Kongens Lyngby, 30 November 2025

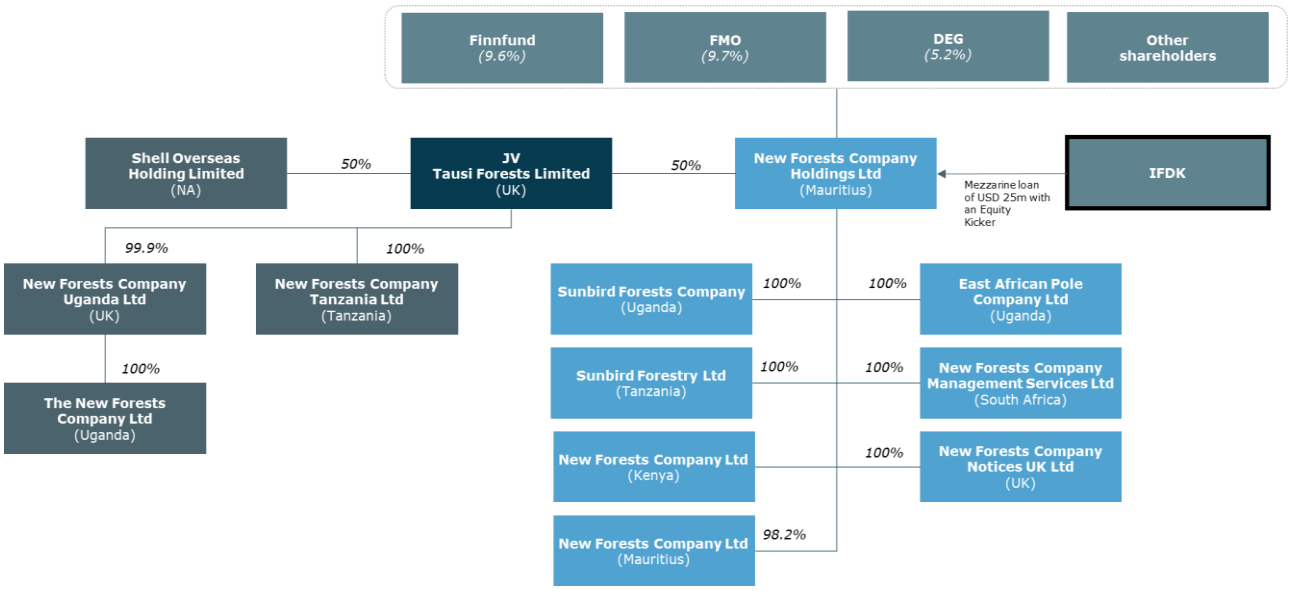
Compliance statement for the NFC Group and the Tausi Group

1 Investment structure

Impact Fund Denmark ("IFDK") is contemplating to invest USD 25m in mezzanine investment (loan with an equity kicker) to finance New Forests Company Holdings l Limited ("NFC"), which is registered and tax resident in Mauritius.

The funds from IFDK will be used for industrial development in Uganda in Tanzania, financing the purchase installation and development of sawmill and plywood lines as well as refinancing of existing instruments.

As an integrated part of the document package a tax due diligence report has been prepared regarding the NFC Group and the Tausi Group, including their subsidiaries (referring to the overview below of the group).



2 Compliance

The structure has been subject to our high-level tax due diligence, and the purpose is to ensure that the investment and the NFC Group and the Tausi Group are compliant with IFDK's Policy on Responsible Tax ("Tax Policy").

Based on the information provided, it is our assessment that the NFC Group and the Tausi Group comply with IFDK's Tax Policy for the following main reasons:

1. Pays taxes in developing countries where operating income is generated

All entities part of the NFC Group and Tausi Group are opaque entities and are tax resident in the jurisdictions they are registered. Further, all entities are taxable and tax paying entities under the local tax rules.

Furthermore, we find that the NFC Group and Tausi Group do not engage in tax practices aimed at shifting profits from the country in which they are actually earned to low-tax jurisdictions (commonly referred to as profit shifting). This conclusion is primarily based on the following facts and circumstances:

- The employees and the head of office of the management company, Company Management Services Ltd (South Africa), are based in South Africa.
- There is a head office in Mauritius for the NCF Group, and a head office in London for the Tausi Group.
- There are senior management and finance team in the entities in Uganda, Tanzania and South Africa.
- All intercompany transactions are conducted at arms-length and in accordance with the OECD Guidelines on Transfer Pricing.
- There are no hybrid entities or instruments used for tax optimization purposes.
- The NFC Group and the Tausi Group are fully tax compliant with local tax laws in each jurisdiction where they operate
- The NFC Group and the Tausi Group do not deduct net interest expenses above EUR 3m.
- The NFC Group and the Tausi Group are supported by external advisors who provide assistance with tax matters.

2. Does not use holding companies irresponsibly

IFDK's Tax Policy does not allow IFDK to participate in structures in third jurisdictions that are on the EU list of non-cooperative jurisdictions for tax purposes or do not work towards complying with the peer review process of OECD's Global Forum on Transparency and Exchange of information for tax purposes.

Further, IFDK's Tax Policy does not allow IFDK to participate in structures using holding companies in third jurisdictions, unless (i) the principal purpose is not to reduce the taxation of returns from the operating company in the respective host country (principal purpose test) and (ii) the holding company meets the BEPS substance requirements if the holding company claims any treaty benefits.

Based on the information received, we understand that the NFC Group has one holding company, and the Tausi Group also has one holding company. Under the Tausi Group, there is an intermediary sub-holding company that owns the investment in the operating entity in Uganda. There are currently no plans to establish additional holding companies.

On this bases, we have not encountered any matters implying that the NFC Group and the Tausi Group make use of holding companies irresponsibly implying that the NFC Group and the Tausi Group work against the OECD Inclusive Framework on base erosion and profit shifting.

3. Be transparent

Lastly, the NFC Group and the Tausi Group are willing to adhere to IFDK's Tax Policy. The NFC Group and the Tausi Group recognize IFDK's commitment to responsible and transparent tax practices, and the NFC Group and the Tausi Group are aligned with these principles. The NFC Group and the Tausi Group are committed to ensuring that their tax conduct remains compliant, responsible, and consistent with the expectations set out in IFDK's Tax Policy.

3 Disclosure

It is our assessment that the said investment is not subject to mandatory disclosure according to the EU DAC6 regulation.

Best regards

Michael Tell
Specialist Partner, M.sc., Ph.D.
+45 40 42 22 99
mt@corit.dk

Juliana Saadat
Senior Associate
+45 41 22 03 10
js@corit.dk