



# IPRO GROWTH FUND LTD

## Interim Management Report

For the quarter and nine months ended 31 March 2021

### UNAUDITED CONDENSED FINANCIAL STATEMENTS For the quarter and nine months ended 31 March 2021

STATEMENT OF FINANCIAL POSITION	Unaudited Nine months ended 31 March 2021 Rs.'000	Unaudited Nine months ended 31 March 2020 Rs.'000	Audited Year ended 30 June 2020 Rs.'000
<b>ASSETS</b>			
Financial assets at fair value through profit or loss	501,261	452,570	460,570
Accounts receivable	9,876	100	1,222
Cash and cash equivalents	45,709	49,780	93,355
<b>TOTAL ASSETS</b>	<b>556,846</b>	<b>502,450</b>	<b>555,147</b>
<b>LIABILITIES</b>			
Short term loans	473	309	356
Accounts payable	4,440	4,330	6,040
Liabilities (excluding net assets attributable to holders of redeemable ordinary shares)	4,913	4,639	6,396
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE ORDINARY SHARES</b>	<b>551,933</b>	<b>497,811</b>	<b>548,751</b>
<b>Represented by:</b>			
Management share	0.1	0.1	0.1
Net assets attributable to holders of redeemable ordinary shares	551,933	497,811	548,751
	<b>551,933</b>	<b>497,811</b>	<b>548,751</b>
<b>Net Asset Value per share (Rupees)</b>	<b>28.72</b>	<b>26.24</b>	<b>28.09</b>
No. of shares used in calculation ('000)	19,218	18,969	19,530

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Unaudited Nine months ended 31 March 2021 Rs.'000	Unaudited Nine months ended 31 March 2020 Rs.'000	Unaudited Three months ended 31 March 2021 Rs.'000	Unaudited Three months ended 31 March 2020 Rs.'000	Audited Year ended 30 June 2020 Rs.'000
<b>INCOME</b>					
Dividend income	1,105	7,649	13	252	9,323
Other income	29	-	-	-	-
Interest income	72	615	25	212	676
Total income	1,206	8,264	38	464	9,999
Net gain / (loss) on financial assets at fair value through profit or loss	19,597	(70,076)	4,457	(86,770)	(21,307)
Administrative expenses	9,206	(9,982)	2,953	(3,179)	(13,196)
Net foreign exchange gain/(loss)	225	191	(34)	324	1,132
<b>Gain/(loss) before taxation</b>	<b>11,822</b>	<b>(71,603)</b>	<b>1,508</b>	<b>(89,161)</b>	<b>(23,372)</b>
Withholding tax	(15)	-	(15)	-	-
<b>Gain/(loss) after taxation</b>	<b>11,807</b>	<b>(71,603)</b>	<b>1,493</b>	<b>(89,161)</b>	<b>(23,372)</b>
<b>Increase/(decrease) in net assets attributable to holders of redeemable ordinary shares</b>	<b>11,807</b>	<b>(71,603)</b>	<b>1,493</b>	<b>(89,161)</b>	<b>(23,372)</b>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE ORDINARY SHARES	Unaudited Nine months ended 31 March 2021 Rs.'000	Unaudited Nine months ended 31 March 2020 Rs.'000	Audited Year ended 30 June 2020 Rs.'000
At 01 July	548,751	617,348	617,348
Movement in share capital	(8,625)	(47,933)	(32,255)
Increase/(decrease) in net assets attributable to holders of redeemable ordinary shares	11,807	(71,604)	(23,372)
Dividend paid	-	-	(12,970)
<b>At 31 March</b>	<b>551,933</b>	<b>497,811</b>	<b>548,751</b>

STATEMENT OF CASH FLOWS	Unaudited Nine months ended 31 March 2021 Rs.'000	Unaudited Nine months ended 31 March 2020 Rs.'000	Audited Year ended 30 June 2020 Rs.'000
Net cash used in operating activities	(9,841)	(12,011)	(13,561)
Net cash (used in)/generated from investing activities	(29,521)	19,576	61,003
Net cash used in financing activities	(8,509)	(58,674)	(55,918)
<b>Net decrease in cash and cash equivalents</b>	<b>(47,871)</b>	<b>(51,109)</b>	<b>(8,476)</b>
<b>Movement in cash and cash equivalents</b>			
At 01 July	93,355	100,699	100,699
Net decrease in cash and cash equivalents	(47,871)	(51,109)	(8,476)
Effect of exchange rate	225	191	1,132
<b>Cash and cash equivalents at 31 March/ 30 June</b>	<b>45,709</b>	<b>49,780</b>	<b>93,355</b>

By Order of the Board  
MITCO Corporate Services Ltd  
Secretary

01 June 2021

- NOTES:
- The Net Asset Value per share has been calculated based on the number of ordinary shares as at 31 March 2021 amounting to 19,218,037 shares (30 June 2020: 19,529,586 shares).
  - The above unaudited condensed financial statements are issued pursuant to Listing Rule 12.20 and published as per the Securities Act 2005.
  - The statement of direct and indirect interests of insiders pursuant to Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rule 2007 is available free of charge, at the registered office of the Company.
  - The Board of Directors of IPRO Growth Fund Ltd accepts full responsibility for the accuracy of the information contained in these unaudited condensed financial statements.
  - The Business Registration Number of IPRO Growth Fund Ltd is C06010411.

### PERFORMANCE REVIEW

IGF ended the third quarter of the financial year 2020/21 with a positive performance of 0.3%. Over one year, the NAV rose by 12.2%.

Diversification in global equities, focused on the US market, have generated positive returns for IGF. Locally, IGF increased its stake in The Bee Equity Partners, a listed investment company having a private equity strategy, at an attractive discount.

A number of facts let us believe that we should see headwinds in the coming months:

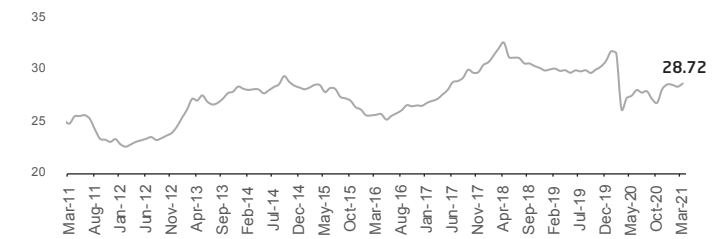
Locally, vaccination is progressing very slowly making it difficult to plan for the reopening of borders, which is vital for the tourism industry and the economy in general. As a result, debt is surging, while GDP recovery is weak with all the traditional economic pillars facing major challenges;

The majority of commodities prices are going through the roof, but the US authorities have decided to raise taxes and shrug off inflationary signals. The erosion of purchasing power is bad news for equity markets.

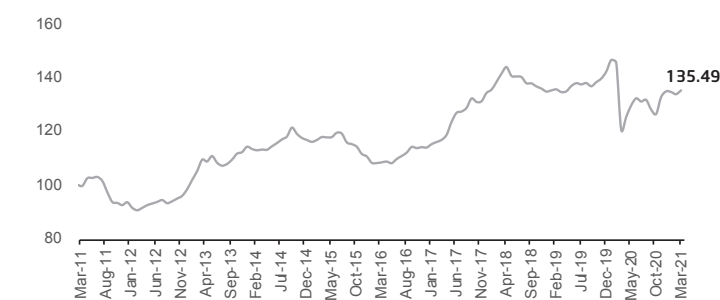
### PERFORMANCE AS AT 31 March 2021

3 months	1 year	3 years	5 years	7 years	10 years	Since Inception
0.3%	12.2%	-1.5%	4.5%	2.6%	3.1%	6.8%

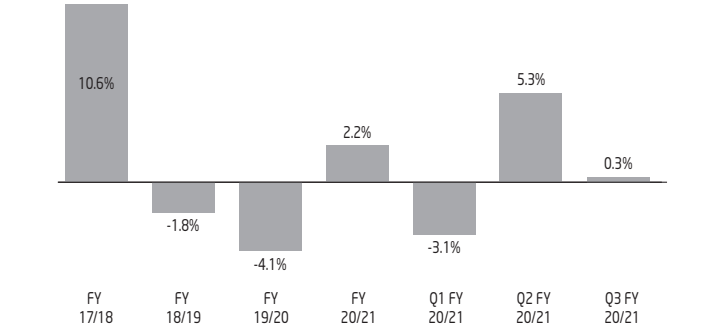
### NAV Evolution



### Cumulative Index Performance



### Fund Performance



Dividend Yield of the Fund: 2.4%

### Portfolio Composition

Portfolio Composition	%
Local Equities	36.0%
African Fixed Income	18.8%
Global Equities	16.9%
African Equities	14.7%
Liquidity	9.2%
Commodities	3.7%
Global Fixed Income	0.7%
<b>Total</b>	<b>100.0%</b>

### Local Portfolio Composition

Local Portfolio Composition	%	Top 10 Holdings	%
Banks, Insurance & Other Finance	31.3%	Africa Total Return (I) Fund	18.8%
Investments	23.2%	The Spirit of St Louis Global Equity Fund Ltd	14.7%
Industry	16.9%	African Market Leaders (I) Fund	14.7%
Local Liquidity	14.4%	MCB Group Limited	12.4%
Leisure & Hotels	7.0%	Phoenix Beverages Group*	11.1%
Exchange Traded Commodity	5.8%	The Bee Equity Partners Ltd	4.2%
Property Development	0.7%	NewGold ETF	2.6%
Unquoted	0.6%	Lottotech Ltd	1.8%
Commerce	0.1%	Lux Island Resorts Ltd	1.3%
<b>Total</b>	<b>100.0%</b>	iShares Physical Gold ETC	1.1%
		<b>Total</b>	<b>82.7%</b>

\* Phoenix Beverages Limited & Phoenix Investment Company Limited

IMPORTANT LEGAL INFORMATION: This report is provided by IPRO Fund Management Ltd for information purposes only and is meant for investment professional use. Neither the information nor any opinion expressed constitutes an offer or an invitation to make an offer, to buy or sell any fund. This report does not have regard to the specific investment objectives and financial situation of any specific person who may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any funds recommended in this report and should understand that statements regarding future prospects may not be realized. Investors should note that each fund's price or value may rise or fall. Past performance is not a guide to future performance.

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