STELLAR
CAPITAL PARTNERS

CONDENSED INTERIM RESULTS

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER

2020

STELLAR CAPITAL PARTNERS

STELLAR CAPITAL PARTNERS LIMITED

Incorporated in the Republic of South Africa | Registration number: *1998/015580/06*

Share code: *SCP* | ISIN: *ZAE000198586*

INTRODUCTION

INTRODUCTION

Stellar Capital Partners Limited ("Stellar" or the "Company" or the "Group") presents its unaudited interim results for the six-month period ended 31 December 2020.

As at 31 December 2020, the net asset value per share ("NAVPS") of Stellar is R1.29, representing a decrease of 2 cents per share from 30 June 2020 and an increase of 8 cents per share from 31 December 2019.

OPERATIONAL UPDATE

Prescient

Thus far Prescient has been able to withstand the impact of COVID-19 and the national lockdown on the economy. As at 31 December 2020, assets under management have grown to R101 billion and assets under administration have grown to R506.1 billion. The Prescient Group continues to expand its international businesses in Britain, Ireland and China and has partnered with Reinet to accelerate its growth into new markets in Asia.

AHI Asset Management

AHI Asset Management ("AHI") continues to look for opportunities to leverage the CAT 2A asset management license, either by supporting the activities of the current portfolio of managers or by expanding into other alternative asset classes.

During the period under review, Stellar injected further equity of R8.1m million into AHI by subscribing for ordinary shares. Stellar also holds preference A Shares in AHI, which reflect AHI's investment in the Greenpoint Funds. AHI continues to hold 90 million SCP treasury shares, with no further acquisitions being made in the period under review.

Sithega Fund

The Sithega Financial Services Fund, led by Mr. Thabo Dloti, is invested in Prescient and remains firm on its intention to expand its investment portfolio into life and short-term insurance markets, although progress in this respect has been hindered by the global pandemic. Stellar's investment in the fund remains unchanged.

Praxis

The national lockdown, particularly in the second quarter of 2020, severely impacted the panel beating industry and therefore also Praxis, a short-term finance provider to the industry. However, the industry has shown a slow recovery.

Greenpoint

Despite the pandemic and the resultant lockdown, the Greenpoint Funds fared reasonably well, but the impairment provision in Greenpoint Special Opportunities Fund was not able to fully absorb losses, resulting in a slight decrease in this fund's fair value.

As the appointed manager of the Greenpoint Funds, Greenpoint Capital Proprietary Limited was able to significantly grow the credit portfolios during the period under review. Growth of the funds remains a priority so as to not only diversify risk but to improve the sustainability of the manager.

GPC Investments invests balance sheet capital into its own funds to demonstrate its commitment to its credit decision making process and to its fund investors.

Stellar Capital remains an investor in both funds with R125.9 million held indirectly via AHI Asset Management at 31 December 2020. A portion of the A Share dividends received are reinvested in A Shares so as to match the GSL Fund and GSO Fund returns reinvested by AHI.

INTRODUCTION

Inyosi Solutions

Inyosi Solutions continues to perform well as the manager of the Inyosi Supplier and Enterprise Development Funds, which was able to adequately manage the impact of the pandemic and national lockdown. Invested funds have grown to R380 million as at 31 December 2020. Stellar has partnered with management to grow the offering in the empowerment services space, with a focus on helping small/medium black businesses with their capital requirements, training and job creation.

Tellumat

Tellumat finalised the disposal of its Defense and ATM divisions, effective 31 December 2020. The remaining divisions of the Tellumat Group are in advanced stages of being wound down.

OUTLOOK

The COVID-19 pandemic continues to have a fundamental impact on the world, and business in general. It is uncertain whether the current vaccination drive will bring the pandemic under control.

As communicated to shareholders in the announcements released on the Stock Exchange News Service ("SENS) on 18 November 2020 and 5 February 2021, the Stellar Board is currently engaged in various strategic objectives which include:

- implementation of the Manco Internalisation (which is still subject to shareholder approval);
- addressing the empowerment status of the Company;
- evaluating Stellar's continued listing;
- the optimal deployment of available cash resources and appropriate levels of gearing; and
- ultimately narrowing the discount between the reported NAV per share and the share price of the Company.

The current portfolio of assets and a liquid balance sheet place Stellar in a strong position with regards to the execution of the above strategic objectives despite the continued impact and future uncertainty of the COVID-19 crisis.

CHANGES TO THE BOARD OF DIRECTORS AND BOARD COMMITTEES

There have been no changes to the Board of Directors and Board Committees for the six-month period under review.

SUM-OF-THE-PARTS (SOTP) VALUATION

AS AT 31 DECEMBER 2020

R'000	% of portfolio	As at 31 December 2020	As at 30 June 2020	As at 31 December 2019
Financial Services				
Prescient	28.8%	325 720	318 496	318 496
AHI Asset Management	11.9%	134 229	146 726	131 660
Sithega Fund	5.0%	56 508	54 037	55 779
Praxis Financial Services	-	-	-	24 450
Greenpoint Holdings	0.9%	9 716	10 998	12 260
Inyosi Solutions	0.6%	6 974	7 724	7 724
Friedshelf	1.3%	14 467	18 769	19 303
Industrials and Technology				
Tellumat [1]	1.4%	15 200	26 862	30 638
Corporate Assets				
Financial assets	0.1%	1 209	1 179	1 143
Loan portfolio [2]	11.1%	125 854	124 482	121 483
Venture capital portfolio [3]	1.9%	21 885	30 499	30 190
Cash and cash equivalents	36.8%	416 112	400 986	490 495
Other assets	0.2%	1 718	403	32 198
Total Assets		1 129 592	1 141 161	1 275 819
Trade and other payables		(1 667)	(1 164)	(3 057)
SOTP value		1 127 925	1 139 997	1 272 762
Less: Cost of treasury shares held in subsidiary		(64 026)	(64 026)	(37 734)
Adjusted SOTP value		1 063 899	1 075 971	1 235 028
Net shares in issue ('000) [4]		822 617	822 617	1 023 451
SOTP value per share (Rand) [5]		1.29	1.31	1.21

Notes:

1. The value comprises the sum of the investments in Tellumat and Amalinde Technologies
2. Investments in the Greenpoint Funds held indirectly via a preference share
3. Held in Stellar International
4. Net shares in issue excludes 90.0 million treasury shares held by AHI Asset Management as at 31 December 2020
5. SOTP value per share accounts for the effect of 90.0 million treasury shares acquired by AHI Asset Management at an average acquisition price of 71 cents per share
6. The current investment fair values in the above SOTP do not result in a net tax liability upon disposal

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R'000	Notes	Unaudited as at 31 December 2020	Audited as at 30 June 2020	Unaudited as at 31 December 2019
Non-current assets		666 626	682 660	700 659
Unlisted investments at fair value	7	666 494	681 232	691 155
Other financial assets		-	1 179	1 143
Loans to portfolio companies		-	-	7 852
Deferred taxation		132	249	509
Current assets		462 966	458 501	575 160
Unlisted investments at fair value	7	44 059	57 361	60 828
Other financial assets		1 209	-	-
Loans to portfolio companies		-	-	20 000
Current tax receivable		-	34	-
Trade and other receivables		1 586	120	3 837
Cash and cash equivalents		416 112	400 986	490 495
Total assets		1 129 592	1 141 161	1 275 819
Equity		1 127 925	1 139 997	1 272 762
Ordinary share capital		2 229 084	2 229 084	2 347 806
Accumulated loss		(1 101 159)	(1 089 087)	(1 075 044)
Current liabilities		1 667	1 164	3 057
Current tax payable		649	-	1 882
Trade and other payables		1 018	1 164	1 175
Total equity and liabilities		1 129 592	1 141 161	1 275 819

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

R'000	Notes	Unaudited 6 month period ended 31 December 2020	Audited 12 month period ended 30 June 2020	Unaudited 6 month period ended 31 December 2019
Fair value adjustments	8	(37 959)	(74 641)	(37 953)
Fair value adjustments on unlisted investments and other financial assets		(32 907)	(74 641)	(37 953)
Fair value adjustments resulting from capital distributions		(5 052)	-	-
Dividend income	9	26 543	35 117	16 331
Capital distributions		5 052	-	-
Earnings distributions		21 491	35 117	16 331
Interest income		9 389	33 726	17 283
Gross loss from investments		(2 027)	(5 798)	(4 339)
Other income		178	813	465
Net loss before operating expenses		(1 849)	(4 985)	(3 874)
Management fee		(4 811)	(11 471)	(6 253)
Operating expenses		(3 223)	(7 315)	(3 356)
Transaction costs		-	(192)	-
Loss before tax		(9 883)	(23 963)	(13 483)
Taxation		(2 189)	(7 224)	(3 661)
Loss for the period		**(12 072)**	**(31 187)**	**(17 144)**
Weighted number of shares in issue ('000)		822 617	1 009 411	1 044 883
Loss per share (cents)		(1.47)	(3.09)	(1.64)
Headline loss per share (cents)		(1.47)	(3.09)	(1.64)
Diluted loss per share (cents)		(1.47)	(3.09)	(1.64)
Diluted headline loss per share (cents)		(1.47)	(3.09)	(1.64)

Potential dilutive items to the above loss per share and headline loss per share:

The current Management Agreement with the appointed Investment Manager ("Manco") requires the issue of 50 000 000 Stellar ordinary shares to the Manco on termination of the management agreement in the event of shareholders voting to terminate the relationship through an ordinary resolution, presented annually to shareholders at the Annual General Meeting, which is next scheduled for November 2021.

The Board believes that the internalisation of the Manco for the same economics (issue of 50 000 000 Stellar ordinary shares) provides a more constructive and beneficial route than termination of the management agreement as communicated to shareholders in the announcement released on SENS on 5 February 2021, which is still subject to shareholder approval as at the date of the release of these interim results. The issue of 50 000 000 Stellar shares in the event that either i) the Manco agreement is terminated or ii) the Manco is internalised will be dilutive in nature and the above net number of current shares in issue will increase from 822 616 841 to 872 616 841.

RECONCILIATION BETWEEN LOSS AND HEADLINE LOSS

R'000	Unaudited 6 month period ended 31 December 2020	Audited 12 month period ended 30 June 2020	Unaudited 6 month period ended 31 December 2019
Loss for the period	(12 072)	(31 187)	(17 144)
Headline loss for the period	(12 072)	(31 187)	(17 144)
Shares in issue at the beginning of the period	912 617	1 075 032	1 075 032
Effect of holding treasury shares and share repurchases	(90 000)	(65 621)	(30 149)
Weighted average number of shares in issue	822 617	1 009 411	1 044 883

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

R'000	Unaudited 6 month period ended 31 December 2020	Audited 12 month period ended 30 June 2020	Unaudited 6 month period ended 31 December 2019
Balance at the beginning of the period	1 139 997	1 289 906	1 289 906
Loss for the period	(12 072)	(31 187)	(17 144)
Repurchase and cancellation of ordinary shares	-	(118 722)	-
Balance at the end of the period	1 127 925	1 139 997	1 272 762

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

R'000	Unaudited 6 month period ended 31 December 2020	Audited 12 month period ended 30 June 2020	Unaudited 6 month period ended 31 December 2019
Operating activities	25 045	445 330	420 670
Cash generated from operations and capital distributions received	17 075	418 218	404 747
Interest received	9 358	33 649	17 240
Tax paid	(1 388)	(6 537)	(1 317)
Investing activities	(9 919)	2 251	(2 302)
Acquisitions of investments	(9 919)	(24 739)	(1 440)
Disposal of other financial assets	-	31	31
Loans advanced to portfolio companies	-	(30 644)	(893)
Loans repaid by portfolio companies	-	57 603	-
Financing activities	-	(118 722)	-
Repurchase of ordinary shares	-	(118 722)	-
Cash and cash equivalents at the beginning of the period	400 986	72 127	72 127
Cash and cash equivalents at the end of the period	416 112	400 986	490 495
Net increase in cash and cash equivalents	15 126	328 859	418 368

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. REPORTING ENTITY

Stellar is a South African domiciled investment holding company listed on the main board of the JSE Limited ("JSE"). The condensed consolidated interim financial statements of the Group as at and for the six-month period ended 31 December 2020 comprise the Company and its Consolidated Subsidiary, Stellar Management Services Proprietary Limited.

The Company now only has significant interests in unlisted investments, which are more fully set out in note 7. As an investment holding company, Stellar has applied the investment entity exception and accounts for its investments on a fair value basis, in accordance with IFRS 10 Consolidated Financial Statements.

2. FINANCIAL PREPARATION AND REVIEW

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), including the disclosure requirements of IAS 34 Interim Financial Reporting ("IAS 34") and comply with the Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, as well as the JSE Listings Requirements and the Companies Act, No 71 of 2008.

The results include, as a minimum, the information required by IAS 34 and do not include all the information required for a complete set of IFRS financial statements and it is advised that these results be read in conjunction with the consolidated annual financial statements of the Group for the year ended 30 June 2020, which are available at http://www.stellarcapitalpartners.co.za/financial-results/.

These condensed consolidated interim financial statements have been prepared by W Dreyer under the supervision of S Graham CA(SA), the Chief Financial Officer and have not been audited or reviewed by the Group's auditors.

These condensed consolidated interim financial statements were approved by the Board of Directors on 19 February 2021. The Directors take full responsibility for the preparation of these results.

3. ACCOUNTING POLICIES

The accounting policies applied by the Group in these condensed consolidated interim financial statements are consistent with those applied in the consolidated annual financial statements for the year ended 30 June 2020.

All subsidiaries classified as portfolio investments are accounted for at fair value through profit or loss ("FVTPL") in terms of IFRS 9 Financial Instruments and all associates classified as portfolio investments are accounted for at FVTPL in terms of the exemption from applying the equity method of accounting provided in IAS 28 Investments in Associates and Joint Ventures.

4. JUDGEMENTS AND ESTIMATES

Management is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated annual financial statements for the year ended 30 June 2020.

5. SEGMENT INFORMATION

As the Group has only one business segment which is managed as a single pool of capital irrespective of the sector in which the Group's investees trade, segmental reporting is not applicable.

6. DIVIDENDS

No ordinary dividends were declared during the six-month period ended 31 December 2020.

7. INVESTMENTS HELD AT FAIR VALUE

All subsidiaries and associates have a principle place of business in South Africa with the exception of Stellar International, which has a principle place of business in Mauritius.

Unlisted investments

ENTITY	NATURE OF OPERATIONS	% HELD 31 DECEMBER 2020	% HELD 30 JUNE 2020	% HELD 31 DECEMBER 2019
Prescient	Diversified financial services group offering investment management, fund services, administration, stockbroking and retail and institutional products	19%	19%	19%
AHI Asset Management	Alternative asset manager	100%	100%	100%
Sithega Fund [1]	Empowered investment holding entity	30%	30%	30%
Praxis Financial Services	Provider of short term finance to the panel beating industry to address motor body repairers' working capital needs	37%	37%	37%
Greenpoint Holdings	Provision of management services	51%	51%	51%
Inyosi Solutions	Provision of management services	75%	75%	75%
Friedshelf	Financial services group	100%	100%	100%
Tellumat	Technology solutions and services in manufacturing, air traffic control systems, defence and security and turnkey infrastructure solutions for the telecommunications industry	49%	49%	49%
Amalinde Technologies (previously Masimong Technologies) [2]	B-BBEE investment holding company and B-BBEE partner of Stellar for Tellumat	100% preference shares[2]	100% preference shares[2]	100% preference shares[2]
Stellar International	Holding company for international venture capital investments	100%	100%	100%
Preference shares (investment in GSL and GSO Funds)	Preference share investment in AHI Asset Management	Sole preference shareholder	Sole preference shareholder	Sole preference shareholder

[1] Stellar Capital is an initial investor as limited partner in an *en commandite* partnership agreement of the Sithega Fund and is entitled to 30% of the economic interests of the fund as at 31 December 2020.

[2] The preference shares held in Amalinde Technologies are non-cumulative and redeemable at the instance of the issuer.

R'000	As at 31 December 2020	As at 30 June 2020	As at 31 December 2019
Unlisted	710 553	738 593	751 983
Prescient	325 720	318 496	318 496
AHI Asset Management	134 229	146 726	131 660
Sithega Fund	56 508	54 037	55 779
Praxis Financial Services	-	-	24 450
Greenpoint Holdings	9 716	10 998	12 260
Inyosi Solutions	6 974	7 724	7 724
Friedshelf	14 467	18 769	19 303
Tellumat	7 433	13 136	14 982
Amalinde Technologies	7 767	13 726	15 656
Stellar International	21 885	30 499	30 190
Greenpoint Funds	125 854	124 482	121 483
Total	710 553	738 593	751 983

Prescient

As at 31 December 2020, the fair value of the indirect investment in Prescient has been estimated by management using the sustainable earnings model, which is consistent with the valuation method used in previous financial years. The two most significant unobservable inputs/assumptions are estimated net profit after tax ("NPAT") of R122.0 million and a P/E multiple of 11.7 times. The effect on the statement of financial position of any assets and liabilities recognised by Prescient at 31 December 2020, which are not related to the business operations, has been included in the valuation.

A reasonable possible change of 10% in the sustainable NPAT or 5% in the multiple used would result in an adjustment to the estimated fair value of R27.7 million and R13.8 million, respectively.

AHI Asset Management

Stellar Capital subscribed for additional shares in AHI Asset Management for R8.1 million in the period under review.

As at 31 December 2020, the fair value of the investment has been determined using the net asset valuation method and a reasonable possible change of 10% in the net asset value would result in an adjustment to the estimated fair value of R13.4 million.

Sithega Fund

In April 2019, Stellar Capital invested R54 million into the Sithega Financial Services Fund. The fair value of the investment is derived from the fund's unit value as at 31 December 2020, as determined by the Sithega Fund manager.

Praxis

Praxis is still recovering from the impact of the national lockdown. As at 31 December 2020, management does not consider the determination of the inputs to the sustainable earnings model to be feasible because, although the business cash flows are materially break-even, the high-cost debt levels remain high and it is therefore not considered prudent to recognise any equity value.

The shares held in Praxis Financial Services have been pledged and ceded in securitatem debiti to the GSL Fund as a continuing general covering security in respect of amounts owing by the investee to the Fund.

Greenpoint Holdings

As at 31 December 2020, the fair value of Greenpoint Capital has been estimated by management using the sustainable earnings model, which is consistent with the valuation method used in previous financial years. The two most significant unobservable inputs/assumptions are estimated net profit after tax of R2.6 million and a P/E multiple of 4.9 times.

Included in the valuation of Greenpoint Holdings is the net asset value of GPC Investments and a working capital adjustment to Greenpoint Capital, which collectively amounts to R6.5 million.

A reasonable possible change of 10% in either the sustainable NPAT or the multiple used would result in an adjustment of R0.6 million to the estimated fair value.

Inyosi Solutions

In previous financial years, the investment has been based on the sustainable earnings model but, as at 31 December 2020, the fair value of the investment has been based on the likely sale price following discussions with a third party currently underway. This is in accordance with the Group's accounting policy, where the sustainable earnings multiple is not considered to be appropriate as the primary valuation method. Because Stellar is currently in discussions to sell its investment in Inyosi to a third party, the investment has been classified as current.

A reasonable possible change of 10% in the offer price would result in an adjustment of R0.7 million to the fair value.

Friedshelf

Stellar Capital received a capital distribution of R4.3 million from Cadiz Life, via Friedshelf, which resulted in a corresponding fair value downward adjustment of same.

As at 31 December 2020, the fair value of the investment has been determined using the net asset valuation method and a reasonable possible change of 10% in the net asset value would result in an adjustment to the estimated fair value of R1.4 million.

Tellumat and Amalinde Technologies

Following the finalisation of the sale of the operating divisions, these are valued at the estimated disposal proceeds as at 31 December 2020, with the estimated fair value of remaining divisions being based on the net asset value realisation method. This exit-value approach for both Tellumat and Amalinde Technologies is consistent with the previous financial year.

A reasonable possible change of 20% in the disposal proceeds would result in an adjustment to the estimated fair value of R3.4 million for Tellumat and R3.6 million for Amalinde Technologies and a reasonable possible change of 20% in the net asset value would result in an adjustment to the estimated fair value of R1.9 million for Tellumat and R2.0 million for Amalinde Technologies.

Stellar International

As at 31 December 2020, the fair value of the investment has been estimated by management using the price of recent investment valuation method, which is consistent with the valuation method used in previous financial years. Because Stellar has decided to exit the investments in LifeQ and Tictrac in the short term, discounts of 25% and 50% respectively have been applied to the respective acquisition prices to reflect the price risk associated with exiting during a global pandemic. The discounted values, along with the balance of net assets, have been converted from US Dollars to Rands using the foreign exchange spot rates on 31 December 2020.

A reasonable possible increase or decrease of 10% in the liquidity discounts applied would result in an adjustment to the estimated fair value of R3.5 million.

Stellar continues to seek opportunities to exit this investment and it has therefore been classified as current.

Greenpoint Funds

Stellar Capital indirectly invests in the two Greenpoint Funds via a preference share in AHI Asset Management, the fair value of which is based on the B Unit / B Share values of the funds as determined by the manager (Greenpoint Capital).

During the period under review a portion of returns of R1.8 million were reinvested.

Level 3 investments

All current portfolio companies are classified as Level 3 and all investments into funds are classified as Level 2 because any investors entering or exiting these funds will do so at the fund unit/share values.

The Board of Directors has approved the valuation methodologies used by management for Level 3 investments. The Company receives the latest available reports from portfolio companies at each reporting date, either in the form of audited financial statements or unaudited management accounts, which are then used in the valuation techniques. The table below shows the reconciliation of Level 3 movements:

R'000	31 December 2020	30 June 2020	31 December 2019
Opening balance	560 074	614 452	614 452
Additions	8 120	20 300	-
Fair value adjustments	(34 951)	(74 678)	(39 731)
Fair value losses due to capital distributions	(5 052)	-	-
Total	528 191	560 074	574 721

Transfers to Level 3 occur in instances where management assesses that the quoted market price of a listed investment is not representative fair value at the measurement date. Similarly, transfers from Level 3 occur where previously management assessed that the quoted market price of a listed investment was not representative of fair value, but where a change in factors results in management concluding that the quoted market price is considered to be an appropriate basis for estimating fair value. There were no transfers between levels during the period under review.

8. FAIR VALUE ADJUSTMENTS

R'000	Unaudited 6 month period ended 31 December 2020	Audited 12 month period ended 30 June 2020	Unaudited 6 month period ended 31 December 2019
Fair value adjustments on unlisted investments and other financial assets	(32 907)	(74 641)	(37 953)
Prescient	7 224	-	-
AHI Asset Management	(20 617)	(5 234)	-
Sithega Fund	2 471	37	1 779
Praxis Financial Services	-	(24 450)	-
Greenpoint Holdings	(1 282)	(1 262)	-
Inyosi Solutions	-	-	-
Friedshelf	-	(4 661)	(4 127)
Tellumat	(5 703)	(19 373)	(17 527)
Amalinde Technologies	(5 959)	(20 245)	(18 315)
Stellar International	(8 614)	547	238
Greenpoint Funds	(427)	-	-
Other financial assets	-	-	(1)
Fair value losses resulting from capital distributions	(5 052)	-	-
Total	(37 959)	(74 641)	(37 953)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(CONTINUED)*

9. DIVIDEND REVENUE

R'000	Unaudited 6 month period ended 31 December 2020	Audited 12 month period ended 30 June 2020	Unaudited 6 month period ended 31 December 2019
Capital distributions	5 052	-	-
Inyosi Solutions	750	-	-
Friedshelf	4 302	-	-
Earnings distributions	21 491	35 117	16 331
Prescient	13 648	19 451	8 745
Inyosi Solutions	1 715	1 020	1 020
Preference share (Greenpoint Fund returns)	6 128	14 646	6 566
Total	26 543	35 117	16 331

10. RELATED PARTY TRANSACTIONS

Related party transactions are entered into in the ordinary course of business and comprise (i) transactions with portfolio companies, including loans advanced/repaid, interest income, dividends received and amounts received or paid in respect of services provided; and (ii) management fees paid to Thunder Securitisations Proprietary Limited (the appointed investment manager to Stellar Capital).

11. GUARANTEES

At the reporting date, the Company has issued limited corporate guarantees in favour of the creditors of Praxis Financial Services for R36.0 million (2019: R49.5 million), which can be cancelled with 3 months' notice by either party. Management accounts are obtained from Praxis on a monthly basis and analysed in conjunction with the monitoring of the purchases from suppliers for which guarantees have been issued. Stellar is also a second guarantor, after Praxis, to funding provided by the Inyosi Enterprise Development Fund to panel beater clients of Praxis. At 31 December 2020, the loan outstanding is R6.5 million.

12. EVENTS AFTER THE REPORTING PERIOD

Management have assessed the ongoing impact of COVID-19 on its operating, financing and investing activities. As part of this assessment, the Board has considered the impact of the national lockdown and weakened economy post 31 December 2020 on the underlying funds and investee operations and is not aware of any matter or circumstance arising since the end of the reporting period to the date of this report that could have a material effect on the financial position of the Company.

As communicated to shareholders in the announcement released on SENS on 5 February 2021, the Stellar Board of Directors has concluded its evaluation of the Manco structure and has resolved, subject to shareholder approval, to terminate the Manco structure through the acquisition of all the issued shares in the Manco ("Manco Internalisation"). The Manco Internalisation remains subject to shareholder and regulatory approvals as at the date of the release of these interim results.

By order of the Board

CJ Roodt

Chairman of the Board

19 February 2021

FORWARD LOOKING STATEMENTS

Any forward-looking statements included in this results announcement involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Group to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Any reference to forecast information included in this results announcement does not constitute an earnings forecast and has not been reviewed or reported on by the Group's external auditors.

STELLAR CAPITAL PARTNERS

DIRECTORS

CJ Roodt (Chairman)*, PJ Van Zyl (Chief Executive Officer), S Graham (Chief Financial Officer), L Potgieter#, DD Tabata*, MVZ Wentzel*, HC Steyn^, PJ Bishop^

Lead Independent non-executive
* Independent non-executive
^ Non-executive

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TRANSFER SECRETARIES

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