



Investment Objective

AOF is pursuing a deliberate realization of its assets while seeking to maximize returns in the process. Over the next two years, 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 July 2020

NAV per share	\$0.541	Total Net Assets	\$18.9mm
Share price as at 31 July	\$0.490	Market Capitalization	\$17.1mm
Discount to NAV	9%	Shares outstanding	35.0mm

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%	-8.0%
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%	5.7%
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%
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%
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%
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%	-15.1%*

*-15.1% represents the return for continuing shares (post redemption). The portfolio return to date including redeemed shares and dividend paid out is -8.4%

Table of monthly top performers and losers

Security	% Gain	Security	% Loss
Misir Duty Free	18%	SOGB	-12%
Zimplats	3%	Letshego Holdings	-12%
Kenya Power and Lighting Company	1%	Copperbelt Energy	-4%
		Sonatel	-3%

**Top Ten Holdings**

Company Name	Description	% of NAV
Enterprise Group Ltd	Ghanaian property & casualty insurance and life assurance company	22.1%
African Leadership	Network of tertiary institutions in Rwanda and Mauritius	12.5%
Cash Balance	Percentage of Portfolio net asset value held as cash	10.1%
Sonatel	Dominant Senegalese and regional integrated telecommunication operator	10.0%
CEC	Largest electricity transmitter in the Zambian Copperbelt	8.5%
First Mutual Properties	Real estate company based in Zimbabwe	6.7%
Tanzania Breweries	Largest producer and distributor of alcoholic beverages in Tanzania	5.8%
African Bank Floating Bonds	South African based retail bank	4.2%
Stan Chartered Bank Ghana	Leading commercial bank in Ghana	4.0%
Misr Duty Free Shops	Leading chain of duty free shops in Egypt	3.9%
		87.8%

Manager's Commentary**Market Conditions**

The Africa Opportunity Fund ("AOF" or the "Company" or the "Fund") NAV declined 1.6% in July, while its share price declined 2%. As a reference, with the exception of Egypt, which was down 0.4%, major African indexes recorded gains: Morocco gained 0.6%, South Africa gained 4.7%, Nigeria gained 0.7% and Kenya gained 1.1%. 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 up, 9.4%, 4.0%, and 4.8% respectively.

Portfolio Highlights

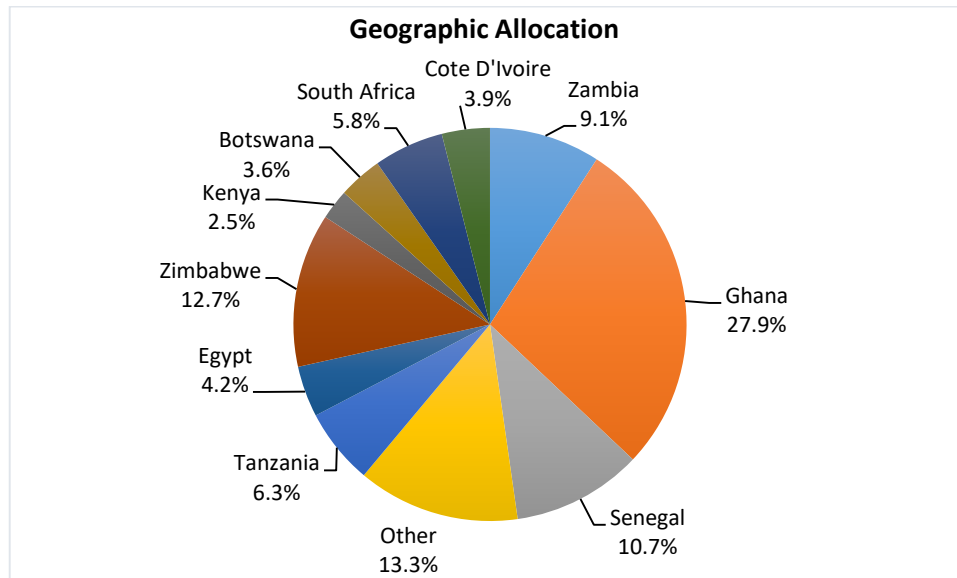
The Fund's largest losses came from SOGB and Letshego while its gains came from Misr Duty Free Shops and Zimplats. Letshego's share price fell to a 5 year low at the end of July. It was valued on a P/E ratio of 2.4x, a P/B ratio of 0.35x and a dividend yield of 17%. Its capital adequacy ratio is 36% and its balance sheet is liquid. Moody's recently reaffirmed its investment grade Ba3 credit rating with a stable outlook. We believe that Letshego's share price will recover within the next 12 months. On the other hand, Misr Duty Free accounted for a lion-share of gains, on the back of positive sentiments following the partial reopening of Egyptian airports in early July.

Fund Exposure – 31 July 2020

	Exposure		Exposure
Long Equities	75.8%	Special Situations	12.5%
Bonds	5.0%	Net Current Assets	6.7%



Fund Exposure by Country – 31 July 2020



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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