



Investment Objective

To earn capital growth and income through value, arbitrage, and special situation investments in the continent of Africa. Portfolio investments will include equity, debt, and other interests in both listed and unlisted assets.

Listing

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

Dividend Policy

An amount equal to the annual comprehensive income excluding net capital gains/losses.

Fund Performance – 31 December 2019

NAV per share	\$0.638	Total Net Assets	\$47.7mm
Share price as at 31 December	\$0.565	Market Capitalization	\$42.3mm
Discount to NAV	11.4%	Shares outstanding	74.8mm

Year to Date Change in NAV

% US\$ NAV Return	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%

Table of monthly top performers and losers

Top Gains / Losses

	% Gain	Amount (mm)		% Losses	Amount (mm)
AngloGold Ashanti	15%	0.69	Enterprise Group	-5%	-0.25
Sonatel	18%	0.65	FastJet	-31%	-0.08
Stanchart Ghana	39%	0.46	Triton Note A	-34%	-0.07
SOGB	38%	0.31	Kosmos	-5%	-0.07
Copperbelt Energy	3%	0.11	Kenya Power	-6%	-0.04

**Top Ten Holdings**

Company Name	Description	% of NAV
AngloGold Ashanti	Gold mining company operating in 11 countries	11.2%
Enterprise	Ghanaian property & Casualty insurance and life assurance company	10.2%
Sonatel	Dominant Senegalese and regional integrated telecommunication operator	9.1%
Continental Re	Leading Pan African reinsurer offering non-life and life reinsurance products	7.7%
Copperbelt Energy	Largest electricity transmitter in the Zambian Copperbelt	7.2%
African Leadership University	Network of tertiary institutions in Rwanda and Mauritius	4.9%
Stanchart Ghana	Leading commercial bank in Ghana	3.4%
Kosmos Energy	Oil producer and explorer in West Africa and Gulf of Mexico	3.1%
Gold Fields	Top gold producer with operations in South Africa, Ghana, Australia and Peru	2.6%
SOGB	Rubber and Palm oil producer in Cote d'Ivoire	2.4%
Total		61.8%

Manager's Commentary**Market Conditions**

The Africa Opportunity Fund ("AOF" or the "Company" or the "Fund") NAV increased 3.5% in December, while the share price remained unchanged at \$0.565. As a reference, but for Nigeria, during the month, other major African indexes broadly recorded gains. South Africa = 8.3%, Egypt = 5.0%, Kenya = 7.8%, Morocco = 3.9% and Nigeria = -1.5%. Three Africa-focused ETFs – the Lyxor ETF (PAF FP), the DBX MSCI Africa Top 50 (XMAF LN), and Van Eck Africa Index (AFK US) were up, 3.8%, 5.3%, and 5.2% respectively.

Portfolio Highlights

The Fund's 3.5% NAV increase was largely due to gains from AngloGold and Sonatel. Our AngloGold investment appreciated 15% following a 5% increase in the gold price to \$1,519/oz and the reopening of Obuasi mine in Ghana in late December. Obuasi, which is now a more modern and mechanised mining operation, is expected to produce 350,000 to 400,000oz per a year for the first 10 years and over 400,000oz per year over the life of mine, at an all-in sustaining cost of \$800/oz.

Losses mainly came from Enterprise which lost 5% and from our Triton Promissory notes, which were sold.

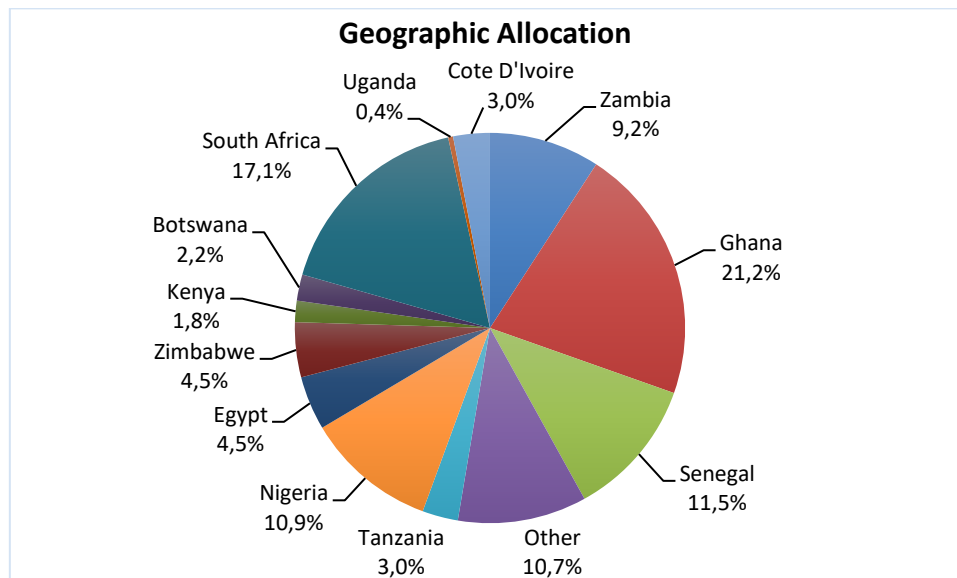
Fund Exposure – 31 December 2019

	Exposure
Long Equities	71.4%
Short Equities	0.0%
Bonds	2.4%

	Exposure
Special Situations	4.9%
Cash Balance	21.9%
Other Assets & Liabilities	-0.6%



Fund Exposure by Country – 31 December 2019



Company Details (Ordinary Shares)

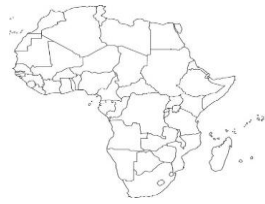
Bloomberg	AOF LN
Reuters	AOF.L
Website	www.africaopportunityfund.com
Listing	SFS / London Stock Exchange
Structure	Closed-end
ISIN	KYG012921048
	Euroclear/Clearstream
Inception	26 July 2007
Domicile	Cayman Islands

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

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