”) (*formerly known as the “Cell”*) for the year ended 31 December 2024.

Incorporation and set up

The Company was incorporated in the Republic of Mauritius on 21 August 2014 as a private company limited by shares. Pursuant to a special resolution of the sole shareholder dated 03 May 2016, the status of the Company was changed to a public company with liability limited by shares and the Company was converted from a PCC to VCC on 13 February 2024.

The sub-fund commenced its operations on 31 December 2014 and its Participating Shares listed on the Official Market of the Stock Exchange of Mauritius Ltd on the 14 November 2016.

Principal activity

The Company is a Variable Capital Company (“VCC”), holding a Global Business Company (GBC) Licence issued by the Financial Services Commission (FSC).

The sub-fund is authorised by the FSC to operate as a Collective Investment Scheme (“CIS”) and as an Expert Fund.

The sub-fund’s objective is to achieve long-term capital appreciation by investing in the Textile & Hotel Industries and into related Real Estate Business. In pursuing its objective, the sub-fund seeks to generate attractive long-term returns with low sensitivity to traditional equity and fixed-income indices. The sub-fund has an intermediate and long investment horizon and will focus on growth. The sub-fund is suitable for investors with high risk tolerance. The sub-fund pursues its investment objective by investing in a wide range of loans receivable across Textile & Hotel industries and Real Estate.

The Board of the Company has the flexibility to shift the sub-fund’s portfolio allocation from time to time across asset classes and markets around the world, including emerging markets.

Effective 13 July 2018, the Sub-fund changed its presentation currency from United States Dollar (USD) to Euro (EUR). The approval from the Registrar of Companies was obtained to that effect.

Results and dividends

The results for the year ended 31 December 2024 for the sub-fund are shown in the statement of profit or loss and other comprehensive income and related notes.

The directors have not declared and paid dividend for the year under review (2023: EUR Nil).

Directors

The present membership of the Board of the Company is set out on page 2. All directors served office throughout the year.

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Directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the sub-fund. In preparing these financial statements, the directors are required to:

- correctly record and explain the transactions of the sub-fund;
- disclose with reasonable accuracy at any time the financial position of the sub-fund; and
- ensure that the financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The Directors confirm that:

- the financial statements present fairly the financial position of the sub-fund as at the reporting date and the results of operations and cash flows for the reporting year;
- the external auditors are responsible for reporting on whether the financial statements are presented fairly;
- adequate accounting records and an effective system of internal control have been maintained;
- the financial statements have been prepared in accordance with International Financial Reporting Standards;
- appropriate accounting policies are supported by reasonable and prudent judgements and estimates have been used consistently;
- the financial statements have been prepared on the going concern basis;
- they are responsible for safeguarding the assets of the sub-fund;
- they have taken reasonable steps for the prevention and detection of fraud and other irregularities; and
- the sub-fund has adhered to the Code of Corporate Governance.

Internal control

The Board is responsible for the sub-fund's system of internal control and for reviewing its effectiveness. The internal audit function is outsourced to Warwyck Private Bank Limited. The Internal Auditor reports to the Audit and Risk Committee. It helps the sub-fund accomplish its objectives by applying a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes. The Internal Auditor has unrestricted access to all records, necessary for discharging its responsibilities.

Risk management

The Board of directors is responsible for determining the overall strategic direction and the proper risk management strategy and policies of the sub-fund. It sets the appropriate risk level and tolerance of the sub-fund. The risk strategy covers all the major risk areas in which the sub-fund has significant exposure.

Contracts of significance

There were no contracts of significance to which the sub-fund was a party and in which a Director was materially interested either directly or indirectly.

Going concern statement

On the basis of current projections, the directors are confident that the sub-fund has adequate resources to continue operations for the foreseeable future and consider that the going concern basis in preparing the financial statements be adopted.

Directors' share interests

As at 31 December 2024, no director had any direct or indirect interest in the shares of the Company.

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Donations

No donations made by the Company. (2023: EUR Nil)

Directors' remuneration

The Board of Directors has resolved not to disclose the remuneration paid due to commercial sensitivity of the information.

External auditors

The external auditors, **Nexia Baker & Arenson**, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual Meeting.

| | 2024 | 2023 |
|--|---------------|--------|
| | USD | USD |
| Fees for audit services (VAT exclusive) * | 27,000 | 25,000 |

**Total fees chargeable to the Company and its sub-funds*

Approved by the Board of Directors on 20 March 2025 and signed on its behalf by:



Director

M. Stanger

M. Stanger



Director

Yarneshwar Raut

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

General Information

Warwyck Phoenix Global Invest Fund 2 (formerly known as a cell of Warwyck Phoenix PCC), is now known as a sub-fund (the "Sub-Fund"), of Warwyck Phoenix VCC (the "Company" or the "VCC"), following the conversion of Warwyck Phoenix PCC into a Variable Capital Company.

The Sub Fund commenced operation on 31st December 2014 and was subsequently listed on the Official Market of the Stock Exchange of Mauritius by way of convenience listing on 14th November 2016. It has been authorised by the Financial Services Commission on 13 February 2024 to operate as a Collective Investment Scheme under Section 7(3) of the Variable Capital Companies Act 2022.

The investment objective of the Sub-Fund seeks to achieve long-term capital appreciation by investing in the textile & hotel industries and into related real estate business. In pursuing its objective, the Sub-Fund seeks to generate attractive long-term returns with low sensitivity to traditional equity and fixed-income indices. The sub-Fund has an intermediate and long investment horizon and will focus on growth. The Sub-Fund is suitable for investors with high risk tolerance.

The Sub-Fund pursues its investment objective by investing in a wide range of loans receivable across textile & hotel industries and real estate.

Principle 1: Governance Structure

- 1.1 The Company holds a Global Business Licence and is not defined as a public interest entity in line with section 2 of the Financial Reporting Act.
- 1.2 The Board and Management of the Company are committed to ensuring and maintaining a high standard of corporate governance within the Company. The Board recognises that the National Code of Corporate Governance for Mauritius 2016 (the "Code") is regarded as best practice and, therefore, uses its best endeavours to ensure compliance with the provisions set out in the Code.

The Board regularly monitors and evaluates compliance with its established ethical principles and standards.

The Board of Directors assumes full responsibility for leading and controlling the organisation and meeting all legal and regulatory requirements. In addition, the Board is collectively responsible for the long-term success, reputation and governance of the Company.

- 1.3 The Company has reassessed its Board Charter as well as its Code of Ethics copies of which are available on the Company's website or upon written request to the Company Secretary.
- 1.4 The Board Charter provides a clear definition of the roles and responsibilities of the Chairperson, executive directors as well as the Company Secretary. The role of the Chairperson is distinct and separate from that of the Chief Executive Officer ('CEO') and there is clear division of responsibilities with the Chairperson leading the Board and the Chief Executive Officer managing the day-to-day operations.

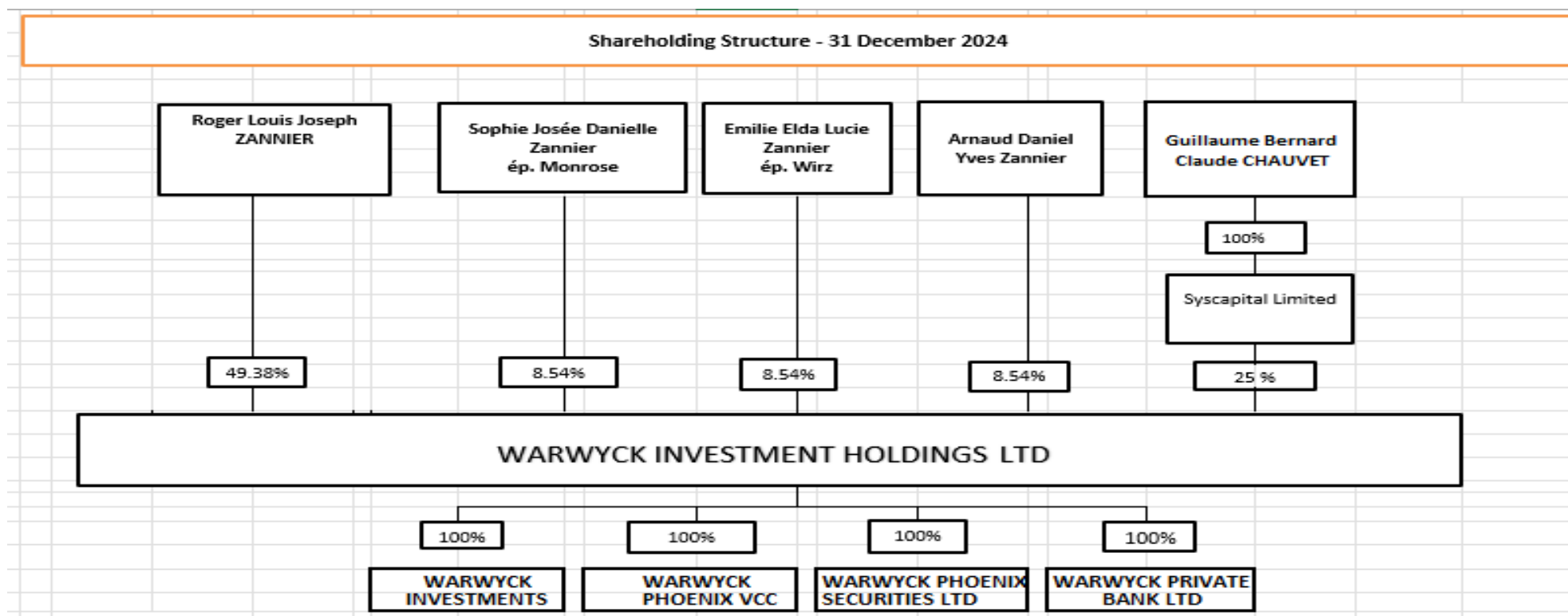
CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 1: Governance Structure (Contd)

1.5 Company structure and shareholding

The organisation structure is illustrated in the below diagram:



CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 1: Governance Structure (Contd)

Shareholding:

As at 31 December 2024, the stated capital of the Company stood at USD 100, represented by 100 management shares with a par value of USD 1.

Warwyck Investment Holdings Ltd holds 100% of the management shares of the Company.

Principle 2: The Structure of the Board and its Committees

2.1 Board Structure

The Board of the Company has a unitary structure. The Board is of the view that its composition is adequately balanced and that the current Directors have the range of skills, expertise and experience to carry out their duties effectively. The Board is composed of 5 directors coming from different sectors. Every director has drawn from his/her professional background and expertise in positively contributing to the Board's activities.

2.1.1 Board Size

As at 31 December 2024, the Board comprised of 5 members which include three executive directors and two independent non-executive directors.

All Directors are ordinarily resident in Mauritius except for one of the directors who is a non-resident, namely, Mr. Frank Brusco.

Having regard to the size of the Company and the number of board committees, the Board considers that its size and composition is reasonably sufficient to meet the requirements of the business of the Company.

The following directors held office during the year under review:

| Name of Director | Date of Appointment | Date of Resignation | Status | Residency |
|------------------------------|---------------------|---------------------|---|-----------|
| Mr. Frank Brusco | 10 October 2014 | N/A | Executive Director (with effect from 27 May 2019) | France |
| Mr. Mohammad Shameer Mohuddy | 20 January 2017 | N/A | Independent Non-Executive Director, Chairperson | Mauritius |
| Mr. Youmeshwar Ramdhony | 10 April 2017 | N/A | Executive Director, Chief Executive Officer | Mauritius |
| Ms. Oumila Sibartie | 03 November 2020 | N/A | Independent Non-Executive Director | Mauritius |
| Mr. Navinchandra Chattoor | 29 June 2022 | N/A | Executive Director | Mauritius |

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 2: The Structure of the Board and its Committees (Contd)

2.2 Board Composition

2.2.1 Chairperson

The members of the Board appointed Mr. Mohammad Shameer Mohuddy as Chairperson on 12 November 2020 who is also an Independent Non-executive Director. The Chairperson is not involved in the day-to-day running of the business and is not a full-time employee of the Company. Additionally, the Chairperson's title, role and function is separate from that of the Chief Executive Officer of the Company.

2.2.2 Executive Directors

The members of the Board appointed Mr. Youmeshwar Ramdhony as Chief Executive Officer ("CEO") and executive director of the Company on 10 April 2017. In his capacity as CEO, Mr. Ramdhony is involved in the day-to-day running of the business and ensures that information pertaining to the day-to-day management of the Company are communicated to the Board. Alongside the CEO, the Board has appointed an additional executive director, namely Mr. Navinchandra Chattoor on 29 June 2022, who is also involved in managing the daily affairs of the Company. Mr. Frank Brusco was also appointed as an Executive Director with effect from 27 May 2019. As of 31 December 2024, the board is comprised of independent non-executive directors and executive directors.

2.2.3 Independent Directors

The members of the Board appointed Mr. Mohammad Shameer Mohuddy and Ms. Oumila Sibartie as independent non-executive Directors. They have at all times exercised independence of character and judgement in assuming their role as independent directors.

The Board further confirms that, the above-named independent directors:

- have not been employed by the Company for the last three years;
- have not had any material business relationship with the Board either directly or indirectly or as partner, shareholder, director or senior employee of a body that has such a relationship with the Company;
- have not received additional remuneration from the organization apart from director's fee (as described hereunder)
- are not nominated directors representing a substantial shareholder;
- do not have any close family ties with any of the organisation's advisors, directors, or senior employees;
- do not have any cross directorships or significant links with other directors within the Group for the year under review; and
- have not served on the Board for more than nine continuous years from the date of their first election.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 2: The Structure of the Board and its Committees (Contd)

2.2 Board Composition (Contd)

2.2.4 Directorship in other Companies

The following table discloses the directorship held by each director in other companies for the financial year under review:

| Name of Director | Directorship in other Companies | Type of Directorship held |
|-------------------------------------|------------------------------------|------------------------------------|
| Mr Frank Brusco | Boch 22 Holding | Director |
| | Vicgest | Director |
| | Efficiency Network | Director |
| | Boch 22 | Director |
| | Double TT Promotion | Director |
| | Brusco Mendes construction | Director |
| Mr. Youmeshwar Ramdhony | Angel Sub Ltd | Director |
| Mr. Mohammad Shameer Mohuddy | Harford Corporate Services Ltd | Director |
| | Sibram Ltd | Director |
| | Far East Express (Holdings) Ltd | Director |
| | Villa Invest Ltd | Director |
| | L'Hermine Ltd | Director |
| | Latronpem Ltd | Director |
| | Coral Blue (Maurice) Property Ltd | Director |
| | Jaegger Corporate Ltd | Director |
| | Pivotal Corporate Services Limited | Director |
| | Cote et Ville (Mauritius) Ltd | Director |
| | Hachato Ltd | Director |
| Ms. Oumila Sibartie | Lineage Investment Services Ltd | Executive Director |
| | Lineage Hub Ltd | Executive Director |
| | SBM Bank (Mauritius) Ltd | Independent Non-Executive Director |
| | Island Life Assurance Ltd | Independent Non-Executive Director |
| | Saint Capital Fund | Independent Non-Executive Director |
| | HV Holdings Ltd | Independent Non-Executive Director |
| | La Chartreuse Group Ltd | Independent Non-Executive Director |
| Mr. Navinchandra Chattoor | None | |

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 2: The Structure of the Board and its Committees (Contd)

2.2 Board Composition (Contd)

2.2.5 Company Secretary

Anex Management Services Limited (“Anex”) is responsible for the provision of corporate secretarial services to the Company.

Anex, in its capacity as Company Secretary, provides the Board with detailed guidance as to how its responsibilities should be properly discharged in the best interests of the Company. In addition, the Company Secretary provides guidance on the statutory duties of the Board and the regulatory requirements of the Company. In the performance of its duties and functions, the Company Secretary acts as a vital bridge between the Board and executive management.

The Company Secretary further assists the Chairperson, CEO, the Board and Board Committees in applying and implementing the principles of the Code with a view to enhancing long-term stakeholder’s value.

2.2.6 Board Diversity

During the year under review, there is one female director on the board with the appropriate skills, knowledge and experience in the core business of the Company.

2.2.7 Board & Committee Charter

The Board has reassessed the charter of the Board and its Committees during the year under review.

2.3 Board meetings

Board meetings are held at least once every quarter but may also be held at any time as maybe required by the Company. Decisions that need to be taken between meetings are conducted by way of written resolutions, agreed and signed by all Directors entitled to receive notice.

The Board meetings are conducted in accordance with the Company’s Constitution and the Mauritius Companies Act 2001 and are convened by giving appropriate notice to Directors. Detailed agenda together with relevant supporting documents are circulated in advance by the Company Secretary to the Directors to enable them to make focused and informed deliberations at Board meetings.

The matters being considered at the meetings are as follows:

- to examine all statutory matters;
- to approve the audited financial statements and review important accounting issues;
- to review the Company’s performance and the performance of its various sub-funds;
- to ensure compliance of the Company with the relevant legislations;
- to take note of changes in the legislations which may affect the Company;
- to approve the quarterly management accounts;
- to approve the release of the financial results announcements of each listed fund to the market; and
- to discuss any other business.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 2: The Structure of the Board and its Committees (Contd)

2.3 Board meetings (Contd)

The Board promotes, encourages and expects open discussions at meetings. Board meetings provide a forum for challenging and constructive debate.

During the year under review, the Board has met four times. Minutes of the proceedings of each Board meeting are recorded by the Company Secretary and submitted for confirmation at its next meeting where they are signed by the Chairperson and Company Secretary.

The table below shows the attendance of directors at Board meetings during the year ended 31 December 2024:

| Directors | 27 March 2024 | 09 May 2024 | 08 August 2024 | 06 November 2024 | Total Number of meetings attended |
|---------------------------|------------------|----------------|-------------------|---------------------|--------------------------------------|
| Frank Brusco | ✓ | X | X | X | 1/4 |
| Mohammad Shameer Mohuddyy | ✓ | ✓ | ✓ | ✓ | 4/4 |
| Youmeshwar Ramdhony | ✓ | ✓ | ✓ | ✓ | 4/4 |
| Oumila Sibartie | ✓ | ✓ | ✓ | ✓ | 4/4 |
| Navinchandra Chattoor | ✓ | ✓ | ✓ | ✓ | 4/4 |

2.4 Board Committee

In line with the Code and in order to facilitate the effective management, the following Board Committees have been established by the Board, which operate within a defined Terms of Reference:

Audit & Risk Committee

The Company has set-up an Audit & Risk Committee whose purpose is to assist the Board in fulfilling its corporate governance duties and overseeing its responsibilities in relation to the Company's and the sub-funds' financial reporting, internal control system, risk management system and internal and external audit functions. Its role is to provide advice and recommendations to the Board within the scope of its terms of reference as approved by the Board.

The Audit & Risk Committee is composed of a majority of independent directors. A quorum of two directors is currently required for a meeting of the said committee.

The following table shows the members of the Audit & Risk committee and their attendance at the meetings of the Audit & Risk committee for the year under review:

| Name of Director / Member | Type of Membership | 27 March 2024 | 06 November 2024 | Total number of meetings attended |
|------------------------------|-----------------------|------------------|---------------------|--------------------------------------|
| Mohammad Shameer Mohuddyy | Member | ✓ | ✓ | 2/2 |
| Navinchandra Chattoor | Member | ✓ | ✓ | 2/2 |
| Oumila Sibartie | Chairperson | ✓ | ✓ | 2/2 |

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 2: The Structure of the Board and its Committees (Contd)

2.4 Board Committee (contd)

Investment Committee

The Company has set-up an Investment Committee whose purpose is to maintain prudent and effective investments and to formulate and oversee the investment policies and management. The following table shows the members of the Investment Committee and their attendance at the meetings held by the Investment Committee for the year under review:

| Name of Director / Member | Type of Membership | 15 January 2024 | 02 February 2024 | 9 July 2024 | 27 August 2024 | 17 December 2024 | Total number of meetings attended |
|---------------------------|--------------------|-----------------|------------------|-------------|----------------|------------------|-----------------------------------|
| Frank Brusco | Chairperson | ✓ | ✓ | ✓ | ✓ | ✓ | 5/5 |
| Loic Chollet Verge* | Member | - | - | ✓ | ✓ | ✓ | 3/3 |
| Devika Bhuwanee* | Member | - | - | ✓ | ✓ | ✓ | 3/3 |

During the year under review, the Investment Committee has met five times. The Committees regularly recommend actions to the Board. Minutes of each meeting are taken and submitted to the Board for noting.

*Appointed as new members of the Investment Committee on 27 March 2024.

Principle 3: Director appointment procedures

3.1 Directors' appointment and procedures

According to clause 28.1 of the Company's Constitution, the Directors shall be appointed by ordinary resolution of shareholders. Directors are eligible for re-election at the Annual meeting of the Company subject to the relevant procedures laid down in the Company's Constitution and the requirements of the Mauritius Companies Act 2001.

The re-election of directors is subject to continued satisfactory performance following a formal performance evaluation of the individual directors' performance.

Upon any change in directorship, the Board assumes the responsibilities for succession planning as well as for the appointment of the new directors.

Directors' profiles are given hereinafter:

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 3: Director appointment procedures (Contd)

3.2 Directors' Profile (Contd)

Youmeshwar Ramdhony

Chief Executive Officer

Date of appointment: 10 April 2017

Youmeshwar joined the company as Fund Manager in May 2016 and was, subsequently, appointed as Chief Executive Officer and to the Board of Directors in April 2017.

He has held various senior positions in the banking and global business sectors with local and international organisations in Mauritius, Guernsey, Jersey and Singapore. Youmeshwar has been involved in the management of global business companies, international SPVs and in providing estate and wealth planning solutions to HNWI around the world. He has also served on the Board of Directors of several global business companies for investment holding and fund structures.

Youmeshwar is an Associate of the Chartered Institute for Securities and Investment (U.K.) and of the Chartered Management Institute (U.K.), a Fellow of the Institute of Chartered Secretaries and Administrators (U.K.), Member of the Society of Trust & Estate Practitioners (U.K.) while also holding an Executive MBA and B.A. in Economics. He has equally undergone management training from the University of Columbia, U.S.A., Harvard Business School Publishing of Harvard Business School, U.S.A. and the Singapore Institute of Management.

Directorship in other listed companies: none

Mohammad Shameer Mohuddy

Independent Non-Executive Director and Chairperson

Date of appointment: 20 January 2017

Shameer Mohuddy is an independent legal practitioner in Mauritius with over 17 years' experience in the legal industry. His main areas of practice are corporate law, commercial law, employment law, banking law and taxation. He was previously a Partner at Legis & Partners, a legal consultancy firm and prior to that, in-house legal for EY Financial Services Ltd, an ex-management company. He has also served as a Member of the Commission on the Prerogative of Mercy and was a former Commissioner of the Equal Opportunities Commission and also a former Vice-Chairperson of the National Economic and Social Council. He has read law at Queen Mary College, University of London (UK) and is a Member of the Honourable Society of the Inner Temple (UK).

Directorship in other listed companies: none

Frank Brusco

Non Executive Director: 10 October 2014-26 May 2019

Executive Director: With effect from 27 May 2019

Frank Brusco, an accomplished businessman, has set up multiple businesses around the world. He holds a degree in Banking and Finance. The latter has been active in the finance industry for many years and is currently a Director at Vicgest SA, a corporate/business consultancy firm, based in Geneva.

Directorship in other listed companies: none

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 3: Director appointment procedures (Contd)

3.2 Directors' Profile (Contd)

Oumila Sibartie

Independent Non-Executive Director

Date of appointment: 03 November 2020

Oumila Sibartie has over 21 years of experience in the global financial markets including the U.S.A., U.K. and Mauritius in managing various projects, products and people; in the provision of investment and financial solutions to corporations, institutional clients and high net-worth individuals; in corporate directorship; and in the training of financial professionals. She has also developed expertise in the fields of investment advisory, asset management, wealth management, financial planning, corporate finance, strategic planning, economic & social impact assessment, training and consultancy.

Directorship in other listed companies: none

Navinchandra Chattoor

Executive Director

Date of appointment: 29 June 2022

Navinchandra Chattoor is a member of the Mauritius Institute of Professional Accountants (MIPA), Association of Chartered Certified Accountants of the U.K and holds the designation of Fellow Chartered Certified Accountant. He holds a degree in Management (Minor: Finance) from University of Mauritius and a certificate of Fair Valuation and Modelling Analysis from Corporate Finance Institute.

Navinchandra joined DTOS Ltd in 2017 as Fund Accountant and was, subsequently, appointed as Supervisor-Fund Accounting in 2020.

In February 2022, Navinchandra joined the Company as Manager – Accounting and was, subsequently, appointed to the Board of Directors in June 2022.

Directorship in other listed companies: none

3.3 Board orientation and induction

An induction program is organised to ensure that newly appointed directors receive an induction upon joining the Board to familiarise them with the Company's operations, senior management and its business environment and to induct them in their fiduciary duties and responsibilities. Newly appointed directors are provided with an induction pack comprising of the Board Charter which clearly defines their duties and obligations, the Company's Annual Report and relevant governing documents.

3.4 Professional development

The Company ensures that the necessary resources for developing and updating its directors' knowledge and capabilities are provided as and when required. The Chairperson and the Board regularly reviews training development needs of Directors to ensure that they continually update their skills and relevant knowledge.

Directors are encouraged to keep themselves abreast with the latest industry trends and professional practices and professional development programmes that are organised by the Company or any other organisation.

For the year under review, the Board has reviewed the professional development and ongoing education of directors.

The Company catered for the members' needs and requirements amidst an evolving context, with a training log being maintained.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 3: Director appointment procedures (Contd)

3.5 Succession planning

The Board is of the opinion that good succession planning contributes further to the delivery of the Company's strategy by ensuring the desired mix of skills and experience of current and future Board members. The Board is also committed to recognising and nurturing talent within executive and management levels across the Group to ensure that the Company creates opportunities to develop current and future leaders.

Principle 4: Directors duties, Senior executive remuneration and performance

4.1 Director's Duties

The Directors are aware of their legal duties under the Mauritius Companies Act 2001 and other relevant legislations, such as the Securities Act 2005 and Financial Services Act 2007. Once they are appointed as directors, the board members are informed and communicated with a copy of the Board Charter, Company constitution and other internal rules and policies of the Company.

4.2 Code of ethics

In accordance with the requirements of the Stock Exchange of Mauritius Ltd and the Code, the Board has adopted a Code of Ethics to encourage honest and ethical conduct, including fair dealing and the ethical handling of conflicts; all directors, officers and employees of the Company are expected to be familiar with the Code of Ethics and to adhere to those principles and procedures set forth therein.

Honest and Ethical Conduct

Each director, officer, employee owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and ethical. This includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Deceit and subordination of principle are inconsistent with integrity.

Each director, officer and employee must:

- act with integrity, including being honest and ethical while still maintaining the confidentiality of information where required or consistent with the Company's policies.
- observe both the form and spirit of laws and governmental rules and regulations and accounting standards.
- adhere to a high standard of business ethics.
- accept no improper or undisclosed material personal benefits from third parties as a result of any transactions of the Company.

The Code of Ethics is reassessed by the Board on an annual basis.

4.3 Interest register, conflicts of interest and related party transactions

The Board strictly believes that a Director should make his best effort to avoid conflict of interest or situation where others might reasonably perceive as a conflict. According to clause 29.2 of the Company's Constitution, a Director who has declared an interest shall not inter alia:

- vote on any matter relating to transaction or proposed transaction in which he has an interest;
- be counted in the quorum present for the purpose of voting on that transaction;
- sign a document relating to the transaction on behalf of the Company;
- do any other thing in his capacity as director in relation to the transaction.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 4: Directors duties, Senior executive remuneration and performance (Contd)

4.3 Interest register, conflicts of interest and related party transactions (contd)

All directors are subject to the disclosure and formality requirements of the Mauritius Companies Act 2001 in relation to transactions in which they have an interest.

It is the responsibility of each Director to ensure that any conflict of interest be recorded in the interest register maintained by the Company Secretary. The said register is available to shareholders upon written request to the Company Secretary.

The Directors are aware of their responsibility to make full and timely disclosure of any conflict, or potential conflict to the Board and / or to the Company Secretary.

All conflicts of interests and related party transactions are addressed by the Board in accordance with the internal policies of the Company and the Mauritius Companies Act 2001.

4.3.1 Interest of Directors in the shares of the Company and in the issued redeemable participating shares of the sub-funds.

As at 31 December 2024, none of the Board members has any shareholding interest in either the Company or in the issued redeemable participating shares of the sub-funds.

4.3.2 Information, Information Technology and Information Security Governance

The Company has entered into a Service Level Agreement (“SLA”) with Warwyck Private Bank Ltd (“WPBL”) for various services, including information governance system. The Board has adopted the Information Security Policy of the Group which describes a set of rules on information technology and information security. Monitoring and evaluation of significant expenditure is covered under the SLA with WPBL. Any significant expenditure in information technology is discussed and approved at the level of the Board.

The information Security Policy of the Company is regularly assessed by the Board.

4.3.3 Board Information

All Directors receive regular information about the Company so that they are equipped to play their role fully in board meetings. Papers for board and committee meetings are circulated prior to the relevant meeting. All board members have access to the Company Secretary for any further information they require. The appointment and removal of the Company Secretary is at the sole discretion of the Board. Independent professional advice is available to directors in appropriate circumstances, at the Company’s expense.

The Board members are aware that matters relating to the Company, learned in their capacity as Directors, are strictly confidential and private and shall not be divulged to anyone without the express authority of the Board.

The Company Secretary maintains an interest register which is available to shareholders upon written request.

4.3.4 Board evaluations

An independent evaluation of the performance of the Board, its committees and individual Directors was carried out by Anex Management Services Limited for the financial year ended 31 December 2022. The evaluation exercise was led by the Chairperson of the Board.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 4: Directors' duties, Senior executive remuneration and performance (Contd)

4.3.4 Board evaluation (Contd)

The objective of the performance appraisal of the Board was inter alia:

- To assess the performance of the Board against the vision, objectives and strategy of the Company and its sub-funds;
- To assist the Board and its committees in highlighting their key competencies and strengths; and
- To identify and correct weaknesses and provide opportunities for sound development of the Board.

The evaluation exercise was carried through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment and governance issues.

A structured questionnaire was prepared after taking into consideration inputs received from the Chairperson, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, board culture, execution and performance of specific duties, obligations and governance.

All Directors were required to participate in the evaluation survey. The evaluation of the performance of the Board was done at two levels. First, the overall performance of the Board was evaluated through a questionnaire, based on criteria such as the board composition, size, gender, strategic planning, role of the Chairperson, non-executive directors and other senior management, assessment of the timeliness and quality of the flow of information by the Company to the Board and adherence to compliance and other regulatory issues. At the second level, the directors were required to do a self-evaluation of their performance, still through a questionnaire.

The Board self-evaluation is carried every two years, as resolved by the Board on 09 November 2018. A Board self-evaluation exercise was carried out for the financial year ending 31 December 2022 and the next evaluation exercise is expected for the financial year ending 31 December 2024 and will be carried out during the first quarter of 2025.

4.3.5 Directors' remuneration

The Board reasonably believes that the current remuneration policy is fair and reasonable having regard to the skills, knowledge and experience brought by the Directors to the Company. The Board has reviewed the adequacy of directors' and senior executives' remuneration together with the form of that remuneration and has deemed such remuneration to be adequate.

Non-executive remuneration

The independent directors' fee amounts to USD 20,000 for the ended 31 December 2024. Independent Non-executive directors have not received remuneration in the form of share options or bonuses associated with the Company's/sub-funds' performance.

The below table shows the annual Independent Non-Executive Directors' fees on an individual basis:

| Name of Directors | Fees in USD (2024) |
|--------------------------|---------------------------|
| Shameer Mohuddy | 10,000 |
| Oumila Sibartie | 10,000 |
| Total Amount | 20,000 |

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 4: Directors' duties, Senior executive remuneration and performance (Contd)

4.3.5 Directors' remuneration (Contd)

Executive remuneration

Directors who are in full time employment with the Company (i.e. Mr. Youmeshwar Ramdhony, Mr. Frank Brusco and Mr. Navinchandra Chattoor) are entitled to a fixed salary as per their contract of employment. They do not receive any additional remuneration for attending Board meetings and Committees.

Principle 5: Risk Governance and Internal Control

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness.

The Board has the overall responsibility for the Company's systems of risk management and internal control and for reviewing their effectiveness. The responsibility for setting risk strategy remains with the Board but the responsibility for assessing and assuring the quality of the risk management process has been delegated to the Audit and Risk Committee. In its bid to promote sound and balanced growth, the Board places key emphasis on the Company's risk management framework and internal control system.

The Company has entered into a Service Level Agreement with WPBL for various services, including general internal audit support. As part of internal control system, the VCC has a Procedure Manual in place for implementing, maintaining and monitoring the internal controls. The activities of the VCC are subject to internal audit reviews. The objective of those functional reviews is to identify the risks involved in a view to mitigate the risks to a certain level.

The areas, systems and processes covered by the internal audit which also include non-financial matters are listed on the internal audit plan which is approved by the Audit and Risk Committee. The internal auditor is authorised to have full and unrestricted access to records, personnel, and physical properties relevant to the performance of its engagements.

The internal audit regularly reports to the Audit and Risk Committee which meets twice yearly. Hence, internal audit reports are tabled to the Audit and Risk Committee while also obtaining reports from the Company's external auditor.

The reports from the internal and external auditors are, thereafter, tabled directly to the Board.

5.1 Risk Management and internal controls

The Audit & Risk Committee under the supervision of the Board is responsible for determining the overall strategic direction and the proper risk management strategy and policies of the Company. It sets the appropriate risk level and tolerance of the Company. The risk strategy covers all the major risk areas in which the Company has significant exposure. The risk management framework is based on diversification and acceptable levels of exposure/limits to different asset classes, currencies, issuers, regions and risk levels.

The Company has established control procedures to mitigate any operational risks related to the management of the Company. The major risk areas addressed are investment, liquidity, currency risks and supervisory control. Management is responsible for the implementation of internal control and risk management systems under the supervision of the Audit & Risk Committee which ensure that proper accounting records are maintained and that the strategies and policies adopted by the Board are being implemented.

The Audit & Risk Committee has monitored and reviewed the Company's strategic, financial, operational and compliance risk during the year under review.

In addition, the internal auditors ensure that appropriate controls are in place to mitigate all potential risk areas of the Company and their recommendation is considered by the Audit & Risk Committee on a regular basis. The internal auditor covers all key areas of activities, including IT. Any deviation in policies and non-performance of internal control are duly reported and discussed at large at management and Audit & Risk Committee levels.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 5: Risk Governance and Internal Control (Contd)

5.1 Risk Management and internal controls (Contd)

Corrective actions are promptly taken, and regular follow ups are done. This enables the Board to derive assurance that the internal control systems are effective.

Based on the issues or risks identified by the internal and external auditors, their recommendations and management actions adopted to mitigate the risks, the Board received assurance that the internal control systems are adequate and effective.

Subsequently, the Board ensures that controls in place result in an acceptable level of risk with the Audit and Risk Committee overseeing the effectiveness of the Company's internal control systems. The Board has ensured that risk management framework have been communicated to management and all existing and new employees as appropriate to their roles within the organisation and has ensured that communication has been effective and understood.

The Board is of the opinion that all significant areas of the business are covered by the internal controls of the Company. Management acknowledges that there may be risks and deficiencies in the internal controls and actively works in close collaboration with the internal audit function and the external auditors in identifying/ resolving risks or deficiencies in the organisation's system of internal controls.

5.2 Whistleblowing rules and procedures

The Company has adopted the whistle blowing policy of WPBL.

For any suspicious or illegal transactions or behaviour, officers and directors are encouraged to lodge reports promptly to the Money Laundering Officer as per the Financial Intelligence and Anti Money Laundering Act 2002 and Prevention of Corruption Act 2002.

5.3 Financial risk

The financial risk factors have been set out in note 4 of these financial statements.

Principle 6: Reporting with integrity

The directors are responsible for the preparation and fair presentation of the financial statements, comprising the Company's and the sub-funds' statement of financial position, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and the notes to the financial statements, which include a summary of material accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards ("IFRSs"), the Financial Reporting Act 2004, and the Mauritius Companies Act 2001.

The directors' responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Notice of Annual Meeting is sent to shareholders in a timely manner and minutes of Annual Meetings are sent to shareholders for review and comments, in accordance with the Mauritius Companies Act 2001.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 6: Reporting with integrity (Contd)

The directors assess the Company's ability to continue as a going concern and same is disclosed in the financial statements every year.

Due to the nature of its activities the Company has:

- no adverse impact on environment;
- no health and safety issues;
- no adverse social issues;
- no corporate social responsibility in place; and
- not made any donations during the current or in previous year.

The Statement of Directors' Responsibilities is found on Page 5 of the Annual Report.

The Annual Report of the Company will be published on the Company's website, within ninety (90) business days after the financial year-end.

Principle 7: Audit

7.1 Internal Audit

The internal audit function of the Company is carried out by WPBL by virtue of the SLA. As the internal audit team is not involved in the Company's operations and are independent from the activities of the Company, the Board does not consider that there is any independence issues. The internal auditor regularly reports to the Audit and Risk Committee which meets twice yearly.

More information on the internal audit function is given under Principle 5 and on page 20 and 21 of the Corporate Governance Report.

7.2 Audit Committee

The Audit Committee assists the Board in overseeing the financial reporting process to ensure the balance, integrity and transparency of the financial information. It also monitors internal control processes and ensures compliance with relevant laws and regulations.

- (i) The Annual Audit Reports were tabled during the Committee meeting dated 27 March 2024 and no major areas of concern were identified. The Committee recommended the Annual Audit Reports for the Board's approval.
- (ii) The Audit Committee also took note of the Key Issues Memorandum.
- iii) The Audit Committee during its meeting for the year under review discussed the internal procedure manuals and the external audit findings. The Audit Committee is of opinion that the internal controls of the Company are adequate and effective.

7.3 External Audit

Nexia Baker & Arenson has been appointed as the External Auditors as from the financial year ended December 2021.

The appointment/reappointment of external auditors is subject to shareholder's approval at the Annual Meeting.

Audit fees payable to Nexia Baker & Arenson for the year under review amounted to USD 27,000 (2023: USD 25,000) excluding VAT.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 8: Relations with Shareholders and other key stakeholders

8.1 Shareholders' Agreement

There are no agreements in place between the Company and any shareholder.

8.2 Employee Share Option Plan

The Company has no Employee Share Option Plan in place.

8.3 Third Party Management Agreement

No agreement relating to management services between third parties and the Company was entered during the year under review.

8.4 Shareholders and Stakeholders communication

The Board of Directors places great importance on transparency and optimal disclosure to shareholders and hence ensures that shareholders are kept informed on matters affecting the Company. All material business developments that influence the Company or the sub-funds are communicated to stakeholders in a transparent and timely manner through various communication channels including official press announcements.

Annual audited financial statements are provided to shareholders and investors of the sub-funds of the VCC within ninety (90) business days after each financial year-end.

Shareholders are also invited to attend the Company's Annual Meeting, which remains the ideal forum for discussions with Directors and the Management Team. Through the services of the Company Secretary, notice of the Annual Meeting or other Shareholder meetings and other related papers are provided to Shareholders at least 21 days prior to such meetings. The Management presents the major operational development of the Company during the Annual meeting and Shareholders are invited to raise any questions and discussions they deem necessary.

8.5 Key Stakeholders

Key stakeholders of the Company include international financial institutions and/or their relevant divisions (banking/custody/brokerage/asset management) with which the Company is in regular communication to ensure that all the requirements of the stakeholders are met for proper business conduct and for them to also understand the Company's requirements and exigencies.

8.6 Dividend policy

The Company declares dividend in accordance with the Mauritius Companies Act 2001 and the Variable Capital Companies Act 2022 of Mauritius. Payment of dividend is approved by the Board. The aim of the Board is to provide its shareholders with a fair return on their investments. In line with sound management principle, dividend declaration is subject to positive results and solvency test as defined by the Mauritius Companies Act 2001 and the Variable Capital Companies Act 2022 of Mauritius.

8.7 Appreciation

The Board expresses its appreciation and gratitude to all those involved for their contribution during the year.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principle 8: Relations with Shareholders and other key stakeholders (contd)

8.8 Time-table of important events

| Month | Events |
|---------------|---|
| May 2025 | Publication of 1 st quarter results |
| May 2025 | Annual meeting |
| May 2025 | Interim dividend to holder of Management shares |
| August 2025 | Publication of 2 nd quarter results |
| November 2025 | Publication of 3 rd quarter results |
| December 2025 | Financial year end |

STATEMENT OF COMPLIANCE

(Section 75(3) of the Financial Reporting Act 2004)

Name: Warwyck Phoenix VCC

Reporting Period: Financial year ended 31 December 2024

We, the directors of **Warwyck Phoenix VCC**, (the 'Company'), hereby confirm to the best of our knowledge that the Company has complied with all its obligations and requirements under the Code of Corporate Governance (the 'Code').

Director

Date: 20 March 2025

M. STAMER
M. STAMER

Director

Toomeshwar Randhawa

Certificate from the Secretary to the members of Warwyck Phoenix Global Invest Fund 2

We certify, to the best of our knowledge and belief, that the Company has filed with the Registrar of Companies all such returns as required by the Company under the Mauritius Companies Act 2001, in terms of Section 166 (d), for the financial year ended 31 December 2024.



C/o Anex Management Services Ltd
Secretary

8th Floor, Ebène Tower
52 Cybercity
Ebène 72201
Republic of Mauritius

Date: 20 March 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Warwyck Phoenix Global Invest Fund 2

Report on the Financial Statements

Opinion

We have audited the financial statements of **Warwyck Phoenix Global Invest Fund 2** (the “sub-fund”) set out on pages 30 to 56 which comprise the statement of financial position as at 31 December 2024, statement of profit or loss and other comprehensive income, statement of changes in equity, and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the sub-fund as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Cell in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Loans and Notes receivable

The directors have assessed the recoverability of the amounts due to the sub-fund amounting to **EUR 100,906,772** (2023: EUR 104,766,395) (Notes 9 and 10) and concluded that no risk of impairment has been identified.

The financial statements do not include any adjustments that may be deemed necessary if either part or the full amount becomes impaired.

Our opinion is not modified in this respect.

Other Information

The directors are responsible for the other information. The other information comprises the Annual Report, Corporate Governance Report, Statement of Compliance and the Certificate from the Secretary. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF Warwyck Phoenix Global Invest Fund 2****Report on the Financial Statements (continued)*****Directors' Responsibilities for the Financial Statements***

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the sub-fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the sub-fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the sub-fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the sub-fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the sub-fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF Warwyck Phoenix Global Invest Fund 2****Report on the Financial Statements (continued)*****Auditor's Responsibilities for the Audit of the Financial Statements (continued)***

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of this report

This report is made solely to the sub-fund's members, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the sub-fund's members, those matters that we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the sub-fund and the sub-fund's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements***Mauritius Companies Act 2001***

We have no relationship with or interests in the sub-fund other than in our capacity as auditors.

We have obtained all information and explanations we have required.

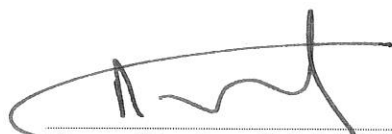
In our opinion, proper accounting records have been kept by the sub-fund as far as it appears from our examination of those records.

Corporate Governance Report

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirements of the Code. From our assessment of the disclosures made on Corporate Governance in the annual report, the sub-fund has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.



Nexia Baker & Arenson
Chartered Accountants



Ouma Shankar Oehit FCCA
Licensed by FRC

Date: 20 MAR 2025

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

| | | 2024 | 2023 |
|--|--------|--------------------|--------------------|
| | Notes | EUR | EUR |
| Assets | | | |
| Non-current | | | |
| Financial asset at fair value through profit or loss | 11 | 3,816,568 | 3,685,672 |
| Held-to-maturity investment | 8 | 52,931,758 | 51,437,347 |
| Notes receivable | 10 | 72,981,960 | 71,613,633 |
| Loans receivable | 9 | 17,288,863 | 22,495,358 |
| Non-current assets | | 147,019,149 | 149,232,010 |
| Current | | | |
| Notes receivable | 10 | 2,277,967 | 2,282,541 |
| Loans receivable | 9 | 8,357,982 | 8,374,863 |
| Interests receivable | | 5,358,531 | 5,483,647 |
| Prepayments | | 1,449 | 1,721 |
| Current tax asset | 7 (ii) | 6,191 | 5,302 |
| Cash and cash equivalents | 12 | 44,717 | 362,760 |
| Current assets | | 16,046,837 | 16,510,834 |
| Total assets | | 163,065,986 | 165,742,844 |
| Equity and liabilities | | | |
| Equity | | | |
| Participating shares | 13 | 130,010,626 | 136,889,960 |
| Retained earnings | | 31,410,298 | 27,713,774 |
| Total equity | | 161,420,924 | 164,603,734 |
| Liabilities | | | |
| Current | | | |
| Borrowings | 14 | 1,000,000 | 1,100,000 |
| Other payables and accruals | 15 | 39,001 | 39,110 |
| Subscription in advance | | 606,061 | - |
| Current tax liabilities | 7 (ii) | - | - |
| Current liabilities | | 1,645,062 | 1,139,110 |
| Total liabilities | | 1,645,062 | 1,139,110 |
| Total equity and liabilities | | 163,065,986 | 165,742,844 |
| Net assets value per share | 16 | 1,407 | 1,369 |

These financial statements have been approved for issue by the Board of Directors on 20 March 2025 and signed on its behalf by:

Director

M. STANECR
MOTUON

Director

Toumeshwar Ranthony

The notes on pages 34 to 56 form an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

| | | 2024 | 2023 |
|--|----------------------|------------------|------------------|
| | Notes | EUR | EUR |
| INCOME | | | |
| Net gain on investment | 11 | 130,896 | 305,873 |
| Interest income | 19 | 4,357,305 | 4,455,958 |
| Total income | | 4,488,201 | 4,761,831 |
| EXPENSES | | | |
| Impairment loss of financial assets | 8(i) & 9(i) & 10(ii) | 141,475 | 165,806 |
| Management fees | 18 | 58,721 | 59,073 |
| Investment advisory fees | 18 | 56,029 | 56,434 |
| Custodian fees | | 34,409 | 34,922 |
| Listing fees | | 9,318 | 9,134 |
| Legal and professional fees | | 5,881 | 3,758 |
| Audit fees | | 3,960 | 3,721 |
| Other expenses | | 3,951 | 2,906 |
| Administration fees | | 2,992 | 2,766 |
| Licence fees | | 2,787 | 1,626 |
| Total expenses | | 319,523 | 340,146 |
| Operating profit | | 4,168,678 | 4,421,685 |
| Reversal of impairment losses | 10(ii) & 9(i) | 435,828 | 246,014 |
| Finance cost | 20 | (29,194) | (9,403) |
| Net foreign exchange (losses)/gains | | (89,848) | 362,507 |
| Profit before tax | | 4,485,464 | 5,020,803 |
| Tax expense | 7 (iv) | (90,070) | (128,351) |
| Profit for the year | | 4,395,394 | 4,892,452 |
| Other comprehensive income: | | | |
| <i>Items that will not be reclassified subsequently to profit or loss:</i> | | - | - |
| <i>Items that will be reclassified subsequently to profit or loss:</i> | | - | - |
| Other comprehensive income for the year, net of tax | | - | - |
| Total comprehensive income for the year | | 4,395,394 | 4,892,452 |
| Earnings per share ("EPS") | 17 | 38 | 41 |

The notes on pages 34 to 56 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

| | Participating shares | Retained earnings | Total |
|---|-------------------------|----------------------|--------------------|
| | EUR | EUR | EUR |
| At 01 January 2024 | 136,889,960 | 27,713,774 | 164,603,734 |
| Issue of shares | 958,320 | - | 958,320 |
| Redemption of shares | (7,837,654) | (698,870) | (8,536,524) |
| Transaction with the shareholders | (6,879,334) | (698,870) | (7,578,204) |
| Profit for the year | - | 4,395,394 | 4,395,394 |
| Other comprehensive income | - | - | - |
| Total comprehensive income for the year | - | 4,395,394 | 4,395,394 |
| At 31 December 2024 | 130,010,626 | 31,410,298 | 161,420,924 |
| At 01 January 2023 | 142,058,726 | 23,139,456 | 165,198,182 |
| Issue of shares | 1,500,000 | - | 1,500,000 |
| Redemption of shares | (6,668,766) | (318,134) | (6,986,900) |
| Transaction with the shareholders | (5,168,766) | (318,134) | (5,486,900) |
| Profit for the year | - | 4,892,452 | 4,892,452 |
| Other comprehensive income | - | - | - |
| Total comprehensive income for the year | - | 4,892,452 | 4,892,452 |
| At 31 December 2023 | 136,889,960 | 27,713,774 | 164,603,734 |

The notes on pages 34 to 56 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

| | | 2024 | 2023 |
|---|----------------------|--------------------|--------------------|
| | Notes | EUR | EUR |
| Operating activities | | | |
| Profit before tax | | 4,485,464 | 5,020,803 |
| <i>Adjustments for:</i> | | | |
| Reversal of impairment loss on financial assets | 9 (i) & 10 (ii) | (435,828) | (246,014) |
| Impairment loss on financial assets | 8(i) & 9(i) & 10(ii) | 141,475 | 165,806 |
| Interest income | 19 | (4,357,305) | (4,455,958) |
| Net gain on investment | 11 | (130,896) | (305,873) |
| Exchange difference on balance | | (35,740) | (309,585) |
| Total adjustments | | (4,818,294) | (5,151,624) |
| <i>Changes in working capital:</i> | | | |
| Change in prepayments | | 273 | (669) |
| Change in other payables and accruals | | (109) | (71) |
| Subscription in advance | | 606,061 | - |
| Change in interest payable | | - | 1,061 |
| Change in interest receivable | | 125,116 | (394,195) |
| Total changes in working capital | | 731,341 | (393,874) |
| Net taxes paid | 7 | (90,959) | (205,092) |
| Net cash flows generated from/(used in) operating activities | | 307,552 | (729,787) |
| Investing activities | | | |
| Loan/notes repaid | | 7,139,577 | 8,194,583 |
| Interest received | | 813,032 | 522,350 |
| Investment in participating shares | 11 | (900,000) | (3,379,799) |
| Net cash flows generated from investing activities | | 7,052,609 | 5,337,134 |
| Financing activities | | | |
| Proceeds from issue of participating shares | 13 | 958,320 | 1,500,000 |
| Redemption of participating shares | | (8,536,524) | (6,986,900) |
| Proceeds from borrowings | | 1,000,000 | 1,100,000 |
| Repayment of loan | 14 | (1,100,000) | - |
| Net cash flows used in financing activities | | (7,678,204) | (4,386,900) |
| Net changes in cash and cash equivalents | | (318,043) | 220,447 |
| Cash and cash equivalents at the beginning of the year | | 362,760 | 142,313 |
| Cash and cash equivalents at end of the year | | 44,717 | 362,760 |
| Cash and cash equivalents made up of: | | | |
| Cash at bank | 12 | 44,717 | 362,760 |
| Total | | 44,717 | 362,760 |

The notes on pages 34 to 56 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information and statement of compliance with International Financial Reporting Standards (“IFRSs”)

Warwyck Phoenix Global Invest Fund 2, the “sub-fund” (*formerly known as the “Cell”*), is a sub-fund of Warwyck Phoenix VCC (*formerly known as Warwyck Phoenix PCC*), the “Company” which commenced trading on 31 December 2014. The Company was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 21 August 2014 as a private company with liability limited by shares. It holds a Global Business Licence issued by the Financial Services Commission. The sub-fund is authorised operate act as Collective Investment Scheme and Expert Fund pursuant to the Securities Act 2005. The Company’s registered office is Warwyck House, Nalletamby Road, Phoenix 73538, Republic of Mauritius.

Pursuant to a special resolution of the sole shareholder dated 03 May 2016, the status of the Company was changed to a public company with liability limited by shares.

On 14 November 2016, the sub-fund became listed on the Stock Exchange of Mauritius Ltd.

Effective 13 July 2018, the Company changed its presentation currency from United States Dollar (USD) to Euro (EUR). The approval from the Registrar of Companies was obtained to that effect.

The Company is a variable capital company (VCC), holding a Global Business Company Licence issued by the Financial Services Commission.

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”).

2. Adoption of new and revised International Financial Reporting Standards

2.1 Standards, Amendments to published Standards and Interpretations effective in the reporting period

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2024 that have a material effect on the financial statements of the Company.

2.2 New standards, amendments and interpretations effective after 1 January 2024 and that have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2024, and have not been early adopted in preparing these financial statements. The Company’s assessment of the impact of these new standards and amendments is set out below:

- (i) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)

The IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

- (ii) IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

The IASB issued the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. Adoption of new and revised International Financial Reporting Standards (Contd)

2.2 New standards, amendments and interpretations effective after 1 January 2024 and that have not been early adopted

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- the requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss;
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company is currently still assessing the effect of the forthcoming standard and amendments.

No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Company.

3. Summary of material accounting policies

3.1 Overall considerations

The financial statements have been prepared using the material accounting policies and measurement bases summarised below.

3.2 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Sub-fund becomes a party to the contractual provisions of the financial instrument. Subsequent measurement of financial assets and liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Classification and subsequent measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs.

Financial assets, other than those designated and effective as hedging instrument, are classified into the following categories upon initial recognition:

- Amortised cost;
- Fair value through profit or loss (FVTPL); and
- Fair value through other comprehensive income (FVOCI).

In the current period, the Sub-fund does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the Sub-fund's business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3. Summary of material accounting policies (Contd)

3.2 Financial instruments (Contd)

Classification and subsequent measurement of financial assets (Contd)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of financial asset which is presented within other expenses.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets where contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The Sub-fund's financial assets at fair value through profit or loss consists of investments in mutual funds which are quoted.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The sub-fund's held-to-maturity investment, loans receivable, notes receivable and cash and cash equivalents fall into this category of financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3. Summary of material accounting policies (Contd)

3.2 Financial instruments (Contd)

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. For the sub-fund, instruments within the scope of the new requirements include mainly the held-to-maturity investment, loans receivable and notes receivable.

Recognition of credit losses is no longer dependent on the sub-fund's first identifying a credit loss event. Instead, the sub-fund considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1"); and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Held-to-maturity investment, Loans receivable and Notes receivable

The methodology adopted by the sub-fund to calculate Expected Credit Losses relies on historical cash flow data across all jurisdictions. This data allows for an accurate estimation of historical losses, given certain levels of arrears reached. This data considers any recoveries made from accounts which rectify from arrears, as well as written off amounts from accounts which failed to rectify. The historical data is distilled into Expected Credit Loss rates which are applied to individual accounts, based on the level of arrears for that account in the next 12 months. In addition to the historical cash flow modelling, Expected Credit Losses are subjected to forward looking adjustments based on "upside" and "downside" scenarios. That is, the final ECL value is a weighted average of the current impairment number (given current portfolio dynamics), a projected value based on favourable conditions and a projected value based on unfavourable conditions. This is based on the IFRS 9 requirement that ECL estimates are based on multiple future scenarios encompassing with favourable and unfavourable economic conditions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3. Summary of material accounting policies (Contd)

3.2 Financial instruments (Contd)

Classification and subsequent measurement of financial liabilities

The sub-fund's financial liabilities comprise of borrowings, other payables and accruals.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the sub-fund designated a financial liability at fair value through profit or loss.

Subsequent measurement of financial liabilities

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and bank overdrafts. Cash equivalents are short term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts are shown separately within current liabilities under the heading of "Borrowings" in the statement of financial position.

3.4 Equity and reserves

Participating shares may be redeemable upon satisfying certain conditions imposed by the sub-fund and are hence classified as equity. Moreover, the participating shares meet the definition of a puttable instrument in accordance with IAS 32, Financial Instruments: Presentation and have met the conditions to achieve the equity classification.

Retained earnings include all the current year and prior years' results.

3.5 Subscription in advance

Subscription in advance relates to fund received in advance for shares to be issued to the investor but for which no application documents has been made as at year end.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3. Summary of material accounting policies (Contd)

3.6 Revenue recognition

To determine whether to recognise revenue, the sub-fund ensures that the following 5 conditions are satisfied:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

Interest income is accounted on an accrual basis unless collectability is in doubt.

Net gain on investments relates to realised and unrealised gain on various investment made.

Investments are measured at fair value with gains or losses recognised in profit or loss.

3.7 Expense recognition

All expenses are accounted for on the accrual basis in the statement of profit or loss and comprehensive income.

Net loss on investments relates to realised and unrealised loss on various investment made.

3.8 Income tax

Tax expense recognised in the statement of profit or loss and other comprehensive income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting years, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective year of realisation, provided they are enacted or substantively enacted by the end of the reporting year.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the sub-fund's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the sub-fund has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3. Summary of material accounting policies (Contd)

3.9 Foreign currency translation

Functional and presentation currency

The financial statements are presented in currency EURO (“EUR”), which is also the functional currency of the sub-fund.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the sub-fund, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of profit or loss and other comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.10 Impairment of assets

At each reporting date, the sub-fund reviews the carrying amount of its assets to determine whether there is any indication that these assets have suffered an impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.11 Provisions

Provisions are recognised when the sub-fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. At the time of the effective payment, the provision is deducted from the corresponding expenses. All known risks at reporting date are reviewed in detail and provision is made where necessary.

3.12 Related party

A related party is a person or sub-fund where that person or sub-fund has control or joint control of the reporting sub-fund; has significant influence over the reporting sub-fund; or is a member of the key management personnel of the reporting sub-fund or of a parent of the reporting sub-fund.

3.13 Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the sub-fund that has the most significant effect on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3. Summary of material accounting policies (Contd)

3.13 Significant management judgements in applying accounting policies and estimation uncertainty (Contd)

Significant management judgement (Contd)

Determination of functional currency

The determination of the functional currency of the sub-fund is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the sub-fund is the EUR.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the sub-fund's future taxable income against which the deferred tax assets can be utilised.

Allocation of expenses

The directors determine the revenues and expenses directly attributable to each sub-fund. For those revenues and expenses that cannot be directly allocated to their specific sub-fund, the classification between the sub-funds involves significant judgement.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Sub-fund will continue in business and it expects to realise its assets at the recorded amounts and extinguish its liabilities in the normal course of business.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The sub-fund uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the sub-fund's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. Financial instrument risk

Risk management objectives and policies

The sub-fund is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk, liquidity risk, compliance risk, political, economic and social risk and concentration risk. The sub-fund's financial assets and liabilities by category are summarised below.

Financial assets and financial liabilities

| 31 Dec 2024 | Fair value through profit or loss EUR | Amortised cost EUR | Total EUR |
|---|--|-----------------------|--------------------|
| Financial assets | | | |
| Non-current | | | |
| Financial assets at fair value through profit or loss | 3,816,568 | - | 3,816,568 |
| Held-to-maturity investment | - | 52,931,758 | 52,931,758 |
| Loans receivable | - | 17,288,863 | 17,288,863 |
| Notes receivable | - | 72,981,960 | 72,981,960 |
| Current | | | |
| Notes receivable | - | 2,277,967 | 2,277,967 |
| Loans receivable | - | 8,357,982 | 8,357,982 |
| Interest receivables | - | 5,358,531 | 5,358,531 |
| Cash and cash equivalents | - | 44,717 | 44,717 |
| Total financial assets | 3,816,568 | 159,241,778 | 163,058,346 |
| Financial liabilities | | | |
| Current | | | |
| Borrowings | - | - | 1,000,000 |
| Subscription in advance | - | - | 606,061 |
| Payables and accruals | - | - | 39,001 |
| Total financial liabilities | - | - | 1,645,062 |

The financial instruments classifications in the prior year were as follows:

| 31 Dec 2023 | Fair value through profit or loss EUR | Amortised cost EUR | Total EUR |
|---|--|-----------------------|--------------------|
| Financial assets | | | |
| Non-current | | | |
| Financial assets at fair value through profit or loss | 3,685,672 | - | 3,685,672 |
| Held-to-maturity investments | - | 51,437,347 | 51,437,347 |
| Notes receivable | - | 71,613,633 | 71,613,633 |
| Loans receivable | - | 22,495,358 | 22,495,358 |
| Current | | | |
| Notes receivable | - | 2,282,541 | 2,282,541 |
| Loans receivable | - | 8,374,863 | 8,374,863 |
| Interest receivables | - | 5,483,647 | 5,483,647 |
| Cash and cash equivalents | - | 362,760 | 362,760 |
| Total financial assets | 3,685,672 | 162,050,149 | 165,735,821 |
| Financial liabilities | | | |
| Current | | | |
| Borrowings | - | - | 1,100,000 |
| Payables and accruals | - | - | 39,110 |
| Total financial liabilities | - | - | 1,139,110 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. Financial instrument risk (Contd)

The main types of risks are market risk, credit risk, liquidity risk, compliance risk and political, economic and social risk. The sub-fund's risk management is coordinated by management in close cooperation with the Board of Directors and focuses on securing the sub-fund's short to medium-term cash flows by minimising the exposure to financial markets.

The sub-fund is engaged in the trading of financial assets for speculative purposes.

The most significant financial risks to which the sub-fund is exposed are described below.

4.1 Market risks analysis

The sub-fund is exposed to market risk through its use of financial instruments and specifically to currency risk, which result from both its operating and investing activities.

Foreign currency sensitivity

The sub-fund is exposed to foreign exchange risk arising from its currency exposures, primarily with respect to the United States Dollar (USD) and Swiss Franc (CHF). Consequently, the sub-fund is exposed to the risks that the exchange rate of the EURO (EUR) relative to the USD and CHF may change in a manner, which has a material effect on the reported values of the sub-fund's assets, and liabilities, which are in these currencies. The sub-fund does not use any financial instruments to hedge its foreign exchange risk.

The sub-fund manages its foreign currency exposures by forecasting its need for foreign currencies and entered into derivative options to mitigate foreign currency risk exposure.

Foreign currencies denominated financial assets and liabilities which expose the sub-fund to currency risks are disclosed below.

| | 2024 | 2023 |
|------------------------------|--------------------|--------------------|
| | EUR | EUR |
| Financial assets | | |
| EUR | 156,275,099 | 158,949,544 |
| USD | 53 | 97 |
| CHF | 6,783,194 | 6,786,180 |
| Total | 163,058,346 | 165,735,821 |
| | | |
| | 2024 | 2023 |
| | EUR | EUR |
| Financial liabilities | | |
| EUR | 1,638,790 | 1,108,770 |
| USD | 6,272 | 39,110 |
| Total | 1,645,062 | 1,139,110 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. Financial instrument risk (Contd)

4.1 Market risks analysis (Contd)

Foreign currency sensitivity (Contd)

The table below illustrates the sensitivity of profit and equity regarding the sub-fund's financial instruments and the USD/EUR and CHF/EUR exchange rates "all other things being equal".

It assumes the following percentage changes in the exchange rates:

| | 2024 | 2023 |
|-----|----------|----------|
| | % change | % change |
| USD | 5.84% | 3.40% |
| CHF | 1.35% | 5.70% |

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the sub-fund's foreign currency financial instruments held at each reporting date.

If the EUR had strengthened against the stated currencies by the above percentages, then this would have had the following impact:

| | 2024 | Profit and equity |
|--------------|---------------|-------------------|
| | EUR | 2023 |
| | | EUR |
| USD | 363 | 1,028 |
| CHF | 91,648 | 386,812 |
| Total | 92,011 | 385,784 |

If the EUR had weakened against the stated currencies by the above percentages, then this would have had the following impact:

| | 2024 | Losses and equity |
|--------------|-----------------|-------------------|
| | EUR | 2023 |
| | | EUR |
| USD | (363) | (1,028) |
| CHF | (91,648) | (386,812) |
| Total | (92,011) | (385,784) |

Exposures to foreign exchange rates vary during the year depending upon the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the sub-fund's exposure to currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. Financial instrument risk (Contd)

4.1 Market risks analysis (Contd)

Interest rate risk (Contd)

At 31 December 2024, the sub-fund is not exposed to changes in market interest rates as its interest-bearing financial assets and financial liabilities carry a fixed interest rate. It should also be noted that for those financial assets which have variable interest rates, interests were calculated on fixed rates as EURIBOR was negative up to mid of April, then was positive for the rest of the financial year.

Price risk

The sub-fund's securities are susceptible to market price risk arising from uncertainties about future prices of the investments. The sub-fund's market price risk is managed through diversification of its investment portfolio.

An estimate of the effect on the increase or decrease in total equity for the year due to a reasonably possible change in equity indices, with all other variables held constant is indicated below. An equivalent decrease in each of the indices would have resulted in an equivalent, but opposite, impacts.

If rate had been **2.93%** (2023: 4.35%) higher/lower, the effect on profit/(loss) would have been **EUR 1,551,232** (2023: EUR 2,237,525) lower/higher.

4.2 Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the sub-fund. The sub-fund has policies in place to deal with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The sub-fund has no history of default clients. The sub-fund continuously monitors defaults of customers and incorporates this information into its credit risk controls. The sub-fund's policy is to deal only with creditworthy counterparties.

The sub-fund's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

| | 2024 | 2023 |
|--|--------------------|-------------|
| | EUR | EUR |
| Non-current | | |
| Financial asset at fair value through profit or loss | 3,816,568 | 3,685,672 |
| Held-to-maturity investments | 52,931,758 | 51,437,347 |
| Notes receivable | 72,981,960 | 71,613,633 |
| Loans receivable | 17,288,863 | 22,495,358 |
| Current | | |
| Notes receivable | 2,277,967 | 2,282,541 |
| Loans receivable | 8,357,982 | 8,374,863 |
| Interests receivable | 5,358,531 | 5,483,647 |
| Cash and cash equivalents | 44,717 | 362,760 |
| Total | 163,058,346 | 165,735,821 |

Loans receivable, notes receivable and held-to-maturity investments.

The sub-fund applies the IFRS 9 general approach for measuring the expected credit losses on the loans, notes and held-to-maturity investments portfolio.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. Financial instrument risk (Contd)

4.2 Credit risk analysis (Contd)

Loans receivable, notes receivable and held-to-maturity investments (Contd)

The approach towards provisioning for the expected credit losses (“ECL”) is based on an individual credit assessment of each of the unsecured loan and bonds holders within the sub-fund. The credit assessment factors were based on; country, sector and sub-fund specific variables, leading up to a credit rating which is fed into the internal model to work out a provision in case of default within the next 12 months. The ECL provision for the sub-fund represents the sum of provisions required for individual borrowers within the sub-fund.

Based on the assessment done over the last 3 years, there has not been a significant deterioration in credit risk since the initial recognition of the loans in the books of the sub-fund. Hence, it has categorised all loans and bond in the sub-fund to be in Stage 1 and computed the ECL for the next 12 months only. The loss given default has been assessed to 100% and the weighted probability default to **5.86%** (2023: 5.86%).

The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the borrower’s ability to settle the amount outstanding. The sub-fund has identified gross domestic product (“GDP”) and unemployment rates of the countries in which the borrowers are domiciled to be the most relevant factors and accordingly adjusts historical loss rates for expected changes in these factors. However, given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

On the above basis the expected credit loss for loans and notes receivables and held-to-maturity investments as at 31 December 2024 was determined as follows:

| | Gross carrying amount 31 December 2024 EUR | Expected credit loss allowance 31 December 2024 EUR | Carrying amount after allowance 31 December 2024 EUR | Gross carrying amount 31 December 2023 EUR | Expected credit loss allowance 31 December 2023 EUR | Carrying amount after allowance 31 December 2023 EUR |
|---------------------------------|--|---|---|---|--|---|
| Non-current | | | | | | |
| Held-to-maturity investments | 54,399,424 | (1,467,666) | 52,931,758 | 52,893,716 | (1,456,369) | 51,437,347 |
| Notes receivable | 78,421,346 | (5,439,386) | 72,981,960 | 77,071,144 | (5,457,511) | 71,613,633 |
| Loans receivable | 18,145,646 | (856,783) | 17,288,863 | 23,661,120 | (1,165,762) | 22,495,358 |
| Current | | | | | | |
| Notes receivable | 2,469,997 | (192,030) | 2,277,967 | 2,469,997 | (187,456) | 2,282,541 |
| Loans receivable | 9,117,206 | (759,224) | 8,357,982 | 9,117,206 | (742,343) | 8,374,863 |
| Total | 162,553,619 | (8,715,089) | 153,838,530 | 165,213,183 | (9,009,441) | 156,203,742 |

The carrying amount of financial risks recorded in the financial statements represents the sub-fund’s maximum exposure to credit risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. Financial instrument risk (Contd)

4.2 Credit risk analysis (Contd)

The credit risk for cash and cash equivalents, financial assets at fair value through profit or loss and derivative financial instruments is considered negligible, since the counterparties are reputable banks with high credit ratings assigned by international credit-rating agencies.

4.3 Liquidity risk analysis

Liquidity risk is the risk that the sub-fund will not be able to meet its financial obligations as they fall due. The sub-fund's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the sub-fund's reputation.

Ultimate responsibility for liquidity risk management rests with the holding company which also monitors the sub-fund's short, medium and long-term funding and liquidity management requirements.

The sub-fund's financial liabilities have contractual maturities within one year which are summarised below:

| | 2024 EUR | 2023 EUR |
|------------------------------------|------------------|------------------|
| Borrowings | 1,000,000 | 1,100,000 |
| Subscription in advance | 606,061 | - |
| Other payables and accruals | 39,001 | 39,110 |
| Total financial liabilities | 1,645,062 | 1,139,110 |

The sub-fund has no financial liabilities that have contractual maturities more than one year.

5. Capital management policies and procedures

The sub-fund's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its shareholders.

In order to maintain or adjust the capital structure, the sub-fund may adjust the amount of dividends paid, buy back shares or issue new shares.

The sub-fund monitors capital on the basis of the gearing ratio. The sub-fund was not geared at 31 December 2024 and 31 December 2023. The borrowings were as follows.

| | 2024 EUR | 2023 EUR |
|---------------------------|---------------|---------------|
| Debts (i) | 1,000,000 | 1,100,000 |
| Cash and cash equivalents | (44,717) | (362,760) |
| Net debt | 955,283 | 737,240 |
| Equity | 161,420,924 | 164,603,734 |
| Net debt to equity | 0.0059 | 0.0044 |

(i) Debt is defined as borrowings as detailed in Note 14.

(ii) Equity relates to both capital and reserves.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

6. Fair value measurement

6.1 Fair value measurement of financial instruments

The sub-fund's financial instruments are measured at their carrying amounts, which approximate their fair values.

6.2 Fair value measurement of non-financial assets and non-financial liabilities

The sub-fund's non-financial assets consist of prepayments and current tax assets and does not have any non-financial liability at year-end.

For both non-financial assets and non-financial liabilities, the fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis in the statement of financial position.

7. Taxation

7.1 Income tax

The sub-fund, being resident in Mauritius, was liable to income tax in Mauritius on its chargeable income at the rate of 15%. The sub-fund has received its Global Business Licence on or before 16th October 2017 and is grandfathered under the provisions of the Finance (Miscellaneous Provisions) Act 2018 ("FA 2018"). As from 1st July 2021, the Company's GBL licence had automatically converted to a Global Business Licence ("GBL"). The Company will therefore operate under the current tax regime up to 30th June 2021.

Until 30th June 2021, the Company's foreign sourced income is eligible for a foreign tax credit which was computed as the higher of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company was based on either the actual foreign tax charged by the foreign jurisdiction or a deemed foreign tax. The deemed amount of foreign tax was based on 80% of the Mauritian tax on the relevant foreign sourced income. In computing its total actual foreign tax credit, the Company was allowed to pool all of its foreign sourced income. The Company's GBL licence converted to a GBC licence on 1st July 2021 and operated under the new tax regime. Under the new regime, the Company will be able to claim an 80% partial exemption on specific types of income (including foreign dividends and interest), subject to meeting pre-defined substance conditions. Other types of income not falling within the categories of income benefitting from the partial exemption will be taxed at 15%. As an alternative to the partial exemption, the Company can claim a tax credit against its Mauritius tax liability based on the foreign tax charged on the income in the foreign jurisdiction.

The sub-fund has received a tax certificate from the Mauritian tax authorities that it is a tax resident of the Republic of Mauritius, and such certification is renewed on an annual basis subject to satisfying certain conditions.

The sub-fund is subject to the Advance Payment Scheme (APS) under Section 50B and 50C of the Mauritian Income Tax Act 1995 whereby it is required to submit an APS statement and pay tax quarterly on the basis of either last year's income or the income for the current quarter.

At 31 December 2024, the sub-fund had a current tax asset of **EUR 6,191** (2023: EUR 5,302) and the income tax charge for the year was **EUR 90,070** (2023: EUR 128,351).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

7. Taxation (Contd)

7.1 Income tax (Contd)

(i) Statement of profit or loss and other comprehensive income

| | 2024 | 2023 |
|--------------------|---------------|---------|
| | EUR | EUR |
| Income tax expense | 90,070 | 128,351 |

(ii) Statement of financial position

| | 2024 | 2023 |
|--------------------------------|----------------|---------|
| | EUR | EUR |
| Current tax asset (Note (iii)) | (6,191) | (5,302) |

(iii) Movement in current tax asset

| | 2024 | 2023 |
|--|-----------------|-----------|
| | EUR | EUR |
| At 01 January | (5,302) | 71,439 |
| Charge for the year | 90,070 | 128,351 |
| Tax refund/(paid) | 5,302 | (71,439) |
| Tax deducted under the Advanced Payment Scheme | (96,261) | (133,653) |
| At 31 December | (6,191) | (5,302) |

(iv) Income tax reconciliation

A numerical reconciliation between profit before tax and the actual income tax charge is shown below:

| | 2024 | 2023 |
|--|------------------|-----------|
| | EUR | EUR |
| Profit before tax | 4,485,463 | 5,020,803 |
| Tax at 15% (2023:15%) | 672,820 | 753,121 |
| Disallowed expenses | 34,645 | 24,942 |
| Expenses attributable to exempt income | 27,164 | 21,987 |
| Exempt income | (85,009) | (136,984) |
| Non-taxable income | (570,146) | (534,715) |
| CCR Levy (2% of chargeable income) | 10,596 | - |
| Tax expense | 90,070 | 128,351 |

(v) Deferred taxation

The sub-fund has not recognised any deferred tax asset since there are no temporary differences or tax losses carried forward (2023: EUR Nil). Deferred incomes taxes are calculated on all temporary differences under the liability method at the rate of 15%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

8. Held-to-maturity investment

| | 2024 EUR | 2023 EUR |
|--------------------|-------------------|-------------|
| Non-current | | |
| Bonds | 52,931,758 | 51,437,347 |

(i) Movement during the year:

| | 2024 EUR | 2023 EUR |
|------------------------------------|-------------------|-------------|
| At 01 January | 51,437,347 | 49,292,178 |
| Interest capitalised | 1,505,708 | 2,156,153 |
| Impairment loss on financial asset | (11,297) | (10,984) |
| At 31 December | 52,931,758 | 51,437,347 |

- (ii) Pursuant to a «Contrat de Souscription d'Obligations» dated 23 September 2016, entered between Zedinvest (the “Issuer”) and Phoenix Global Invest Fund 2 (sub-fund 7) (the “Subscriber”), the Issuer issued 54,000 bonds with a nominal value of EUR 1,000 each for a consideration of EUR 54,000,000. The bonds carry interests at the rate of 12 months EURIBOR + 5% per annum, with the EURIBOR floored to 0% when negative during part of the year, which will be capitalised at the end of each year and repayable on 22 September 2028. Part repayment were made in 2019 and the total number of bonds as at 31 December 2024 amounted to **44,106** (2023: 44,106).
- (iii) The sub-fund has adopted IFRS 9 as issued by the IASB in July 2014 with a date of transition of 1 January 2018, which resulted in changes in the assessment of recoverability of the held-to-maturity investments. The approach towards provisioning for the expected credit losses (ECL) is based on an individual credit assessment of the bond holder within the sub-fund. The credit assessment factors were based on; country, sector and company specific variables, leading up to a credit rating which is fed into the internal model to work out a provision in case of default within the next 12 months. The ECL provision for the sub-fund represents the sum of provisions required for individual borrower amounted to **EUR 1,467,666** (2023: 1,456,369). Note 4.2 included disclosures relating to the credit risk exposures and analysis relating to the allowance for expected credit losses.
- (iv) The sub-fund has reassessed its held-to-maturity investments during the year and an amount of **EUR 11,297** was recognised as loss in accordance with paragraph 3.2 of IFRS 9 (2023: EUR 10,984).

9. Loans receivable

| | 2024 EUR | 2023 EUR |
|-----------------------------------|-------------------|-------------|
| Non-current | | |
| Loans to other parties (Note (i)) | 17,288,863 | 22,495,358 |
| Total non-current | 17,288,863 | 22,495,358 |
| Current | | |
| Loans to other parties (Note (i)) | 8,357,982 | 8,374,863 |
| Total current | 8,357,982 | 8,374,863 |
| Total loans receivable | 25,646,845 | 30,870,221 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9. Loans receivable (Contd)

(i) The table below analyses the movement of the loans for the year:

| | 2024 EUR | 2023 EUR |
|---------------------------------|-------------------|-------------------|
| At 01 January | 30,870,221 | 36,678,379 |
| Loans repaid | (6,097,761) | (6,833,430) |
| Interest capitalised | 669,554 | 543,909 |
| Foreign exchange differences | (87,267) | 355,217 |
| Reversal of impairment loss | 320,788 | 173,125 |
| Impairment loss during the year | (28,690) | (46,979) |
| At 31 December | 25,646,845 | 30,870,221 |

(ii) The loans to the other parties in the sub-fund carry interest at both fixed and variable rates (EURIBOR 3 months + a fixed %), are secured against the participating shares of the holder of that sub-fund.

(iii) The sub-fund has adopted IFRS 9 as issued by the IASB in July 2014 with a date of transition of 1 January 2018, which resulted in changes in the assessment of recoverability of the loans receivable. The approach towards provisioning for the expected credit losses (ECL) is based on an individual credit assessment of each of the unsecured loans within the sub-fund. The credit assessment factors were based on; country, sector and company specific variables, leading up to a credit rating which is fed into the internal model to work out a provision in case of default within the next 12 months. The ECL provision for the sub-fund represents the sum of provisions required for individual borrowers amounted to **EUR 1,616,007** (2023: EUR 1,908,105). Note 4.2 included disclosures relating to the credit risk exposures and analysis relating to the allowance for expected credit losses.

(iv) The sub-fund has reassessed its loans receivable during the year and an amount of **EUR 28,690** was recognised as impairment loss in accordance with paragraph 3.2 of IFRS 9 (2023: EUR 46,979).

10. Notes receivable

| | 2024 EUR | 2023 EUR |
|-------------------------------|-------------------|-------------------|
| Non-current | | |
| Shani-La Properties Pte Ltd | 21,797,405 | 21,276,878 |
| Asiatide Properties Pte Ltd | 31,249,950 | 30,905,498 |
| ESAM | 19,038,788 | 19,431,257 |
| Zannier Hotel Holdings Ltd | 398,405 | - |
| BOCH 22 | 497,411 | - |
| Total non-current | 72,981,960 | 71,613,633 |
| Current | | |
| Elite Participation | 2,277,967 | 2,282,541 |
| Total current | 2,277,967 | 2,282,541 |
| Total notes receivable | 75,259,927 | 73,896,174 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

10. Notes receivable (Contd)

| (i) | | 2024 | 2023 |
|-----|------------------------------------|-------------------|------------|
| | | EUR | EUR |
| | Non-current | | |
| | Loans to other parties (Note (ii)) | 72,981,960 | 71,613,633 |
| | Total non-current | 72,981,960 | 71,613,633 |
| | Current | | |
| | Loans to other parties (Note (ii)) | 2,277,967 | 2,282,541 |
| | Total current | 2,277,967 | 2,282,541 |
| | Total notes receivable | 75,259,927 | 73,896,174 |

| (ii) | | 2024 | 2023 |
|------|------------------------------------|--------------------|-------------|
| | | EUR | EUR |
| | At 01 January | 73,896,174 | 73,315,977 |
| | Loan repaid | (1,041,818) | (1,009,262) |
| | Loan disbursed | 900,000 | - |
| | Interest capitalised | 1,492,019 | 1,624,413 |
| | Impairment loss on financial asset | (101,488) | (107,843) |
| | Reversal of impairment loss | 115,040 | 72,889 |
| | At 31 December | 75,259,927 | 73,896,174 |

- (iii) The notes receivable to the parties above are represented by promissory notes for each of the parties carry interest at different rates as listed below.

| Name | Interest rate |
|-----------------------------|---------------|
| ESAM Limited | 2.50% |
| Elite Participation | 3.00% |
| Shani-La Properties Pte Ltd | 2.50% |
| Asiatide Properties Pte Ltd | 2.50% |
| Zannier Hotel Holdings Ltd | 6.00% |
| BOCH 22 | 8.00% |

- (iv) LIBOR is floored to 0% if it is negative.
- (v) During the year under review, interest of **EUR 2,038,621** was charged on these notes (2023: EUR 2,012,098).
- (vi) The sub-fund has adopted IFRS 9 as issued by the IASB in July 2014 with a date of transition of 1 January 2018, which resulted in changes in the assessment of recoverability of the notes receivable. The approach towards provisioning for the expected credit losses (ECL) is based on an individual credit assessment of each of the unsecured notes within the sub-fund. The credit assessment factors were based on; country, sector and company specific variables, leading up to a credit rating which is fed into the internal model to work out a provision in case of default within the next 12 months. The ECL provision for the sub-fund represents the sum of provisions required for individual borrowers amounted to **EUR 5,631,415** (2023: EUR 5,644,968). Note 4.2 included disclosures relating to the credit risk exposures and analysis relating to the allowance for expected credit losses.
- (vii) The sub-fund has reassessed its notes receivable during the year and an amount of **EUR 101,488** was recognised as impairment loss in accordance with paragraph 5.5.8 of IFRS 9 (2023: EUR 107,843).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

11. Financial asset at fair value through profit of loss

| | 2024 | 2023 |
|------------------------|------------------|------------------|
| | EUR | EUR |
| At 01 January | 3,685,672 | - |
| Addition | - | 3,379,799 |
| Net gain on investment | 130,896 | 305,873 |
| At 31 December | 3,816,568 | 3,685,672 |

During the year 2023, the sub-fund Warwyck Phoenix Global Invest Fund 2 (WPGIF2) had transferred part of its notes and loan and interest receivables to the sub-fund Warwyck Phoenix Global Invest Fund 6 (WPGIF6), and in return WPGIF2 had received investment in participating shares of WPGIF6 which is fair valued monthly.

12. Cash and cash equivalents

| | 2024 | 2023 |
|--|---------------|----------------|
| | EUR | EUR |
| Cash at bank: | | |
| EUR | 44,664 | 353,049 |
| CHF | - | 9,614 |
| USD | 53 | 97 |
| Total cash and cash equivalents | 44,717 | 362,760 |

13. Participating shares

| | 2024 | 2023 |
|----------------|-------------|-------------|
| | EUR | EUR |
| At 31 December | 130,010,626 | 136,889,960 |

The table below analyses the movement of the participating shares for the year:

| | 2024 | 2023 |
|-----------------------|--------------------|--------------------|
| | EUR | EUR |
| At 01 January | 136,889,960 | 142,058,726 |
| Issue of shares | 958,320 | 1,500,000 |
| Redemption of shares | (7,837,654) | (6,668,766) |
| At 31 December | 130,010,626 | 136,889,960 |

The participating shares meet the definition of a puttable instrument and the directors have assessed the rights and obligations attached to the participating shares and that these participating shares should be accounted as equity instead of financial liability, in accordance with IAS 32, Financial Instruments: Presentation. As approved in the constitution of the VCC, the main rights attached to the participating shares are as follows:

- Holders of participating shares shall be entitled to receive notice of and attend meetings of shareholders of the sub-fund, but this right shall not confer on such shareholder the right to vote at any meeting of the shareholders other than class meetings and except that the vote of the shareholders holding participating shares representing seventy five percent of such participating shares voting as a class shall be required to effect any amendment which materially and adversely affects the rights, preference or privileges of the shareholders holding Participating Shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

13. Participating shares (Contd)

- Participating shares may carry dividend rights.
- Participating shares shall be redeemable in accordance with Article 17 of the Constitution.
- Participating shares shall be transferred subject to the provision of Article 22 of the Constitution
- In liquidation, dissolution or winding up of the sub-fund, shareholders holding participating shares shall be entitled to repayment in accordance with Article 37 of the Constitution.

The sub-fund shall not redeem participating shares of a particular sub-fund unless immediately after the redemption:

- The Company and the sub-fund are able to pay its debts as they become due in the normal course of business;
- The value of the Company's and the sub-fund's assets is greater than the value of their respective liabilities including contingent liabilities; and
- The valuation of assets and the estimate of liabilities of both the Company and the sub-fund are reasonable, having regard to the most recent financial statements, and such other facts as are known and circumstances as prevail at the time of redemption.

14. Borrowings

| | 2024 | 2023 |
|----------------|------------------|-----------|
| | EUR | EUR |
| Current | | |
| Borrowings | 1,000,000 | 1,100,000 |

The borrowings are pledged against the Chalkibel Associates Ltd's investments in the sub-fund accounts held with the banks and carry interests at fixed rates.

15. Other payables and accruals

| | 2024 | 2023 |
|------------------------------------|---------------|--------|
| | EUR | EUR |
| Due to related party (Note 21) | 16,759 | 17,005 |
| Interest payable | 1,346 | 1,061 |
| Accruals | 20,896 | 21,044 |
| Total payables and accruals | 39,001 | 39,110 |

- The amount due to the related party is unsecured, interest free and repayable on demand.
- The carrying amounts of other payables and accruals are a reasonable approximation of their fair values.

16. Net Assets Value per share

| | 2024 | 2023 |
|----------------------------------|--------------------|-------------|
| | EUR | EUR |
| Net asset value | 161,420,924 | 164,603,734 |
| Number of participating shares | 114,733 | 120,222 |
| Net asset value per share | 1,407 | 1,369 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. Earnings per share

The earnings and number of shares in issue used in the calculation of earnings per share as follows:

| | 2024 | 2023 |
|---|------------------|-----------|
| | EUR | EUR |
| Profit for the year attributable to equity holder | 4,395,394 | 4,892,452 |
| Number of shares in issue | 114,733 | 120,222 |
| Earnings per share | 38 | 41 |

Note that EPS has been calculated using the number of shares at year end. No weighted average EPS has been calculated since it is impractical due to the high volume of transaction for issue and redemption of the participating shares that took place during the year.

18. Expenses

Management fees and investment advisory fees are paid by the sub-fund to the Company and the investment advisor respectively based on a percentage of the asset under management.

An amount of **EUR 58,721** was charged for management fees (2023: EUR 59,073) and **EUR 56,029** for investment advisory fees (2023: EUR 56,434) during the year under review.

Impairment losses/ reversal of impairment of financial assets were as follows:

| | 2024 | 2023 |
|---|------------------|----------|
| | EUR | EUR |
| Held-to-maturity investments (Note 8) | (11,297) | (10,984) |
| Loans receivable (Note 9) | (28,690) | 126,146 |
| Notes receivable (Note 10) | (101,488) | (34,954) |
| Total net impairment loss for the year | (141,475) | 80,208 |

19. Interest income

| | 2024 | 2023 |
|---|------------------|-----------|
| | EUR | EUR |
| Interest on term deposit | - | 925 |
| Interest on loans receivable | 801,265 | 985,782 |
| Interest on notes receivable | 2,038,621 | 2,012,098 |
| Interest on held-to-maturity investments | 1,517,419 | 1,457,153 |
| Total interest income for the year | 4,357,305 | 4,455,958 |

20. Finance costs

| | 2024 | 2023 |
|------------------------|---------------|-------|
| | EUR | EUR |
| Interest on borrowings | 29,194 | 9,403 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

21. Related party transactions

During the year ended 31 December 2024, the sub-fund had transactions with the following related party. Details of the nature, value of transactions and the balances with the entities are as follows:

| Nature of relationship | Nature of transactions | Volume of transactions | Credit balances at | Credit balances at |
|------------------------|--------------------------|------------------------|--------------------|--------------------|
| | | | 31 December 2024 | 31 December 2023 |
| | | | EUR | EUR |
| Investment advisor | Investment advisory fees | 56,029 | (13,943) | (14,157) |
| Custodian | Custodian fees | 34,409 | (2,816) | (2,848) |
| | | | (16,759) | (17,005) |

The terms and conditions of the balances are stated in Note 15 respectively to these financial statements.

The transactions are carried out at arm's length.

22. Contingent liabilities

The sub-fund has no litigation claims outstanding, pending or threatened against it, which could have a material adverse effect on the sub-fund's financial position or results as at 31 December 2024.

23. Events after the reporting date

There have been no other material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 December 2024.

24. Holding Company

The directors regard Warwyck Investment Holdings Ltd, a company incorporated in Republic of Mauritius, as the holding company.