

Annual Report 2021

Stichting African Parks Foundation

Langbroek

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The Netherlands*

CONTENTS

Report of the board	2
Financial Statements	
Balance sheet as at 31 December 2021	6
Statement of profits and losses for the year 2021	7
Notes to the balance sheet and statement of profits and losses	8
Other information	
Appropriation of result	25
Independent auditor's report	26

Report of the board

The mission of the Stichting African Parks Foundation (SAPF), incorporated in Utrecht, the Netherlands, is to support protected areas and other conservation projects under management of African Parks Network (APN) or its affiliated organizations. APN is a S21 registered not-for-profit organization with its seat in South Africa. SAPF and APN are part of the bigger African Parks family.

To achieve its mission, SAPF raises funds by obtaining liquid assets through donations, legacies, interest from investments and other income from capital. SAPF's sole purpose is raising funds for African Parks, and all funds raised are designated exclusively to APN or its affiliated organizations to fund its conservation work on the African Continent. For further insight into the activities conducted by APN and the projects under its management, reference is made to www.africanparks.org, where the APN Annual Report for 2021 and the Annual Financial Statement for the year 2021 can be obtained.

SAPF is one of the fundraising entities that play a crucial role in safeguarding the continuity of APN and the Protected Areas which APN has under management. Since APN enters into long term management contracts, substantial amounts are needed to cover future deficits, which arise particularly in the first years of operation, when a revenue stream is usually absent. Moreover, given the ambitions for growth APN has for the coming years, substantial funds will remain essential in the future.

The Board

The Board of SAPF consists of René Hooft Graafland, Arent Fock, Heleen Dura-van Oord, Pieter van Doorne, Frederik Lotz and Mirjam de Blécourt-Wouterse.

All board members are nature conservationists by heart and are extremely dedicated to African Parks and the Protected Areas under its management. Board members do not receive any financial compensation for their work, and the Board adopts the policy that all additional costs, like out-of-pocket travelling expenses, are not reimbursed by SAPF but are for each Board Member's account.

Fundraising

SAPF's Board Members are actively involved in fundraising. For example, Board Members open their network for fundraising events organized in the Netherlands and participate in trips to Protected Areas organized for potential donors (at their own cost). Usually, these donors are High-Net-Worth Individuals and representatives of Foundations and/or (semi) governmental organizations. All Board members are donors themselves as well.

Thanks to these fundraising activities, a total of EUR 9.859.455 (2020: 10.150.014) was raised through gifts and donations. A significant share of these donations and gifts to SAPF was assigned to specific projects or Protected Areas. Consequently, an amount of EUR 7.716.851 (2020: EUR 7.992.447) was forwarded to (APN and its) Protected Areas without

any deduction by SAPF. Amongst these were donations received from Stichting Natura Africae (EUR 4.250.000) and Stichting DOB Ecology (EUR 569.900), with the remainder of the sum coming from private individuals and foundations who prefer to remain anonymous.

The remaining gifts and donations amounted to a total of EUR 2.142.604 (2020: EUR 2.157.567) and were not directly forwarded to APN but added to the Foundation Funds. The largest donation (EUR 2.086.865) was made by Mr Onno van de Stolpe and was added to the Endowment Fund. This is the second donation as part of a five-year commitment.

The fundraising activities conducted by SAPF have also yielded donations and gifts made directly to APN or its Protected Areas as some donors and foundations prefer to pay directly into the APN accounts. These donations translate to an amount of EUR 1.812.000, and includes the donations of the Dutch Postcode Lottery and Adesium Foundation. This is sometimes also applicable for parties who wish to make social investments (for example, in tourist accommodations). Although these donations are (partly) the result of the SAPF fundraising activities in The Netherlands, they are quantified and reflected in the Annual Report of APN and not reported in these Financial Statements.

Overhead expenses

The overhead expenses of SAPF amount to EUR 623.058 (2020: EUR 661.360) and mainly relate to personnel expenses, expenses for fundraising events, advisory fees, professional services, marketing, and office expenses. The overhead expenses constitute 6,3 % of the gifts and donations received by SAPF (4,62 % of all donations channelled to APN). The decrease in expenses was partly the result of Covid-19, reducing the possibilities to organize events and to travel and partly due to one-off expenses incurred in 2020 e.g., establishment of African Parks UK. Currently 3 fulltime-equivalent employees are employed by SAPF, who all have a European role within the organisation.

Project expenses

The project expenses incurred by SAPF entirely relate to the flow of contributions from SAPF to APN and/or its Protected Areas to fund the annual funding deficit. An essential part of these contributions relates to the donations received from external donors amounting to EUR 7.716.851 (2020: EUR 7.992.447). These donations (received in 2021) were transferred to APN as agreed on with the donors and recorded as project expenses.

The second part of the project expenses relates to the withdrawal from the *Endowment fund*, which amounts to EUR 1.490.903 (2020: EUR 1.479.900). Annually, the Funding Committee decides which part of the investment income can be withdrawn from the Endowment fund and distributed to APN. This distribution is mainly meant to cover overhead costs of APN and has been recorded as project expenses in the Statement of Profits and Losses.

No payment was made to APN from the Fund for Local Communities during 2021.

If the annual funding deficit of APN cannot be fully covered by the contributions mentioned above, then SAPF uses its *Free available reserves* from the Foundation funds to fund the remaining deficit. This year no contribution to APN and/or its Protected Areas from the *Free available reserves* was required (2020: EUR 0).

Financial income and expenses

Financial income and expenses increased from EUR 2.463.350 in 2020 to EUR 8.350.549 in 2021 mainly due to a higher realised and unrealized return (2021: EUR 6.517.779) on the investment of the Endowment Fund and the investment in shares (2021: EUR 2.472.621).

The interest expenses increased from EUR 184 to EUR 6.930 because banks are charging a negative interest over bank balances larger than EUR 150.000.

Balance sheet

The financial assets of SAPF consist of the Endowment fund of EUR 40.458.178, Fund for Local Communities of EUR 474.748 and Other Investments of EUR 11.831.572.

The funds of the Endowment fund (EUR 40.932.926 as at 31 December 2021) have been classified as long-term financial assets since the capital of the Endowment fund will be preserved in the long term to provide for annual income generation and potential capital gains.

The Funding Committee adopts a medium to moderately high-risk investment policy for the Endowment Fund. A strategic and tactical asset allocation has been determined, and investment guidelines have been issued. InsingerGilissen was appointed as the investment manager in 2012. The asset classes have been restricted to blue chip shares with established dividend yields, EU/US-listed shares, corporate bonds of an adequate rating, government Bonds and cash. Direct investment in real estate and derivatives are not permitted. Assets denominated in US\$ are not hedged for currency risks. The Funding Committee periodically meets with the investment manager to discuss yields, investment risks and investment opportunities.

During the year, the assets were invested in listed shares (EUR 27.448.868) and corporate bonds (EUR 8.816.859). In 2021 an amount of EUR 1.000.000 was invested in a Private Equity fund, CVC Capital Partners VIII Associates L.P. The amount invested is 50% of the commitment to invest EUR 2.000.000 in this fund. The remainder is held on current accounts at KBL Bank. The amount held in cash is substantially higher than in 2020 due to the sale of the shares in Galapagos N.V. just before year-end. An amount of EUR 1.490.903 of the investment income has been withdrawn and contributed to APN/ Protected Areas and Local Communities.

The Other Investments consist of investments in EU/US-listed shares (EUR 11.831.572 as of 31 December 2021) and have been classified as long-term financial assets. No further funds were invested in EU/US-listed shares during the year.

Stichting African Parks Foundation

Cash at banks (which does not form part of the Endowment fund) decreased at year-end to EUR 5.117.449 (31 December 2020: EUR 5.713.090). Currently, these funds are all kept on savings accounts.

The Free Available Reserves are available for future funding of the financing deficits of the projects of African Parks Network.

No material and/or adjusting events occurred after the balance sheet date, and no activities in the field of research and development have been undertaken.

Financial Statements

Balance sheet as at 31 December 2021 (after appropriation of result)

	Ref	31 December 2021		31 December 2020	
		EUR	EUR	EUR	EUR
<i>Assets</i>					
Non - Current assets					
Financial assets	4.1	<u>52.764.498</u>		<u>43.827.632</u>	
			52.764.498		43.827.632
Current assets					
Cash at banks	4.2	<u>5.117.449</u>		<u>5.713.090</u>	
			5.117.449		5.713.090
			<u>57.881.947</u>		<u>49.540.722</u>
		31 December 2021		31 December 2020	
		EUR	EUR	EUR	EUR
<i>Equity and Liabilities</i>					
Foundation funds					
Endowment fund	4.3	40.458.178		32.048.564	
Fund for local communities		474.748		396.045	
Free available reserves		<u>16.903.438</u>		<u>17.012.563</u>	
			57.836.364		49.457.172
Current liabilities					
Accrued expenses	4.4	<u>45.583</u>		<u>83.550</u>	
			45.583		83.550
			<u>57.881.947</u>		<u>49.540.722</u>

Statement of profits and losses for the year 2021

		2021		2020	
	Ref	EUR	EUR	EUR	EUR
Income	5.1		9.859.455		10.150.014
Overhead expenses	5.2		-623.058		-661.360
Project expenses	5.3		<u>-9.207.754</u>		<u>-9.522.347</u>
Operational result			28.643		-33.693
Financial income and expenses	5.4		<u>8.350.549</u>		<u>2.463.350</u>
Result for the period			<u>8.379.192</u>		<u>2.429.657</u>
Appropriation of result					
Endowment Fund			7.055.759		274.509
Fund for local communities			78.703		-26.660
Free available reserves			<u>1.244.730</u>		<u>2.181.808</u>
			<u>8.379.192</u>		<u>2.429.657</u>

Notes to the balance sheet and statement of profits and losses

1 General

1.1 Activities

The Stichting African Parks Foundation contributes to the funding of the operations of African Parks Network.

African Parks is a non-profit organisation that takes total responsibility for the rehabilitation and long-term management of national parks in partnership with governments and local communities. Its approach combines world-class conservation practice with business expertise. APN places emphasis on achieving financial sustainability of the parks by combining long-term donor funding with tourism revenues, related business enterprise and payment for ecosystem services, which all serve as a foundation for economic development and poverty alleviation.

The Stichting African Parks Foundation was incorporated in Utrecht, the Netherlands, on 17 November 2003. During 2007 the Dutch Tax administration awarded the ANBI status to the Stichting African Parks Foundation.

Stichting African Parks Foundation has its statutory seat and registered offices at Langbroekerdijk A 97, 3947 BE Langbroek and is registered at the chamber of commerce under number 30191949.

1.2 Book year

The current book year is equal to the calendar year.

1.3 Estimates

In applying the principles and policies for drawing up the financial statements, different estimates and judgments are made that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the true and fair view required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

2 Principles of valuation of assets and liabilities

2.1 General

The financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code and the firm pronouncements in the Guidelines for Annual Reporting for non-profit organisations in the Netherlands (RJ 640) as issued by the Dutch Accounting Standards Board. The financial statements are denominated in euros.

Assets and liabilities are valued at historical cost, unless otherwise indicated.

2.2 Prior year comparison

The accounting policies have been consistently applied to all the years presented.

2.3 Foreign currencies

Functional currency

The statements are presented in euro, which is the functional and presentation currency of Stichting African Parks Foundation.

Transactions, assets and liabilities

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement

The rates used per 31 December 2021 are:

1 Euro = 1,13340 US dollar (2020: 1,2280)

2.4 Financial Assets

Securities are recognised initially at fair value. Fair value is the amount for which an asset could be exchanged. The fair value of listed securities is the same as the market price. Changes in the fair value are recognised directly in the income statement. For subsequent the valuation securities are also valued at fair value.

The purchased interest-bearing bonds, which are not held for trading, are listed and carried at fair value. Changes in the fair value are recognised directly in the income statement.

Transaction costs are expensed in the income statement if these are related to financial assets carried at fair value through profit or loss.

2.5 Impairment of non-current assets

At each balance sheet date an assessment is made whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognised in the income statement.

2.6 Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

Receivables are valued at amortised cost less a provision for uncollectible accounts.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are stated at face value.

2.8 Current liabilities

On initial recognition, current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

3 Principles of determination of result

3.1 General

The result represents the difference between the income from gifts, donations and other income and the overhead costs and the contribution to the expenses of the current African Parks projects for the year. The gifts and donations are recognised in the year they are realised; losses are taken as soon as they are foreseeable.

3.2 Income

Income represents the gifts and donations that have been granted during the year less taxes (if any). In general, the donations received from external donors are specifically earmarked for one or more of the parks.

3.3 Costs

Costs are recognised at the historical cost convention and are allocated to the reporting year to which they relate.

3.4 Employee benefits

Salaries and wages

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, where they are due to the employees.

3.5 Depreciation of tangible fixed assets

Tangible fixed assets are depreciated over their estimated useful lives as from the moment they are ready for use.

Future depreciation is adjusted if there is a change in estimated future useful life. Gains or losses from the occasional sale of equipment are included under depreciation.

3.6 Project expenses

Project expenses are the contribution of Stichting African Parks Foundation to the expenses (operational and investments) of the parks managed by African Parks Network.

3.7 Financial income and expenses

Interest paid and received

Interest received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets concerned.

Changes in financial instruments at fair value

Changes in the value of the following financial instruments are recognised directly through profit or loss:

- derivatives with an underlying instrument that is quoted in an active market;

Stichting African Parks Foundation

- purchased loans, bonds (unless held to maturity) and equity instruments that are quoted in an active market.

Decreases in value of financial instruments at fair value are recognised through profit or loss. Realised increases in the value of financial instruments at fair value initially recognised in equity are taken through profit or loss when the financial instruments are derecognised.

3.8 *Exchange rate differences*

Exchange rate differences arising upon the settlement of monetary items are recognised in the profit and loss account in the period that they arise.

3.9 *Taxation*

The Stichting African Parks Foundation is not liable to corporate income tax in the Netherlands.

4 Notes to the balance sheet

4.1 Financial assets

Financial assets can be broken down as follows:

	31 December 2021		31 December 2020	
	EUR	EUR	EUR	EUR
Endowment fund	40.458.178		32.048.564	
Fund for Local Communities	474.748		396.045	
		40.932.926		32.444.609
Other Investments		11.831.572		9.358.951
Shares Galapagos NV		0		2.024.072
		52.764.498		43.827.632

Endowment Fund

The Endowment Fund includes appropriated funds received from donors. These funds form part of the African Parks collaboration and endowment agreement and are restricted for use.

The movements in the Fund for Local Communities are as follows:

	2021	2020
	EUR	EUR
At 1 January	396.045	422.705
Return on investment	78.703	23.340
Withdrawals to contribute to Local Communities	0	-50.000
At 31 December	474.748	396.045

Stichting African Parks Foundation

The movements in the total Endowment Fund are as follows:

	2021		2020	
	EUR	EUR	EUR	EUR
At 1 January		32.444.609		32.196.760
Contribution proceeds sale 2 nd tranche shares Galapagos		2.107.586		0
Contribution proceeds sale 1 st tranche shares Galapagos		1.353.855		0
Dividends and interests	499.901		539.378	
Results on sale of shares and bonds	3.312.108		667.015	
Realised return on investments		3.812.009		1.206.393
Unrealised return on investments		2.786.098		636.557
Administration fee (all-in)		-80.328		-65.201
Withdrawals to contribute to APN and the Parks under APN management	-1.490.903		-1.479.900	
Withdrawals to contribute to Local Communities	0		-50.000	
		-1.490.903		-1.529.900
At 31 December		40.932.926		32.444.609

The funds are invested as follows:

	31 December 2021	31 December 2020
	EUR	EUR
EU / US listed share	27.448.868	21.874.573
Corporate Bonds	8.816.859	8.192.616
Private Equity	1.000.000	0
Current account KBL II	2.107.586	0
Current account KBL I	1.496.431	2.316.959
Accrued interest Corporate Bonds	63.182	60.461
	40.932.926	32.444.609

The funds are restricted foundation funds and spending is subject to contracted limitations. At year-end, an amount of EUR 3.604.017 is still available to be invested in securities. This

Stichting African Parks Foundation

amount has not been reported under cash and cash equivalents since the funds are restricted foundation funds and will be invested in future.

The investment in private equity is a participation in CVC Capital Partners VIII. This investment has been valued at cost due to the lack of reliable fair value measurements in the first year of the investment.

Please refer to Note 4.3 for further information on the terms of use for these funds.

Other Investment

The other investments relate to investments in US/EU listed shares. The movements are as follows:

	2021	2020
	EUR	EUR
At 1 January	9.358.951	8.439.981
Realised return on investments	1.586.925	272.567
Unrealised return on investments	885.696	646.403
	<hr/>	<hr/>
At 31 December	11.831.572	9.358.951

The funds are invested as follows:

	31 December 2021	31 December 2020
	EUR	EUR
Listed shares	11.648.564	8.991.846
Current account BNP	183.008	367.105
	<hr/>	<hr/>
	11.831.572	9.358.951

Shares Galapagos NV

The movements in the shares in Galapagos NV are as follows:

	2021	2020
	EUR	EUR
At 1 January	2.024.072	0
Donation of shares	2.086.865	2.050.731
Realised result on sale of shares	-649.496	0
Unrealised return on investments	0	-26.659
Proceeds from sale of shares	-3.461.441	0
	<hr/>	<hr/>
At 31 December	0	2.024.072

In 2021 the Board decided that the shares will be sold and added to the Endowment Fund. The shares donated in December 2020 were sold in 9 tranches during 2021 and the shares donated on December 27, 2021 were all sold immediately after the donation was received.

4.2 *Cash at banks*

Cash at banks is available on demand. The interest on the bank accounts varies between -/- 0,5 % on EUR accounts (2020: -/- 0,5 %) and 0,00 % (2020: 0,05%) on EUR savings accounts and 0,0 % for USD current accounts (2020: 0,0%)

	<u>31 December 2021</u>	<u>31 December 2020</u>
	EUR	EUR
Savings accounts	4.952.482	4.658.843
USD Current accounts	94.046	283.042
EUR Current accounts	70.921	771.205
	<hr/>	<hr/>
	5.117.449	5.713.090
	<hr/>	<hr/>

The funds are at the free disposal of the Foundation.

4.3 *Foundation funds*

	Endowment Fund	Fund for local communities	Free Available Reserves	Total Foundation Funds
	EUR	EUR	EUR	EUR
1 January 2021	32.048.564	396.045	17.012.563	49.457.172
Re-allocation*	1.353.855	0	-1.353.855	0
Additions *	2.107.586	0	0	2.107.586
Withdrawals *	-1.490.903	0	0	-1.490.903
Appropriation of result *	6.439.076	78.703	1.244.730	7.762.509
At 31 December 2021	40.458.178	474.748	16.903.438	57.836.364

* The sum of additions, withdrawals and appropriation of result amounts to EUR 8.379.192 which is the result for the period. The re-allocation relates to the Galapagos shares donated in 2020. These shares were initially added to the Free available reserves, but transferred to the Endowment Fund in 2021. Additions relate to the Galapagos shares donated in 2021.

Endowment fund

The endowment fund relates to the funds that form part of the African Parks collaboration and endowment agreement between African Parks Network, Stichting African Parks Foundation and the African Parks Foundation of America. These funds are invested to generate income to be used exclusively for funding of specific parks or projects of African Parks Network. These resources are, either by the said agreement and/or by donor's stipulation, restricted foundation funds and cannot be spent. Only investment income can be spent upon a decision of the Funding Committee that consists of seven members. Two members have been appointed by Stichting African Parks Foundation.

During 2021 the investment income on the Endowment Fund was distributed as follows:

	2021	2020
	EUR	EUR
African Parks Network	1.444.182	1.465.502
African Parks Liuwa	46.721	14.398
At 31 December	1.490.903	1.479.900

As at 31 December 2021 the cumulative unspent (realized and unrealized) investment income amounts to EUR 11.583.457 (2020: EUR 6.556.580).

Fund for local Communities

The Fund for local Communities consists of funds donated by an anonymous donor. This fund is open for contributions by other donors. The funds have been earmarked specifically for the support of the economic and educational interests of local communities near parks managed by African Parks Network. Annually 5% to 10% of the capital may be used in support of the local communities.

Free available reserves

This relates to the share of the foundation funds which can be used to fund African Parks projects without any restrictions from African Parks group members and / or third parties. The free available reserves are at the full disposal of the Board.

Appropriation of result

The result for the period will be added to the Foundation Funds.

4.4 Accrued expenses

Accrued expenses mainly relate to accrued donations to African Parks Network and accounts payable and can be broken down as follows:

	2021	2020
	EUR	EUR
Advisory fees	32.554	47.776
Holiday allowance personnel	6.793	8.948
Accrued expenses	5.936	226
Donations African Parks Network	300	26.600
	<hr/>	<hr/>
At 31 December	45.583	83.550

Donations APN relate to donations received by SAPF just before year-end and transferred to APN at the beginning of 2022.

All other current liabilities will mature within one year.

4.5 *Commitments and contingencies not included in the balance sheet*

Investment in financial assets

Stichting African Parks Foundation has committed itself to invest a maximum amount of EUR 2.000.000 in the CVC Capital Partners VIII Associates L.P. As at 31 December 2021 an amount of EUR 1.000.000 has been invested and a liability to invest EUR 1.000.000 remains.

5 Notes to the statement of profits and losses

5.1 Income

Income concerns the gifts and donations that have been granted during the year.

The breakdown is as follows:

	2021	2020
	EUR	EUR
Donations received from external donors for (APN) Protected Areas	7.716.851	7.992.447
Gifts and donations	<u>2.142.604</u>	<u>2.157.567</u>
	<u>9.859.455</u>	<u>10.150.014</u>

The donations received from external donors for APN Protected Areas have been allocated as follows:

	2021	2020
	EUR	EUR
African Parks Network	<u>7.716.851</u>	<u>7.992.447</u>
	<u>7.716.851</u>	<u>7.992.447</u>

The gifts and donations received can be broken down as follows:

	2021	2020
	EUR	EUR
Onno van de Stolpe - Shares		
Galapagos NV	2.086.865	2.050.731
Other	55.739	60.538
Inheritance from C. Bukman	<u>0</u>	<u>46.298</u>
	<u>2.142.604</u>	<u>2.157.567</u>

5.2 *Overhead expenses*

The overhead expenses mainly relate to the costs of the funding activities and can be broken down as follows:

	2021	2020
	EUR	EUR
Personnel expenses	333.479	346.858
Advisory and APN fees	206.217	201.928
Office expenses	23.011	12.973
Marketing	20.731	10.368
Travelling and accommodation	13.994	24.509
Professional services	6.605	9.646
AP UK Establishment and Marketing	0	18.585
YEP Programme	0	14.675
Other operating expenses	19.021	21.818
	<u>623.058</u>	<u>661.360</u>

Personnel expenses can be specified as follows:

	2021	2020
	EUR	EUR
Salaries	283.022	288.305
Social security, taxes and other	50.457	58.553
	<u>333.479</u>	<u>346.858</u>

Advisory and APN fees relate to the support for and advise on fundraising in other European Countries.

Office expenses consist of the rental cost of external offices rent. Professional services relate to audit fees and payroll administration.

5.3 *Project expenses*

The contributions to the (APN) Protected Area can be broken down as follows:

	2021	2020
	EUR	EUR
Contributions to (APN) Protected Areas from donations received from external donors (see 5.1)		
African Parks Network	<u>7.716.851</u>	<u>7.992.447</u>
	7.716.851	7.992.447
Contributions to (APN) Protected Areas from Endowment Fund		
African Parks Network	1.444.182	1.465.502
Liuwa	<u>46.721</u>	<u>14.398</u>
	1.490.903	1.479.900
Contributions to (APN) Protected Areas from Fund for Local Communities		
African Parks Network	<u>0</u>	<u>50.000</u>
	0	50.000
Contributions to (APN) Protected Areas from Free Available Reserves		
African Parks Network	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Total net contributions to (APN) Protected Areas	<u>9.207.754</u>	<u>9.522.347</u>

5.4 *Financial income and expenses*

	2021	2020
	EUR	EUR
<i>Return Endowment Fund</i>		
Realised return	3.812.009	1.206.393
Unrealised return	2.786.098	636.557
Administration fees	<u>-80.328</u>	<u>-65.201</u>
	6.517.779	1.777.749
<i>Return Investment in shares</i>		
Realised return	1.586.925	272.567
Unrealised return	<u>885.696</u>	<u>646.403</u>
	2.472.621	918.970
<i>Return shares Galapagos NV</i>		
Realised return on shares of 2021	20.721	0
Realised return on shares of 2020	<u>-670.217</u>	<u>-26.659</u>
	-649.496	-26.659
<i>Interest income and expenses</i>		
Interest received on bank balances	1.639	920
Interest paid on bank balances	<u>-6.930</u>	<u>-184</u>
	-5.291	736
Net interest and return	8.335.613	2.670.796
Foreign exchange differences	<u>14.936</u>	<u>-207.446</u>
	<u>8.350.549</u>	<u>2.463.350</u>

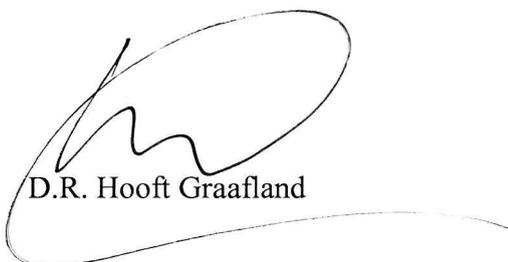
The foreign exchange differences relate to translation differences on the USD bank account as at 31 December 2021.

5.5 *Average number of employees*

During the year the average number of employees calculated on a full-time-equivalent basis was 4 (2020: 4).

Langbroek, 21 April 2022

The Board,



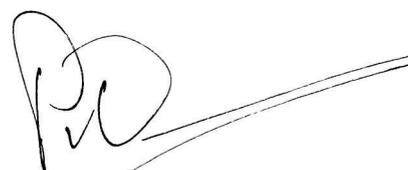
D.R. Hooft Graafland



A.A. Fock



H.M.N. Dura - van Oord



P.H.J.C. van Doorne



F. Lotz



M. A. de Blécourt-Wouterse

Other information

Appropriation of result

There are no statutory rules for profit appropriation in the articles of association. The result for the period will be added to the Foundation Funds.



Independent auditor's report

To: the board of Stichting African Parks Foundation

Report on the financial statements 2021

Our opinion

In our opinion, the financial statements of Stichting African Parks Foundation ('the Foundation') give a true and fair view of the financial position of the Foundation as at 31 December 2021, and of its result for the year then ended in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

What we have audited

We have audited the accompanying financial statements 2021 of Stichting African Parks Foundation, Langbroek.

The financial statements comprise:

- the balance sheet as at 31 December 2021;
- the statement of profits and losses for the year then ended; and
- the notes, comprising the accounting policies and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independence

We are independent of Stichting African Parks Foundation in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Restriction on use and distribution

Our auditor's report is addressed to and intended for the exclusive use by the board of Stichting African Parks Foundation to report to the board in connection with the statutory requirements and may not be used for any other purpose. This report is not to be relied upon by third parties as such parties are not aware of the purpose of the services and they could interpret the results incorrectly. Consequently, the auditor's report, may not be made available in any form to third parties. We do not accept or assume and deny any liability, duty of care or responsibility to parties other than Stichting African Parks Foundation.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the directors' report that is required by the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board is responsible for the preparation of the other information, including the directors' report pursuant to the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

Responsibilities for the financial statements and the audit

Responsibilities of the board and the supervisory board for the financial statements

The board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board; and for



- such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the Foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going-concern basis of accounting unless the board either intends to liquidate the Foundation or to cease operations or has no realistic alternative but to do so. The board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Foundation's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Foundation's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. 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 but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Utrecht, 21 April 2022
PricewaterhouseCoopers Accountants N.V.

This document is electronically signed by:

Wim Vermeulen

W.F.J. Vermeulen RA



Appendix to our auditor's report on the financial statements 2021 of Stichting African Parks Foundation

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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 intentional override of internal control.
- Obtaining 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 Foundation's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.
- Concluding on the appropriateness of the board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Foundation'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 and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board 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.