

**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 – 29 February 2020

NAV per share	\$0.611	Total Net Assets	\$45.7mm
Share price as at 29 February	\$0.523	Market Capitalization	\$42.3mm
Discount to NAV	14.4%	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	2020
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%
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%
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%	-4.1%

Table of monthly top performers and losers**Top Gains / Losses**

	% Gain	Amount (mm)		% Loss	Amount (mm)
Anglogold Ashanti	14%	0.31	Kosmos	-40%	-0.53
Mashonaland	56%	0.17	SOGB	-18%	-0.20
Stan Chart Ghana	6%	0.06	Sonatel	-4%	-0.12
First Mutual Prop	12%	0.05	Copperbelt Energy	-3%	-0.10
			Alexandria Containers	-13%	-0.10

**Top Ten Holdings**

Company Name	Description	% of NAV
Cash Balance	Percentage of Portfolio net asset value held as cash	44.2%
Enterprise Group	Ghanaian property & casualty insurance and life assurance company	10.8%
CEC	Largest electricity transmitter in the Zambian Copperbelt	6.9%
Sonatel	Dominant Senegalese and regional integrated telecommunication operator	6.4%
AngloGold Ashanti	Gold mining company operating in 10 countries	5.6%
African Leadership	Network of tertiary institutions in Rwanda and Mauritius	5.2%
Tanzania Breweries	Largest producer and distributor of alcoholic beverages in Tanzania	2.4%
Standard Chartered Ghana	Leading commercial bank in Ghana	2.2%
Letshego Holdings	Leading Pan-African microfinance company	2.2%
SOGB	Rubber and palm oil company based in West Africa	2.0%
		87.9%

Manager's Commentary**Market Conditions**

The Africa Opportunity Fund ("AOF" or the "Company" or the "Fund") NAV declined 3.0% in February, while its share price declined 7% to \$0.523. As a reference, major African indexes also declined. Nigeria = -9.5%, Egypt = -5.5%, Morocco = -2.3%, South Africa = -13.4%, Kenya = -9.1%. 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 down, -9.2%, -11.7%, and -8.9% respectively.

Portfolio Highlights

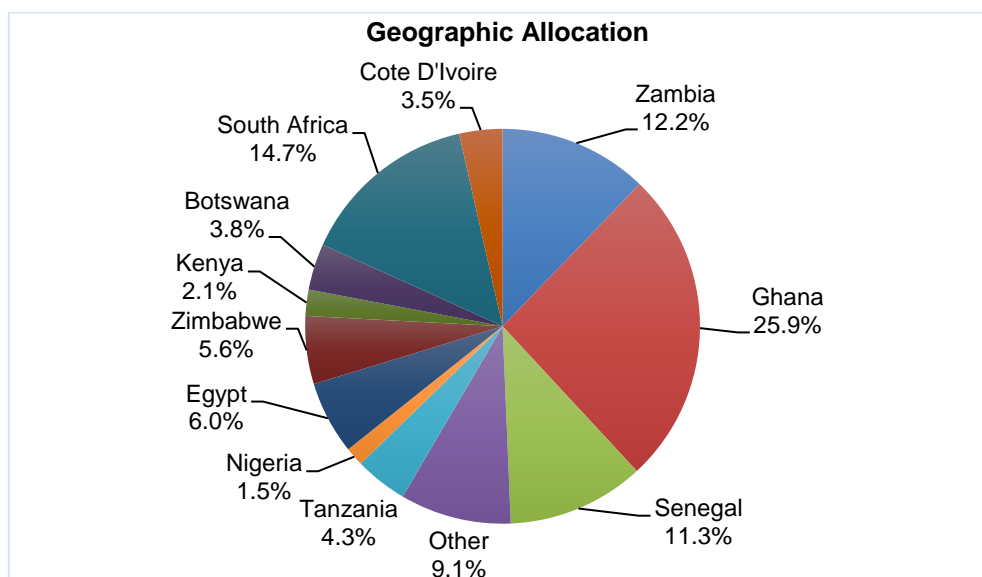
The Fund's largest losses came from Kosmos, Soc Caoutchouc Grand Bereby (SOGB), and Sonatel while its gains came from AngloGold Ashanti and Mashonaland Holdings. Kosmos Energy lost 40% of its value following a 13% decline in the price of oil in February driven by lower demand from China, in the wake of Covid-19. SOGB, which is a rubber and palm-oil company based in Ivory Coast also declined 18% in tandem with the decline in oil prices. Rubber prices in the global market are closely linked to crude oil prices. This is because synthetic rubber, which is consumed more than natural rubber, is produced from crude oil. Our losses were partly offset by AngloGold Ashanti, which recorded a gain of 14% despite an adverse move in the price of gold, due to premiums collected from *writing* call options that were deep in the money at month end. The significant cash position held on our portfolio shielded us from the global sell-off in the wake of depressed demand and supply-side disruptions.

Fund Exposure – 29 February 2020

	Exposure		Exposure
Long Equities	49.3%	Special Situations	5.2%
Bonds	2.3%	Net Current Assets	43.2%



Fund Exposure by Country – 29 February 2020



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 Ltd
Broker	Liberum Capital Ltd
Auditor	Ernst & Young (Mauritius)

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