

EPPLEY
CARIBBEAN PROPERTY FUND
L I M I T E D S C C

VALUE FUND
FOURTH QUARTER 2023

COMPANY OVERVIEW

FUND NAME	Eppley Caribbean Property Fund Limited SCC-Value Fund
FUND TYPE	Closed-end Fund
EPPLEY MANAGEMENT CONTROL	May 4, 2018
STOCK EXCHANGE LISTINGS	Barbados Stock Exchange (BSE) Jamaica Stock Exchange (JSE) Trinidad and Tobago Stock Exchange (TTSE)
INDEPENDENT PROPERTY APPRAISALS	Semi-Annually
MANAGEMENT FEES	1.5% of net assets

SEPTEMBER 30, 2023

	Value Fund
Net Assets:	\$119,820,431
Net Profit:	\$17,471,559
Shares Outstanding:	135,519,820
Net Asset Value (NAV) per share:	\$0.88
Share Price:	\$0.50 (BSE)
	J\$39.99 (JSE)



CORPORATE INFORMATION

DIRECTORS	INDEPENDENT VALUERS
Nicholas A. Scott, Chairman Paul B. Scott Jeffrey Hall Melanie Subratie Sharon E. Donaldson Roger Cave Richard Luck	Property Consultancy Services David Thwaites and Associates NAI Jamaica Langford and Brown Brent Augustus & Associates
HEAD OFFICE	ATTORNEYS
First Floor Carlisle House Hincks Street Bridgetown, Barbados	Clarke Gittens Farmer Fraser Law DunnCox Patterson Mair Hamilton
FUND MANAGER	BANKERS
Eppley Fund Managers Limited	CIBC First Caribbean International Bank National Commercial Bank Ja. Ltd.



LETTER TO SHAREHOLDERS

FELLOW SHAREHOLDERS,

The Value Fund recorded the highest net profit attributable to shareholders for the year ended September 30, 2023.

The Fund registered \$17.5 million of net profit attributable to shareholders for the 2023 financial year, relative to the \$9.5 million recorded for the same period in 2022. The increase in net profit is predominantly due to the fair value gains on assets based on the independent valuation exercise completed as at September 2023. The Value Fund continues to own and manage a portfolio of high-quality, commercial real estate in line with its strategic vision of a diversified, regional, real estate fund.

The NOI attributable to shareholders increased by 5% moving from \$5.8 million in 2022 to \$6.1 million in 2023. The growth in NOI was driven by contractual rent increases, however the performance was dampened by vacancies at Alamac and Hastings Business Centre during the year. We are happy to report that Alamac is 100% occupied as at September 2023 and we continue to have a positive outlook for the occupancy at Hastings Business Centre which is currently 75% occupied.

Funds From Operations (FFO) saw a 4% decline from \$4.1 million in 2022 to \$3.9 million in 2023 as at the September year end due to higher interest expense during the financial year. The Fund made significant investments to renovate its 693 Spanish Town Road industrial property and to fund our acquisition of JN Bank Limited's property portfolio. While both investments were made during the fourth quarter of the financial year, our results did not reflect any income from either. We expect to fully reflect the impact of these investments beginning in the next quarter.

The Net Asset Value (NAV) of the Fund for the twelve-month period ended September 30, 2023, was \$0.88 per share or \$119.8 million based on the 39 properties or approximately 1,141,669 square feet of rentable space. The NAV for the Fund has increased by 12.8% relative to the NAV of \$0.78 per share recorded for the year ended September 2022.

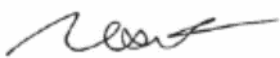
Dividend

The Fund is on track to meet our dividend target for 2023 both in amount and frequency. The Fund declared an interim dividend of 0.15 cents Barbados currency per share on November 13, 2023 to shareholders on record as at November 29, 2023, and payable on December 15, 2023. **The Fund intends to meet to consider a final dividend in respect of the 2023 financial year, consistent with the Fund's approved dividend policy, subject to the completion of the audit of the 2023 financial statements.**

The Fund is well positioned with a healthy capital structure to facilitate opportunities and improve our operating efficiency.

Our outlook remains positive, and we look forward to sharing further updates with you soon.

Sincerely,



Nicholas A. Scott (Chairman)

FINANCIAL HIGHLIGHTS

	OCT-22 TO SEPT-23	OCT-21 TO SEPT-22
NOI attributable to shareholders	6,112,383	5,802,621
Interest expense	(1,552,628)	(1,284,112)
Interest and other income	831,540	762,157
Net interest expense of investments accounted for using the equity method	(1,501,118)	(1,216,478)
FFO attributable to shareholders	3,890,176	4,064,188
Fair value gains/(losses) on investment properties	13,435,069	2,174,606
Foreign exchange gains/(losses)	(25,722)	(129,309)
Impairment (charge)/recovery for receivables	-	-
Gain on bargain purchase	455,861	-
Non-cash charges of investments accounted for using the Equity Method	(283,825)	3,411,463
Comprehensive income attributable to shareholders for the period	17,471,559	9,509,384



SUNSET CREST MALL

VALUE FUND PROPERTIES



Angels Industrial Estate

Angels Industrial Estate is a 120,000 square foot distribution facility situated on 25 acres of land located in St. Catherine, Jamaica. Angels is located close to major transportation links to Kingston, Portmore and the North Coast of Jamaica.

Angels Industrial Estate is comprised of two lots, one of them housing two large single floor warehouses, and the other is vacant land. The warehouses are currently leased to T. Geddes Grant (Distributors) Limited, a leading food, pharmaceutical, consumer, personal care, office equipment and agricultural distribution company in Jamaica.

22 Chalmers Avenue

22 Chalmers Avenue is a 99,000 square foot purpose-built Business Process Outsourcing (“BPO”) facility located off Molyne Road in Kingston, Jamaica. The property was acquired in March 2022. Its size, location and amenities make it a desirable location for BPO operations.

The Value Fund currently owns a 50% interest in the building and it is currently leased to ITEL, one of the largest domestic BPO providers in the region, with operations across the Caribbean, Latin America, the United States and Canada.



105-107 Marcus Garvey Drive

105-107 Marcus Garvey Drive is an industrial property located in Newport West, near the Port of Kingston, Jamaica. The property is comprised of two, fully tenanted industrial buildings. Since it is located near to the port, this property has an enduring cost advantage for a number of applications including cold storage and distribution.

The property is currently leased to T. Geddes Grant (Distributors) Limited and Spanish Grain Limited, a reputable importer, producer and distributor of meat and grain in Jamaica.

VALUE FUND PROPERTIES (Cont'd.)



693 Spanish Town Road

693 Spanish Town Road is a 75,000 square foot industrial property which forms part of the commercial and industrial zone in Kingston, Jamaica. The property is comprised of warehouse and office space, strategically situated in close proximity to major distribution networks and the Port of Kingston.

Mall Plaza

Mall Plaza is a landmark property in Kingston, Jamaica. The property is located in the heart of Half Way Tree, one of the city's busiest commercial districts. Its location near the city's main bus terminal and its proximity to growing residential areas makes it an asset that is difficult to replicate.

The Value Fund currently owns a 40% economic interest in the building but has full management and operational control. Tenants include a pharmacy, quick serve restaurant, clothing stores and various other shops including a gym.



Empire Shopping Centre

Empire Shopping Centre is a retail and office complex located in the heart of Cross Roads in Kingston, Jamaica. Empire Shopping Centre's access to parking, high traffic and visibility along Half Way Tree Road makes it a desirable location for retailers.

The space is configured to provide 25 rentable spaces, with a wide-ranging tenant mix, including a quick-serve restaurant, a pharmacy, and a supermarket, which is the property's anchor tenant. The anchor tenant, Sampars, is owned and operated by Derrimon, a publicly listed distribution and retailing company in Jamaica.

VALUE FUND PROPERTIES (Cont'd.)



227 Marcus Garvey Drive

227 Marcus Garvey Drive is a manufacturing and warehouse facility located near the Port of Kingston, Jamaica. The area is a premier industrial and commercial location in the Kingston Metropolitan Area and has access to major transportation links and highways to Kingston and Portmore.

The property is currently leased to Musson (Jamaica) Limited, a company duly incorporated under the laws of Jamaica. Musson (Jamaica) Limited is a large seller of commodities in Jamaica and is a subsidiary of the Musson Group.

10-14 Broad Street Building

The 10-14 Broad Street building is located on the main commercial corridor in Bridgetown, Barbados.

The building is currently leased to Duty Free Caribbean Limited, a company incorporated under the laws of Barbados, under a triple-net lease agreement. Duty Free Caribbean Limited is a retail company with over 55 stores regionally and is controlled by the Dufry group. Dufry is a Swiss-based traveller retail company that has been in operations for over 150 years and currently operates over 2,300 duty-free and duty-paid stores in 64 countries worldwide. Dufry is publicly listed on both the Swiss and Brazilian stock exchanges. The Value Fund currently owns a 36% interest in the building through the CS&C joint venture, a real estate partnership.



Emerald City Mall

The Emerald City Mall is a shopping complex located in St. Philip, Barbados. It is located approximately 15 minutes away from Barbados' main airport and approximately 30 minutes away from Bridgetown and close to many residential housing developments.

Emerald City was acquired under a sale and leaseback structure with AOne Supermarket. AOne is a leading supermarket chain in Barbados, operating since 1981. AOne sublets the complex to various entities, including Courts and Republic Bank (Barbados) Limited.

VALUE FUND PROPERTIES (Cont'd.)



Carlisle House

Carlisle House is a commercial office building located on the waterfront in Bridgetown, Barbados. In recent years, Bridgetown's commercial office vacancy has increased due to tenant migration to other commercial areas in Barbados such as Warrens and Wildey, affecting Carlisle House. The building's waterfront location, cruise ship pier proximity and ease of access as a central hub for transportation make it a desirable option for alternate use. The managers of the Value Fund are actively exploring several options to reposition the building to improve its performance.

Alamac Warehouse

Alamac Warehouse is a distribution facility located in Fontabelle, Barbados. The property is ideally located for storage and distribution of imports and exports, as the property is in close proximity to the Bridgetown Port which is a major international transshipment hub.

The property comprises of two warehouse buildings and an office. The property's anchor tenant is Laparkan (Barbados) Limited, a subsidiary of a global freight and logistics solutions company with offices and agents throughout North America and the Caribbean.



Hastings Business Centre

Hastings Business Centre is a multi-storey commercial office building in Hastings, Barbados. The building is located across from the seaside, near public transport, and popular amenities including shopping, restaurants, the south coast boardwalk and numerous residences.

The building has long been the Barbados head office of KPMG, a global professional services firm, who remains the anchor tenant for the building.

VALUE FUND PROPERTIES (Cont'd.)



Sunset Crest Mall

Sunset Crest Mall is a commercial shopping centre located on the west coast of Barbados, within proximity to some of Barbados' most popular tourist destinations. The building is currently leased to Duty Free Caribbean Limited under a triple-net agreement. Duty Free Caribbean Limited sublets to a number of tenants including CIBC First Caribbean International Bank. The Value Fund owns its interest in Sunset Crest Mall through a joint venture.

24 Broad Street

24 Broad Street is a renovated office and retail building in the centre of Bridgetown, Barbados. It is currently leased to Duty Free Caribbean Limited who uses the main floor of the building for Colombian Emeralds retail storefront, and the first and second floors for office space for Duty Free Caribbean Limited's employees.



The Chattel Village

The Chattel Village is a shopping village located on the west coast of Barbados and is located close to many of Barbados' most notable hotels, villas and luxury retailers. The village is comprised of 12 single-storey, detached timber chattel office and retail stores constructed by the Value Fund. Tenants include two restaurants, an office space, and various gift shops selling art work, gifts and souvenirs.

VALUE FUND PROPERTIES (Cont'd.)



52 Valsayn Branch Road

52 Valsayn Branch Road is a fully tenanted office property in Trinidad. The property lies within close proximity to quick serve restaurants, schools, shopping facilities, and other social amenities with transportation readily available.

The building is currently leased to PBS Technologies (Trinidad) Limited under a triple-net agreement.

155-157 Tragarete Road

155-157 Tragarete Road is a fully tenanted office property in Trinidad. The property is located strategically, as it is readily accessible from the Port of Spain City Centre.

The building is currently leased to PBS Technologies (Trinidad) Limited (formerly Massy Technologies) under a triple-net agreement. PBS Technologies (Trinidad) Limited is a technology company controlled by PBS Business Solutions Limited, one of the largest integrated Information Technology sales and distribution platforms in the Caribbean and Central America.



JN BANK COMMERCIAL REAL ESTATE PORTFOLIO

The portfolio comprises 22 buildings with rentable space totalling approximately 267,000 square feet in Jamaica. The commercial offices spaces are leased to JN Bank Limited in a sale and leaseback transaction.



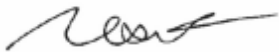
EPPLEY CARIBBEAN PROPERTY FUND LIMITED SCC – VALUE FUND

Unaudited Consolidated Results as at September 30, 2023 (expressed in Barbados Dollars)

Eppley Caribbean Property Fund Limited SCC- Value Fund
Unaudited Consolidated Statement of Financial Position
September 30, 2023
 (expressed in Barbados dollars)

	Unaudited	Audited
	September 30, 2023	September 30, 2022
	\$	\$
Assets		
Intangibles	1,108	1,446
Investment properties	98,166,390	75,965,120
Investment in associated company	37,984,798	34,870,890
Investment Securities	10,548,534	10,448,534
Loan receivable	-	1,776,258
Accounts receivable and prepaid expenses	577,899	702,960
Due from related parties	1,133,876	728,454
Corporation tax prepaid	129,121	-
Cash & cash equivalents	9,355,875	8,165,986
Total assets	157,897,601	132,659,648
Liabilities		
Loans payable	35,484,533	24,163,837
Accounts payable and accrued expenses	1,732,563	1,145,615
Security and advanced deposits	549,226	420,961
Deferred tax	223,193	186,910
Corporation tax payable	87,655	91,007
Total liabilities	38,077,170	26,008,330
Total assets less liabilities	119,820,431	106,651,318
Equity		
Share capital	92,253,097	92,610,581
Other reserves	476,711	546,248
Retained earnings	27,090,623	13,494,489
Total shareholders' funds	119,820,431	106,651,318
Net asset value per share	\$0.88	\$0.78

Approved by:



 Director

November 13, 2023



 Director

Eppley Caribbean Property Fund Limited SCC- Value Fund
Unaudited Consolidated Statement of Comprehensive Income
For the year ended September 30, 2023
(expressed in Barbados dollars)

	Unaudited Year ended September 30, 2023	Unaudited Three months ended September 30, 2023	Unaudited Three months ended September 30, 2022	Audited Year ended September 30, 2022
	\$	\$	\$	\$
Revenue				
Net rental income	4,333,820	1,105,081	1,179,268	4,614,267
Fair value gains on investment property	13,435,069	9,736,529	1,053,154	2,174,606
Share of profit of investments using equity accounting	2,472,234	346,042	1,775,543	5,783,127
Gain on bargain purchase	455,861	-	-	-
Interest income	831,540	272,802	208,741	762,157
Total investment income	21,528,524	11,460,454	4,216,706	13,334,157
Expenses				
Interest Expense	1,552,628	431,832	336,647	1,284,112
Fund management fees	809,965	205,553	194,984	757,623
Investment advisor fees	809,965	205,553	194,984	757,623
Professional fees	525,273	104,224	123,332	476,600
Directors and subcommittee fees	6,800	1,700	7,877	10,397
Office and administrative expenses	90,212	13,270	13,042	25,485
Impairment charge on receivable	-	-	11,564	11,564
Foreign exchange loss/(gain)	25,722	(90,003)	21,181	129,309
Operating expenditure	3,820,565	872,129	903,611	3,452,713
Profit before tax	17,707,959	10,588,325	3,313,095	9,881,444
Taxation	(236,400)	(59,734)	(225,366)	(372,060)
Net profit for the year	17,471,559	10,528,591	3,087,729	9,509,384
Other comprehensive income:				
<i>Items that will not be reclassified to profit or loss</i>				
Exchange differences on translation of foreign operations	(69,537)	853,938	455,319	(694,106)
Total comprehensive income for the year	17,402,022	11,382,529	3,543,048	8,815,278
Net profit for the year	17,471,559	10,528,591	3,087,729	9,509,384
Earnings per share – basic and diluted	\$0.13	\$0.08	\$0.02	\$0.07

Eppley Caribbean Property Fund Limited SCC- Value Fund
Unaudited Consolidated Statement of Changes in Equity
For the year ended September 30, 2023
(expressed in Barbados dollars)

	Attributable to Fund shareholders				Total
	Share capital	Other Reserves	Retained earnings	Non-controlling interests	
	\$	\$	\$	\$	
Balance- October 1, 2021	92,919,797	1,240,354	6,531,851	-	100,692,002
Repurchase of issued shares	(309,216)	-	46,085	-	(263,131)
Translation reserves	-	(694,106)	-	-	(694,106)
Dividend declared (0.008 cents per share)	-	-	(2,592,831)	-	(2,592,831)
Income for the year	-	-	9,509,384	-	9,509,384
Balance- September 30, 2022	92,610,581	546,248	13,494,489	-	106,651,318
Repurchase of issued shares	(357,484)	-	39,081	-	(318,403)
Translation reserves	-	(69,537)	-	-	(69,537)
Dividend declared (0.15 cents and 2.28 cents per share)	-	-	(3,914,506)	-	(3,914,506)
Income for the year	-	-	17,471,559	-	17,471,559
Balance- September 30, 2023	92,253,097	476,711	27,090,623	-	119,820,431

Eppley Caribbean Property Fund Limited SCC- Value Fund
Unaudited Consolidated Statement of Cashflows
For the year ended September 30, 2023
(expressed in Barbados dollars)

	<u>Unaudited</u> <u>Year ended</u> <u>September 30, 2023</u>	<u>Audited</u> <u>Year ended</u> <u>September 30, 2022</u>
	\$	\$
Cash flows from operating activities		
Net profit for the year	17,707,959	9,881,444
Adjustment for:		
Fair value gains on investment property	(13,435,069)	(2,174,606)
Net foreign exchange loss	25,722	129,309
Share of gains of investments accounted for using the equity method	(2,472,234)	(5,783,127)
Gain on bargain purchase	(455,861)	-
Impairment charge for receivables	-	11,564
Depreciation and Amortisation	243	1,665
Interest income	(831,540)	(762,157)
Interest expense	1,552,628	1,284,112
	2,091,848	2,588,204
Operating income before working capital changes		
Net decrease in accounts receivable and prepaid expenses	113,482	283,833
Net decrease in loans receivable	1,740,000	2,000,000
Net increase/(decrease) in accounts payable and accrued expenses	597,957	(1,983)
Increase/(decrease) in security deposits	126,633	(715)
Net (increase)/decrease in due to/from related parties	(405,422)	146,533
Addition to investment properties	(1,330,029)	(401,944)
Addition to intangibles	-	(1,445)
	2,934,469	4,612,481
Cash generated from operations		
Interest received	767,798	690,323
Interest paid	(1,374,129)	(1,224,042)
Tax paid	(328,194)	(325,861)
	1,999,944	3,752,901
Net cash generated from operating activities		
Cash flows from investing activities		
Investment in associated companies	(3,854,983)	(423,613)
Distributions from associated companies	1,013,199	2,202,306
Acquisition of investment securities	-	(10,400,000)
Acquisition of subsidiary	(4,748,680)	-
	(7,590,464)	(8,621,307)
Net cash used in investing activities		
Cash flows from financing activities		
Shares repurchased	(318,403)	(263,131)
Dividends paid	(3,914,506)	(2,592,831)
Loans received	12,713,878	5,329,974
Loans repaid	(1,718,424)	(5,740,589)
	6,762,545	(3,266,577)
Net cash generated from/(used in) financing activities		
Net increase/(decrease) in cash and cash equivalents	1,172,025	(8,134,983)
Effects of foreign exchange rate changes on cash and cash equivalents	17,864	(28,190)
Cash and cash equivalents at beginning of the year	8,165,986	16,329,159
Cash and cash equivalents at end of the year	9,355,875	8,165,986

SHAREHOLDINGS

Directors shareholdings in the Fund including connected parties as of September 30, 2023, is as follows:

	<u>VALUE FUND</u>	
	<u>Direct</u>	<u>Connected*</u>
Nicholas A. Scott	1,742	18,436,445
Paul B. Scott	-	18,230,442
Melanie M. Subratie	-	18,648,921
Sharon E. Donaldson	30,550	18,230,442
Roger M. Cave	10,000	-
Jeffrey M. Hall	-	-
Richard A. Luck	-	-

* Includes connections by virtue of directorships and other affiliations in addition to indirect shareholdings.

The ten largest shareholders of the Fund as at September 30, 2023, are as follows:

<u>VALUE FUND SHAREHOLDER</u>	<u>SHARES</u>	<u>%</u>
JCSD Trustee Services Ltd - Sigma Equity	10,827,190	7.99%
General Accident Insurance Company Ja. Ltd.	9,570,565	7.06%
3119, SJIML A/C	8,858,784	6.54%
The ATL Group Pension Fund Trustees Nominee Ltd	8,622,274	6.36%
Musson Investments Limited	6,742,737	4.98%
Fortress Caribbean Pension Fund Ltd - AA	5,650,158	4.17%
Massy (Barbados) Ltd	5,000,000	3.69%
Guardian Life Limited	4,387,590	3.24%
Coconut Industry Board	3,548,360	2.62%
NCB Insurance Agency and Fund Managers Ltd Wt160	3,087,493	2.28%

1. Identification and Activities

Eppley Caribbean Property Fund Limited SCC (formerly Fortress Caribbean Property Fund Limited SCC) (the Fund) was incorporated on May 7, 1999 and is registered under the Mutual Funds Act of Barbados as an authorised mutual fund. The Fund is a closed end fund. It commenced operations on August 20, 1999. These consolidated financial statements include the results the Fund and its subsidiaries, collectively known as the Group.

Eppley Fund Managers Limited, a mutual fund administrator licensed under the Mutual Funds Act, Barbados, acquired the common shares of the Fund which were previously held by Fortress Fund Managers and Alleyne, Aguilar & Altman Limited. The effective date of the transaction was May 4, 2018. Following the completion of the sale, the name of the Fund was changed to Eppley Caribbean Property Fund Limited SCC.

On September 24, 2013, at a special meeting of the shareholders of the Class “A” shares, the proposal to divide the Fund into a segregated cell company was approved. As a result, effective October 1, 2013, the Fund was converted to a segregated cell company, Fortress Caribbean Property Fund Limited SCC (“the Fund”). The Fund is divided into two cells, Fortress Caribbean Property Fund – Value Fund (“the Value Fund”) and Fortress Caribbean Property Fund – Development Fund (“the Development Fund”). As at October 1, 2013 each share previously owned by the Class “A” shareholders has been replaced by one share in the Value Fund and one share in the Development Fund.

A public invitation for subscription was made by Eppley Caribbean Property Limited SCC via prospectus dated June 15, 2019, in Jamaica in respect of cellular shares in the value fund at the price of J\$46.18 per share. The offer closed on July 31, 2019, consequently contributing to an increase of 66,528,860 units of shares issued.

The split of the Fund into the two cells is reflected on the Barbados Stock Exchange, the Company’s primary exchange listing. The Fund’s shares are also traded on the Trading on the Trinidad and Tobago Stock Exchange. Each share trades independently.

The investment objective of the Value Fund is to produce annual income and long-term capital gains from a diversified portfolio of income producing properties in the Caribbean. It is expected that the Value Fund will pay out a minimum of 75% of its available distributable profits annually.

The accounting policies and method of computation are consistent with the audited financial statements for year ended September 30, 2022. These financial statements are expressed in Barbados dollars which is the currency of the primary economic environment in which the Fund operates.

2. Statement of Compliance and Basis of Preparation

The unaudited financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and IFRS Interpretations Committee (IFRS IC) promulgated by the International Accounting Standards Board (IASB), applicable to companies reporting under IFRS. The consolidated interim financial statements have been prepared in accordance with the historical cost convention, as modified by the revaluation of certain financial assets held at fair value through profit or loss and investment properties which are carried at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund’s accounting policies. Although these estimates are based on management’s best knowledge of current events and conditions, actual results could differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The accounting policies and method of computation are consistent with the audited financial statements for year ended September 30, 2022. These financial statements are expressed in Barbados dollars which is the currency of the primary economic environment in which the company operates.

3. Statement on Borrowing Restrictions

The Fund intends to borrow from banks and other licensed financial institutions and/or through private placement transactions to finance the purchase of real estate (the “Intention”).

According to By-Laws No.1 of the Fund dated September 26, 2013, the following borrowing restriction is placed on the Fund:

Paragraph 7 of the By-Laws No. 1 dated September 26, 2013

7.1. The Fund may not borrow money, except from banks or other licensed financial institutions, in amounts exceeding 60% of the value of the Fund’s total assets at the time of borrowing. The Fund may not pledge or hypothecate any of its assets, except in connection with permitted borrowing in amounts not exceeding 60% of the value of the Fund’s total assets at the time of such borrowing. The powers conferred by this By-Law shall be in supplement to and not in substitution for any powers to borrow money for the purposes of the Company possessed by its directors or officers independently of a borrowing By-Law.

Given the Intention, the borrowing restrictions with respect to exceeding 60% of the value of the Fund’s total assets at the time of the borrowing will not apply as the Fund, as at the date of the publication of its further quarter results for financial year 2023, continues to be as at the date of this letter in compliance with the By-Laws.