



Investment Objective

AOF is pursuing a deliberate realization of its assets while seeking to maximize returns in the process. As cash and income are realized, the Fund will make distributions to Shareholders.

Listing

Specialist Fund Segment of the London Stock Exchange's Main Market

Fund Performance – 31 May 2022

NAV per share	\$0.984	Total Net Assets	\$24.4mm
Share price as at 31 May	\$0.725	Market Capitalization	\$17.9mm
Discount to NAV	26.3%	Shares outstanding	24.7mm

NAV Performance History

% US\$ NAV Return	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Jan	-0.7%	-2.1%	5.6%	-1.4%	1.9%	4.9%	2.2%	-5.1%	-3.2%	-1.0%	5.1%	0.9%	-1.1%	9.2%	-2.1%
Feb	1.9%	-10.4%	1.2%	-1.1%	0.4%	-0.8%	3.3%	-1.8%	2.5%	-0.5%	3.8%	7.6%	-3.0%	0.1%	7.5%
March	1.4%	16.7%	3.1%	2.9%	0.0%	7.8%	-4.0%	-2.4%	1.8%	3.0%	0.1%	-5.0%	-8.0%	-0.1%	-1.6%
April	1.0%	6.2%	4.7%	5.5%	0.5%	5.4%	-2.8%	2.3%	4.0%	1.8%	-4.5%	-2.2%	5.7%	3.7%	5.5%
May	0.1%	3.7%	-8.4%	1.5%	-6.0%	-1.4%	-8.3%	1.0%	-2.0%	2.1%	-8.4%	-1.4%	-3.7%	20.3%	-14.4%
June	-0.6%	10.0%	-6.7%	-0.9%	1.1%	0.4%	0.8%	-2.5%	-0.2%	-0.6%	-0.6%	2.7%	-4.3%	16.6%	
July	-3.8%	5.0%	10.9%	4.2%	-0.7%	3.2%	0.6%	1.8%	-1.3%	3.5%	1.8%	-2.3%	-1.6%	-1.9%	
Aug	-8.2%	2.4%	0.3%	-2.5%	-1.9%	1.7%	-2.2%	-2.2%	0.5%	11.3%	-3.9%	-2.9%	0.6%	-0.9%	
Sept	-9.8%	8.0%	8.2%	-9.0%	1.5%	2.8%	-2.6%	-3.2%	0.7%	-2.6%	-2.1%	-0.9%	-3.7%	10.2%	
Oct	-23.8%	1.5%	7.5%	3.6%	-2.7%	-0.3%	-4.1%	-0.5%	-0.2%	-0.5%	-4.6%	1.4%	1.2%	1.9%	
Nov	-10.2%	1.6%	-3.5%	-2.8%	4.6%	1.5%	-2.0%	2.9%	-2.1%	1.3%	-12.8%	-6.3%	2.1%	-2.2%	
Dec	-4.1%	0.1%	3.6%	2.6%	6.3%	-0.1%	0.9%	-2.5%	3.1%	-1.4%	-3.6%	3.5%	14.8%	-0.3%	
FY	-42.5%	48.2%	27.1%	1.6%	4.4%	27.7%	-17.3%	-11.4%	-9.5%	16.9%	-27.0%	-5.5%	-2.4%	69.0%	-6.5%

Monthly Top Performers and Losers

Security	% Gain
Nedbank	8.1%
African Bank Perpetual Stub	3.3%

Security	% Loss
First Mutual Properties	-66.5%
Mashonaland Holdings	-55.1%
Copperbelt Energy Corporation	-6.5%
Enterprise Group	-3.1%

**Top Eight Holdings**

Company Name	Description	% of NAV
Enterprise Group	Ghanaian property & casualty insurance and life assurance company	29.6%
Copperbelt Energy Corporation	Largest electricity transmitter in the Zambian Copperbelt	26.1%
African Leadership	Network of tertiary institutions in Rwanda and Mauritius	12.8%
First Mutual Properties	Zimbabwean real estate company	4.6%
Tanzania Breweries	Leading producer of alcoholic beverages in Tanzania	4.5%
Mashonaland Holdings	Zimbabwean real estate company	4.3%
Letshego Holdings	Botswana based pan-African microfinance company	1.9%
Cash Balance	Cash as a percentage of the portfolio	18.1%
		101.9%

Manager's Commentary**Market Conditions**

The Africa Opportunity Fund ("AOF" or the "Company" or the "Fund") NAV declined 14.4% in May and its share price declined 3.3%. As a reference, in May, Nigeria and South Africa gained 9.4% and 0.7% respectively while Kenya, Egypt, and Morocco declined 13.8%, 8.4% and 5.3% respectively. Africa-focused ETFs recorded losses as well: DBX MSCI Africa Top 50 (XMAF LN) was down 3.4% and Lyxor Pan African (LGQM GY) was down 3.3% and Van Eck Africa Index (AFK US) was down 2.6%.

Portfolio Highlights

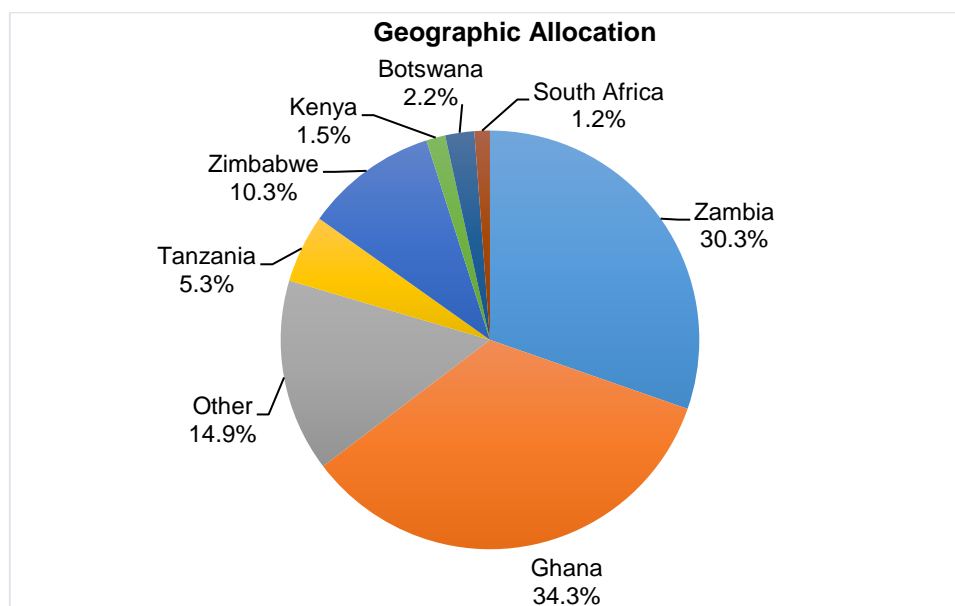
AOF's May net asset value declined 14.4% because of losses in First Mutual Properties, Mashonaland Holdings, Copperbelt Energy Corporation and Enterprise Group. First Mutual Properties and Mashonaland Holdings accounted for 85% of our losses due to a significant devaluation of the Zimbabwean Dollar during the period. In May, the Reserve Bank of Zimbabwe devalued the official exchange rate of the Zimbabwean Dollar by 48% from Z\$159/\$ to Z\$308/\$. Our in-house exchange rate is Z\$439/\$. This rate is 30% weaker than the official exchange rate of Z\$308/\$. Over the last few months, we have witnessed a gradual convergence of the official exchange rate towards our in-house rate. For instance, the discount between the official exchange rate and our in-house rate has narrowed from 45% in March 2022 to 30% at the end of May 2022. Due to this pattern, we believe that our internal rate provides a conservative valuation of our Zimbabwean holdings and the convergence between the official rate and our in-house estimates highlight the accuracy of our model.

Fund Exposure – 31 May 2022

	Exposure		Exposure
Long Equities	73.3%	Special Situations	12.8%
Bonds	0.0%	Net Current Assets	13.9%



Fund Exposure by Country – 31 May 2022



Company Details (Ordinary Shares)

Bloomberg	AOF LN
Reuters	AOF.L
Website	www.africaopportunityfund.com
Listing	SFS / London Stock Exchange
Structure	Closed-end
ISIN	KYG012921386
	Euroclear/Clearstream
Inception	26 July 2007
Domicile	Cayman Islands

Portfolio	Francis Daniels
Managers	Robert Knapp
Investment Manager	Africa Opportunity Partners LLC
Broker	Liberum Capital Ltd
Auditor	Ernst & Young (Mauritius)

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