

30 September 2025

Africa Opportunity Fund Limited
("AOF" or the "Company", or the "Fund")
Half Yearly Report for the Six Months ended 30 June 2025

The Board of Directors of Africa Opportunity Fund Limited is pleased to announce its unaudited results for the 6-month period to 30 June 2025. The full half yearly report for the period ended 30 June 2025 will be sent to shareholders and will be available on the Company's website: www.africaopportunityfund.com.

Highlights:

- AOF's Ordinary share net asset value per share of US\$1.215 as at 30 June 2025, was up 1% when compared against the 31 December 2024 net asset value per share of US\$1.201.
- As at 30 June 2025, AOF's investment allocation for its Ordinary Shares was all equities.
- AOF's Ordinary Shares net asset value per share on 31 August 2025 was US\$1.197.

Manager's Commentary:

Market Conditions

AOF's NAV and share price were, essentially, flat in H1 2025. As a reference, during this period in USD the S&P rose 6%, Brazil rose 31%, India rose 10%, and China rose 3%. In Africa, South Africa rose 24%, Egypt rose 10%, Kenya rose 30%, and Nigeria rose 20%. Three Africa-focused exchange traded funds ("etfs") – the Van Eck Africa Index (AFK US), Lyxor Pan Africa ETF (LGQM GY), and the DBX MSCI Africa Top 50 (XMAF LN), respectively, rose 29%, 27% and 30%. The Africa etfs concentrated their allocations on African commodity producers listed on non-African exchanges and large companies listed on the South African, Egyptian, and Moroccan stock markets. Sub-Saharan African countries like Nigeria, Kenya, and Senegal have de minimis representation in most Africa etfs. Simply put, share liquidity was paramount for those etfs. By contrast, the Fund's holdings are focused on Sub-Saharan Africa companies, with much less weight accorded to liquidity.

Ordinary Shares Portfolio Highlights

AOF's portfolio benefited from stable to appreciating African currencies in H1, offset by a substantial devaluation of AOF's internally-generated estimate of the Zimbabwean currency (the "ZiG"). The Kenyan shilling was flat while Ghana's Cedi appreciated by 40%. Gold and cocoa export receipts in H1, year-on-year, rose by, 80% and 184%, respectively, lifted the Cedi's value and improved materially Ghana's terms of trade. As Ghana's inflation rate fell 42% from 23.5% in January 2025 to 13.7% in June 2025, its central bank's real monetary policy rate soared from 3.5% in January to 14.3% in June, one of the world's highest rates. It was lowered by 300 basis points to a still remarkable 11.3% real monetary policy rate at the end of July. It is anticipated that Ghana's real monetary policy rate will be lowered substantially in H2 2025 as the Cedi continues to benefit from exogenous windfalls. Ghana's balance of trade surplus, as a % of its GDP at the end of June, rose to 6.4%, the highest H1 ratio since 2019.

The Ghana Stock Exchange Composite Index enjoyed, respectively, a H1 total return of 31% in Cedis and 84% in Dollars. Enterprise Group's share price, in H1, was up 44% in Cedis and 104% in Dollars. As of June 30, Enterprise commanded a market capitalisation of \$47 million versus 2024 attributable shareholders' equity of \$78 million and traded on a historical P/E ratio of 2.8x, with a return on equity of 22%. Its H1 2025 Cedi-denominated profits attributable to shareholders, though, were down 38% as against H1 2024 profits because, among other factors, the Cedi's appreciation inflicted substantial translation losses on the Cedi values of Enterprise's Dollar deposits and its property portfolio. Those diminished profits were more than offset by Enterprise's H1 2024 "float" (premiums received now to pay future claims) of 1.33 billion Cedis rising by 57% to a H1 2025 float of 2 billion Cedis (\$87 million vs. \$200 million in H1 2025). Furthermore, Enterprise's June 30, 2025 attributable shareholders equity rose to \$120 million. It continues to trade at a low valuation for a debt-free leading insurance group in Ghana.

Enterprise continues to control the pension administrator, property and casualty and life assurance companies that have the largest market shares in Ghana. They are also well-capitalised: unencumbered equity capital in 2024 equal to 22% of total assets for Enterprise Life, 38% for Enterprise Insurance, and 75% for Enterprise Trustees. As inflation and interest rates fall in Ghana, Enterprise PLC should be able to improve its profitability, increase its dividend, and be rewarded with a much higher valuation. Enterprises' shareholders, at its current valuation, pay very little for the benefits of a recovering Ghana.

The Fund invested 5.7% of its February net asset value in shares of AngloPlatinum (now “Valterra”) and AngloGold Ashanti (“Anglogold”). 60% of that investment was allocated to Valtterra in two tranches and 40% to Anglogold. The H1 total returns generated by Valtterra and Anglogold for the Fund were, respectively, 14% and 48%. Valtterra is a vertically integrated platinum group metals (“PGM”) producer, with the largest PGM resource base globally, producing all its output from South Africa and Zimbabwe. Its market capitalization at the time of initial investment was \$8.9 billion and its enterprise value was \$7.9 billion. By the end of June, Valtterra’s market capitalisation and enterprise value had risen, respectively, to \$11.8 billion and \$12.0 billion. Its 150 million 4E PGM¹ million-ounce mineral reserves have an 80-year life. The PGM industry has suffered from volatile current demand as well as anticipated collapse of future demand for the internal combustion engine (“ICE”) powered vehicles. The Fund’s initial Valtterra investment occurred when the 3E PGM² price (around \$1270) was lower than the costs of almost 50% of all PGM production, let alone at a level that permitted the PGM producers to earn their historical return on capital employed. Valtterra, fortunately, was one of the profitable PGM producers even at those inadequate price levels subjecting this industry to weak cash margins. There has been some reconsideration of the forecast diminution in the future size of the global ICE powered vehicle fleet in the wake of slowing sales of electric vehicles (“EV”) and repealed tax incentives granted to encourage the purchase of EVs, which, with the ongoing PGM supply deficit, has spurred a recovery of PGM prices. Most of Valtterra’s production comes from low-cost, long-life open-pit and shallow underground deposits that have been perennial profit generators during the current industry downturn. Valtterra’s profits and market capitalisation should benefit from the rising tide in PGM prices. Anglogold owns 11 mines on three continents - Africa, Australia, and South America - plus some exploration assets in North America. Its market capitalisation, at the time of investment, was \$15.9 billion and its enterprise value was \$18.4 billion. By the end of June, Anglogold’s market capitalisation and enterprise value had risen, respectively, to \$23.0 billion and \$25.2 billion. Anglogold’s 31 million gold ounce mineral reserves have an 11-year life. It has benefited handsomely from the combination of record gold prices, rising production, subdued cost increases, and accretive acquisitions. Its trailing 12-month net profits for the period ended June 30 soared 83% from \$1.0 billion in 2024 net profits to \$1.8 billion on a 12% increase of sold gold from 2.6 million ounces in 2024 to 2.9 million ounces between June 2024 and June 2025. Consequently, it retired \$1 billion of debt in 12 months from operating cash inflows to lower its net debt to \$92 million by June 30, and should be a net cash company by the end of this year. It is noteworthy that Anglogold has also steadily expanded the size of its gold resources in the new “Beatty” gold district in southern Nevada, thus gaining exposure to the second most attractive mining jurisdiction out of eighty-two surveyed in the 2024 Fraser Institute’s 2024 Survey of Mining Companies. Although the high gold price and the strong rally in Anglogold’s share price preceding our investment decision were sources of anxiety, its improving operational and cost profile, the growing interest of central banks in purchasing gold for the non-Dollar monetary assets share of their foreign exchange reserves, its rising dividend yield and relative undervaluation when compared against other large gold producers provide some support to Anglogold’s current valuation.

Zimbabwe’s currency enjoyed a placid H1 with very little devaluation or depreciation in the official or unofficial forex markets. However, the inflation differentials between the United States and Zimbabwe were larger than implied by the stable ZiG and an unusual shortage of the ZiG. Consequently, AOF’s internal estimate of the ZiG’s external value depreciated by 38% in H1. The share price of Mashonaland Holdings (“Mash”) fell 25% in ZiG while that of First Mutual Properties (“FMP”) appreciated 14% for a combined decline in value of -14% in ZiG, -47% in Dollars, and a \$0.31/share decline in AOF’s nav per share. At the end of H1, Mash’s carrying value by AOF implied a market capitalisation of \$37 million versus \$93 million capitalisation, at the official ZiG rate, and \$84 million of shareholders’ equity at the end of 2024. These large differences in valuation hint at the quantum of value to be monetised in AOF’s Zimbabwe property portfolio.

The Nairobi Stock Exchange Allshare Index enjoyed a H1 total return, in both Kenyan shillings and Dollars, of 30%. Kenya Power’s shares enjoyed an excellent H1 performance, with a total return of 143%, as it paid its first interim dividend in nine years in April. Its market capitalization rose from \$72 million at 2024 year-end to \$173 million while enterprise value climbed from \$760 million to \$860 million. Kenya Power’s revenues, EBITDA, and profit before tax have exceeded the formal targets set forth in both its current 2023-2028 strategic plan and in a July 2023 International Monetary Fund report on Kenya. Yet, Kenya Power remains heavily leveraged, thus creating a setting in which its shares can re-rate materially if its regulators continue to allow it to charge cost-reflective tariffs while earning a return that covers both debt service and dividends to shareholders. Its customers have surpassed the 10 million mark and it reached a record peak electricity demand of 2362 megawatts. Reserve margin, on the other hand, collapsed from the prudent international norm of 15% to less than 4%, with the inevitable attendant increase in blackouts. It reported, for its June-December 2024 period, a 5% increase in purchased electricity units, an 8% rise in revenues to \$833 million (vs. 762 million in H1 2023/4), a 24% climb in operating profit to \$121 million (vs. \$98 million in H1 2023/4), and a 21x jump to \$77 million of net profit (vs. net profit of \$3.6 million in H1 2023/4). A negative note was that free cashflow (before debt amortisation) declined sharply by 59% to \$20 million (vs. \$45 million in H1 2023/4). Kenya Power remains vulnerable to a steep depreciation of the Kenyan shilling that would raise the Kenyan shilling value of its Dollar and Euro denominated loans and power purchase agreements. It also remains behind schedule in reducing that vulnerability through a transfer of those loans to its sister company - Kenya Transmission Company (“Ketraco”) - in consideration for the sale of its transmission lines to Ketraco. Despite its many challenges, we remain cautiously optimistic that Kenya Power can continue on its current path of recovery.

¹ 4E PGM refers to the sum of platinum, palladium, rhodium, and gold ounces. Valtterra 2025 prospectus, page 271.

² 3E PGM refers to the sum of platinum, palladium, and rhodium ounces. Valtterra 2025 prospectus, page 271.

Annual general meeting of the Fund's shareholders

The Fund held an annual general meeting in June 2025 at which all resolutions were passed.

Strategy

The investing objective of the Fund is to earn superior returns by investing in businesses that it believes can flourish in Africa and, in doing so, aiding capital formation and the mobilisation of savings with the intention of growing wealth and productivity in Africa's economies.

On Behalf of the Investment Manager, Africa Opportunity Partners LLC.

Responsibility Statements:

The Board of Directors confirm that, to the best of its knowledge:

- a. The financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company.
- b. The Interim Investment Manager Report, and Condensed Notes to the Financial Statements include:
 - i. a fair review of the information required by DTR 4.2.7R (indication of important events that have occurred during the first six months and their impact on the financial statements, and a description of principal risks and uncertainties for the remaining six months of the year); and
 - ii. a fair review of the information required by DTR 4.2.8R (confirmation that no related party transactions have taken place in the first six months of the year that have materially affected the financial position or performance of the Company during that period).

Per Order of the Board

29 September 2025

AFRICA OPPORTUNITY FUND LIMITED UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY 2025 TO 30 JUNE 2025

	Notes	For the period ended 30 June 2025 USD	For the period ended 30 June 2024 USD
Income			
Net gains on investment in subsidiaries at fair value through profit or loss	6(a)	445,202	-
		445,202	-
Expenses			
Net losses on investment in subsidiaries at fair value through profit or loss	6(a)	-	356,762
Management fees		173,562	4,167
Other operating expenses		24,930	57,370
Directors' fees		35,000	35,000
Audit and professional fees		54,900	67,200
		288,392	520,499

Income/(Loss) for the period attributable to equity holders*	156,810	(520,499)
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* There is no other comprehensive income for the period.

AFRICA OPPORTUNITY FUND LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Notes	30 June 2025 USD	30 June 2024 USD
ASSETS			
Cash and cash equivalents	8	9,595	55,804
Prepayments	7	9,986	1,341
Investment in subsidiaries at fair value through profit or loss*	6(a)	13,982,104	9,641,965
Amounts due from related party		3,132	-
Total assets		14,004,817	9,699,110
EQUITY AND LIABILITIES			
LIABILITIES			
Trade and other payables	10	68,825	131,562
Amounts due to related party		-	210,000
Total liabilities		68,825	341,562
Net assets attributable to shareholders		13,935,992	9,357,548
Ordinary share capital		114,689	114,689
Share premium		5,810,553	5,810,553
Retained earnings		8,010,750	3,432,306
Total equity		13,935,992	9,357,548
Net assets value per share:			
- Ordinary shares		1.215	0.816

*The investment in subsidiaries at fair value through profit or loss include the investment in the Master Fund - Africa Opportunity Fund L.P.

AFRICA OPPORTUNITY FUND LIMITED
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 JANUARY 2025 TO 30 JUNE 2025

	Share Capital USD	Share Premium USD	Retained Earnings USD	Total USD
At 1 January 2025	114,689	5,810,553	7,853,940	13,779,182
OPERATIONS:				
Total comprehensive income for the period	-	-	156,810	156,810
At 30 June 2025	114,689	5,810,553	8,010,750	13,935,992

AFRICA OPPORTUNITY FUND LIMITED
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY 2025 TO 30 JUNE 2025

	For the period ended 30 June 2025	For the period ended 30 June 2024
	USD	USD
Operating activities		
Income/(Loss) for the period	156,810	(520,499)
<i>Adjustment for non-cash items:</i>		
Net (gains)/losses on investment in subsidiaries at fair value through profit or loss	(445,202)	356,762
Cash used in operating activities	(288,392)	(163,737)
<i>Net changes in operating assets and liabilities</i>		
Reduction in investments in subsidiaries at fair value through profit or loss	150,000	-
Increase in due from other related party	(3,132)	-
Increase in due to other related party	-	210,000
(Increase)/Decrease in other receivables	(479)	9,697
Decrease in trade and other payables	(53,758)	(29,123)
Net cash generated from operating activities	92,631	190,574
Net (decrease)/increase in cash and cash equivalents	(195,761)	26,837
Cash and cash equivalents at 1 January	205,356	28,967
Cash and cash equivalents at 30 June	9,595	55,804

AFRICA OPPORTUNITY FUND LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2025 TO 30 JUNE 2025

1. GENERAL INFORMATION

Africa Opportunity Fund Limited (the “Company”) was launched with an Alternative Market Listing “AIM” in July 2007 and moved to the Specialist Funds Segment “SFS” in April 2014.

Africa Opportunity Fund Limited is a closed-ended fund incorporated with limited liability and registered in Cayman Islands under the Companies Law on 21 June 2007, with registered number MC-188243. The Company is exempted from registering with CIMA under the Private Funds Act of the Cayman Islands given that it is listed on the Specialist Funds Segment of the London Stock Exchange which is approved by CIMA.

The Company had a limited life, and was not deemed a going concern for the 2024 period through 14 July 2024. Shareholders ratified the adoption of the New Investment Policy at a 15 July 2024 EGM, as the Directors and shareholders considered it to be in the best interests of the Company and its shareholders to terminate the liquidation strategy previously adopted effective 1 July 2019. The shareholders also ratified the removal of the continuation vote policy at the EGM. This ratification, and the transition from a liquidation strategy to a continuing investment policy, dictated that the Company be deemed to have an indefinite life and be considered a going concern. See Note 4 for additional details regarding the going concern status.

The Company’s investment activities are managed by Africa Opportunity Partners LLC, a limited liability company incorporated in the Delaware, United States and acting as the investment manager pursuant to an Amended and Restated Investment Management Agreement dated 21 June 2024.

The Company aims to earn superior returns by investing in businesses that it believes can flourish in Africa and, in doing so, aiding capital formation and the mobilisation of savings with the intention of growing wealth and productivity in Africa's economies. The Company has the ability to invest in a wide range of asset classes including real estate interests, equity, quasi-equity or debt instruments and debt issued by African sovereign states and government entities.

To ensure that investments to be made by the Company and the returns generated on the realisation of investments are both effected in the most tax efficient manner, the Company has established Africa Opportunity Fund L.P. ("the Master Fund") as an exempted limited partnership in the Cayman Islands. All investments made by the Company are made through the limited partnership. The limited partners of the limited partnership are the Company and AOF CarryCo Limited. The general partner of the limited partnership is Africa Opportunity Fund (GP) Limited. Africa Opportunity Fund Limited includes 100% of Africa Opportunity Fund (GP) Limited.

The financial statements for the Company for the half year ended 30 June 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 29 September 2025.

Presentation currency

The financial statements are presented in United States dollars ("USD"). All figures are presented to the nearest dollar.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied from the prior year to the current year for items which are considered material in relation to the financial statements.

Statement of compliance

The financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis of preparation

The Company satisfied the criteria of an investment entity under IFRS 10: Consolidated Financial Statements. As such, its interest in the subsidiaries has been classified as financial assets at fair value through profit or loss, and measured at fair value. This consolidation exemption has been applied and more details of this assessment are provided in Note 4 "critical accounting judgements, estimates and assumptions." The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention except for financial assets and financial liabilities measured at fair value through profit or loss.

Although these estimates are based on management's knowledge of current events and actions, actual results ultimately may differ from those estimates. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements are disclosed in Note 4.

The Company presents its statement of financial position in order of liquidity.

The Company's financial statements include disclosure notes on the Master Fund, Africa Opportunity Fund L.P. given that the net asset value of the Master Fund is a significant component of the Investment in Subsidiaries of the Company. These additional disclosures are made in order to provide the users of the financial statements with an overview of the Master Fund performance.

Please refer to Note 1 and Note 4 for additional details regarding the going concern status of the Company.

Foreign currency translation

(i) Functional and presentation currency

The Company's financial statements are presented in USD which is the functional currency, being the currency of the primary economic environment in which the Company operates. The Company determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The functional currency of the Company is USD. The Company chooses USD as the presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of the exchange ruling at the reporting date. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The Company classifies its financial assets and liabilities into the following categories:

(i) Financial assets and liabilities at fair value through profit or loss

For the Company, financial assets classified at fair value through profit or loss upon initial recognition include investment in subsidiaries.

Investment in subsidiaries

In accordance with the exception under IFRS 10 Consolidated Financial Statements, the Company does not consolidate subsidiaries in the financial statements. Investments in subsidiaries are accounted for as financial instruments at fair value through profit or loss in accordance with IFRS 9 – Financial Instruments.

Management concluded that the Company meets the definition of an investment entity as it invests solely for returns from capital appreciations, investment income or both, and measures and evaluates the performance of its investments on a fair value basis. Accordingly, consolidated financial statements have not been prepared.

(ii) Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortised cost are comprised of 'cash and cash equivalents' in the statement of financial position.

(iii) Other financial liabilities

This category includes all financial liabilities, other than those classified as fair value through profit or loss. The Company includes in this category amounts relating to Trade and other payables.

(a) Initial Recognition

The Company recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised directly on the trade date, i.e., the date that the Master Fund commits to purchase or sell the asset.

(b) Initial measurement

Financial assets and liabilities at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

(c) Subsequent measurement

The Company measures financial instruments which are classified at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in 'Net gain or loss on investment in subsidiaries at fair value through profit or loss'.

Financial assets at amortised costs are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial liabilities, other than those classified as at fair value through profit or loss, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instruments, but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(e) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all financial assets measured at amortised cost. When measuring ECL, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the entity would expect to receive, taking into account cash flows from credit enhancements. The Company considers a financial asset in default when contractual payments are 90 days past due.

However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

At the reporting date, there was no receivable from related party. As a result, no ECL has been recognised.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Determination of fair value

The Company, at the feeder level, measures its investments in subsidiaries at net asset value (NAV) at each reporting date. Please refer to Note 6 for additional details.

For investments at master fund level, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measured is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company. The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price without any deduction for transaction costs.

For all other financial instruments at the master level that are not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include: using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible. An analysis of fair values of financial instruments and further details as to how they are measured is provided in Note 6.

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets and liabilities.
- Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Net gain or loss on financial assets and liabilities at fair value through profit or loss

This item includes changes in the fair value of financial assets held for trading or 'at fair value through profit or loss' and excludes expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the year and from reversal of prior year's unrealised gains and losses for financial instruments which were realised in the reporting period.

Classification of financial instruments, liabilities and equity.

The shares are classified as equity if those shares have all the following features:

- (a) It entitles the holder to a pro rata share of the Company's net assets in the event of the Company's liquidation.

The Company's net assets are those assets that remain after deducting all other claims on its assets. A pro rata share is determined by:

- (i) dividing the net assets of the Company on liquidation into units of equal amount; and
- (ii) multiplying that amount by the number of the shares held by the shareholder.

- (b) The shares are in the class of instruments that is subordinate to all other classes of instruments. To be in such a class the instrument:

- (i) has no priority over other claims to the assets of the Company on liquidation, and
- (ii) does not need to be converted into another instrument before it is in the class of instruments that is subordinate to all other classes of instruments.

- (c) All shares in the class of instruments that is subordinate to all other classes of instruments must have an identical contractual obligation for the issuing Company to deliver a pro rata share of its net assets on liquidation.

In addition to the above, the Company must have no other financial instrument or contract that has:

- (a) total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Company (excluding any effects of such instrument or contract) and

- (b) the effect of substantially restricting or fixing the residual return to the shareholders.

The shares satisfy the above conditions and thus meet the requirements to be classified as equity. Movement in fair value is shown in the Statement of Profit or Loss and Other Comprehensive Income as an 'income/(loss) for the period attributable to equity holders'.

Dividend income

Dividend revenue is recognised when the Company's right to receive the payment is established.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank. Cash equivalents are short term, highly liquid investments that are

readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The accounting policies adopted are consistent with those of the previous financial year except for the following new policies and amendments to IFRS as from 1 January 2025:

Effective for accounting period

Amendments to IAS 21: Lack of Exchangeability	1 January 2025
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Although this new standard and amendment applied for the first time in 2025, it did not have a material impact on the financial statements of the Company.

3.1. ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. The Company would adopt these standards, if applicable, when they become effective. No early adoption of these standards and interpretations is intended by the Board of Directors.

Effective for accounting period

Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 9 and IFRS 7: Disclosures – Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to IFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to IFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Company does not expect that the adoption of these standards will have any material impact on the financial statements. No other standards and interpretations that have been issued but not yet effective, that are not included above, are expected to have any material impact on the financial statements.

4. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Going concern

The Company had a limited life, and was not deemed a going concern, for the 2024 period through 14 July 2024. At the Extraordinary General Meeting ("EGM") of the Company held on 15 July 2024, the shareholders voted in favor of a New Investment Policy which ended the liquidation strategy and the process of periodic shareholder continuation votes. The shareholders also ratified the removal of the continuation vote policy at the EGM. This ratification, and the transition from a liquidation strategy to a continuing investment policy, dictated that the Company be deemed to have an indefinite life and be considered a going concern.

Below is a brief synopsis of the investment strategy as approved with the adoption of the New Investment Policy and consistent with the Company's Circular dated 24 June 2024:

The Investment Manager, relying on the extensive experience of the management team, selects a limited number of investment opportunities. In selecting those investment opportunities, the Investment Manager will adhere to an analytical process, elements of which include: classifying each investment opportunity in the appropriate categories of

an asset-based equity opportunity, an earnings-based equity opportunity, distressed debt, corporate debt, African sovereign debt, arbitrage, or special situations.

The Company will screen potential investee companies according to its value investing principles. It will seek to invest in investee companies valued at substantial discounts to their intrinsic value. In terms of industries, the Company's search will include companies with a record of profitable exports from Africa, catalysts for productivity growth in Africa, companies participating in the growth of long-term real savings, companies managing the growth, and operations, of African infrastructure and networks, and companies able to lower profitably the real prices of goods and services consumed by African consumers.

The assessment of equity investment opportunities involves:

- in the case of an asset-based equity opportunity, determining whether the equity securities of the company or entity under consideration commands a valuation which is materially lower than the Investment Manager's estimate of that company's or entity's intrinsic value. The determination of a company's or entity's intrinsic value is based on a variety of standards such as comparing the book value of the assets of the company or entity against the price the Investment Manager believes would be paid for a similar asset in a private transaction, or the valuations of listed peers of that company or entity;
- in the case of an earnings-based equity opportunity, determining whether the equity securities of the company or entity under consideration possesses both a high real return on assets and an earnings yield higher than the local currency denominated government debt of the country in which the assets of that company are located;
- comparing the valuation of the company or entity in question against valuations of its listed and private peers (where possible) in different parts of Africa, non-African emerging markets and developed markets;
- understanding the industry in which the company or entity under consideration operates, the prospects of that industry and the prospects of competitors of the company or entity in question. This aspect will frequently require discussions with industry participants;
- comparing each security issued by the relevant company or entity against its other classes of issued securities to determine which security offers the best risk-reward ratio to the Group; and
- estimating the product of the probability of loss and the quantum of loss of an investment opportunity to set off against the product of the probability of gain and the quantum of gain of that investment to determine the risk-adjusted potential return on that investment opportunity. As a general proposition, the higher the anticipated probability of loss of an investment, the smaller the likely investment.

Provided the investment opportunity falls within the investment policy of the Group, the Investment Manager will have, on behalf of the Group, the discretion to make and dispose of investments. However, in the event that an investment will constitute more than 20% of Net Asset Value at the time of investment the prior approval of the Board will be required. Before any investment is undertaken by the Group, all appropriate due diligence will be undertaken, and this will include checking the United States's sanctions list. Special consideration will also be given to money laundering and terrorist financing risks and any and all politically exposed persons who may be a part of, or have close links with, any target company.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in Note 2, the directors have considered those factors therein and have determined that the functional currency of the Company is the United States Dollar.

Assessment for an investment entity

An investment entity is an entity that:

- (a) Obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- (b) Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- (c) Measures and evaluates the performance of substantially all of its investments on a fair value basis.

An investment entity must demonstrate that fair value is the primary measurement attribute used. The fair value information must be used internally by key management personnel and must be provided to the entity's investors. In order to meet this requirement, an investment entity would:

- Elect to account for investment property using the fair value model in IAS 40 Investment Property
- Elect the exemption from applying the equity method in IAS 28 for investments in associates and joint ventures, and
- Measure financial assets at fair value in accordance with IFRS 9.

In addition an investment entity should consider whether it has the following typical characteristics:

- It has more than one investment, to diversify the risk portfolio and maximise returns;
- It has multiple investors, who pool their funds to maximise investment opportunities;
- It has investors that are not related parties of the entity; and
- It has ownership interests in the form of equity or similar interests.

The Board considers that the Company continues to meet the definition of an investment entity as it invests solely for returns from capital appreciations, investment income or both, and measures and evaluates the performance of its investments in subsidiaries on a fair value basis. In addition, the Company has more than one investors and major investors are not related parties of the Company. Accordingly, consolidated financial statements have not been prepared. IFRS 10 Consolidated Financial Statements provides "investment entities" an exemption from the consolidation of particular subsidiaries and instead require that an investment entity measures the investment in each eligible subsidiary at fair value through profit or loss in accordance with IFRS 9 Financial Instruments.

Assumptions and Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur. When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of mathematical models.

Fair value of financial instruments

The Company's investment manager considers the valuation techniques and inputs used in valuing the subsidiaries as part of its due diligence, to ensure they are reasonable and appropriate and therefore the NAV of these funds may be used as an input into measuring their fair value.

IFRS 13 requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety as provided in Note 6. Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability. To assess the significance of a particular input to the entire measurement, the Company performs sensitivity analysis or stress testing techniques.

5a. AGREEMENTS

Investment Management Agreement

Effective 15 July 2024, the Company and the Investment Manager have, upon the approval of the Reorganisation Resolution at the EGM in July 2024, entered into the Amended and Restated Investment Management Agreement which amends the fees payable to the Investment Manager as follows:

Management fees

A fixed management fee equal to USD\$350,000 per annum. The management fee charged during 2024 was for the period beginning 15 July 2024. No fee was charged for the period prior to the ratification of the amended agreement.

The Investment Manager's entitlement to future performance fees (through CarryCo) has been cancelled.

Realisation fees

Effective 15 July 2024, with the adoption of the New Investment Policy at the July 2024 EGM, the realisation fee was terminated.

The revisions to the arrangements with the Investment Manager, constitute a related party transaction under the Company's related party policy, and in accordance with that policy, the Company was required to obtain: (i) the approval of a majority of the Directors who are independent of the Investment Manager; and (ii) a fairness opinion or third-party valuation in respect of such related party transaction from an appropriately qualified independent adviser.

The realisation fee for the financial period under review amounts to **USD Nil** (2024: USD 4,167) of which **USD Nil** (2024: USD 4,167) relates to accrued realisation fees; management and performance fees for the financial period under review were **USD 173,562** (2024: nil).

Administrative Agreement

NAVFund Services is the Administrator for the Company, effective as at 1 January 2025. Administrative fees are expensed at the Master Fund level and have been included in the NAV of the subsidiary.

Custodian Agreement

A Custodian Agreement has been entered into by the Master Fund and Standard Chartered Bank (Mauritius) Ltd ("SCB"), whereby SCB would provide custodian services to the Master Fund and would be entitled to a custody fee of between 18 and 25 basis points per annum of the value of the assets held by the custodian and a tariff of between 10 and 45 basis points per annum of the value of assets held by the custodian. The custodian fees are expensed at the Master Fund level and have been included in the NAV of the subsidiary.

Following the exit of SCB from the Zimbabwe market in 2024, Custodial Agreements were entered into by the Master Fund and FBC Bank Limited ("FBC"), whereby FBC would provide custodian services and hold direct custody of Zimbabwe securities and would be entitled to a custody fee of 10 basis points per annum on the market value of the assets held by the custodian. The custodian fees are expensed at the Master Fund level and have been included in the NAV of the subsidiary.

5b. SUMMARY OF MATERIAL ACCOUNTING POLICIES AT THE MASTER FUND LEVEL

Africa Opportunity Fund LP (the "Master Fund") is incorporated in the Cayman Islands and is not subject to regulatory review. Management has voluntarily disclosed all the policies and notes to the accounts of the Master Fund to provide shareholders of the Company with a better insight.

The primary accounting policies are similar as in Note 2. Those policies which only relate to the Master Fund's financial statements are set out below. These policies have been consistently applied from the prior year to the current year for items which are considered material in relation to the financial statements.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Classification

The Master Fund classifies its financial assets and liabilities in accordance with IFRS 9 into the following categories:

(i) Financial assets and liabilities at fair value through profit or loss

The category of the financial assets and liabilities at fair value through the profit or loss is subdivided into:

Financial assets and liabilities held for trading

Financial assets are classified as held for trading if they are acquired for the purpose of selling and repurchasing in the near term. This category includes equity securities. These assets are acquired principally for the purpose of generating a profit from short term fluctuation in price.

Financial assets at fair value through profit or loss upon initial recognition

These include equity securities that are not held for trading. These financial assets are classified at FVTPL on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Company, as set out in each of their offering documents. The financial information about the financial assets is provided internally on that basis to the Investment Manager and to the Board of Directors.

Derivatives - Options

Derivatives are classified as held for trading (and hence measured at fair value through profit or loss), unless they are designated as effective hedging instruments (however the Company does not apply any hedge accounting). The Master Fund's derivatives relate to option contracts.

Options are contractual agreements that convey the right, but not the obligation, for the purchaser either to buy or sell a specific amount of a financial instrument at a fixed price, either at a fixed future date or at any time within a specified period.

The Master Fund purchases and sells put and call options through regulated exchanges and OTC markets. Options purchased by the Master Fund provide the Master Fund with the opportunity to purchase (call options) or sell (put options) the underlying asset at an agreed-upon value either on or before the expiration of the option. The Master Fund is exposed to credit risk on purchased options only to the extent of their carrying amount, which is their fair value.

Options written by the Master Fund provide the purchaser the opportunity to purchase from or sell to the Master Fund the underlying asset at an agreed-upon value either on or before the expiration of the option.

Options are generally settled on a net basis.

Derivatives relating to options are recorded at the level of the Master Fund. The financial statements of the Company do not reflect the derivatives as they form part of the net asset value (NAV) of the Master Fund which is fair valued.

(ii) Financial assets at amortised cost

The Master Fund measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Master Fund's financial assets at amortised cost comprise 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position.

(iii) Other financial liabilities

This category includes all financial liabilities, other than those classified as fair value through profit or loss. The Master Fund includes in this category amounts relating to trade and other payables and dividend payable.

(a) Recognition

The Master Fund recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised directly on the trade date, i.e., the date that the Master Fund commits to purchase or sell the asset.

(b) Initial measurement

Financial assets and liabilities at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Financial assets at amortised cost and financial liabilities (other than those classified as held for trading) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

(c) Subsequent measurement

The Master Fund measures financial instruments which are classified at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in 'Net gain or loss on financial assets and liabilities at fair value through profit or loss'. Interest earned elements of such instruments are recorded separately in 'Interest revenue'. Dividend expenses related to short positions are recognised in 'Dividends on securities sold not yet purchased'. Dividend income/distributions received on investments at FVTPL is recorded in 'Net gain or loss on financial assets at fair value through profit or loss'.

Financial assets at amortised costs are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial liabilities, other than those classified as at fair value through profit or loss, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Master Fund estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(d) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and

Either (a) the Master Fund has transferred substantially all the risks and rewards of the asset, or (b) the Master Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Master Fund has transferred its rights to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Master Fund's continuing involvement in the asset.

The Master Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

Determination of fair value

The Master Fund measures its investments in financial instruments, such as equities, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measured is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Master Fund. The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include: using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible. An analysis of fair values of financial instruments and further details as to how they are measured is provided in Note 6.

The Master Fund uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets and liabilities.
- Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Impairment of financial assets

The Master Fund recognises an allowance for expected credit losses (ECLs) for all financial assets measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Master Fund expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised either on a 12-month or lifetime basis. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Master Fund considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Master fund may also consider a financial asset to be in default when internal or external information indicates that the Master fund is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Master fund. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For trade receivables, the Master Fund applies a simplified approach in calculating ECLs. Therefore, the Master Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. At the reporting date, the assessment of the Master Fund's debt instruments which include trade and other receivables and cash and cash equivalents were considered as de minimis. As a result, no ECL has been recognised as any amount would have been insignificant.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Net gain or loss on financial assets and liabilities at fair value through profit or loss

This item includes changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as 'at fair value through profit or loss' and excludes interest and expenses. At the Master Fund Level, the fair value gains and losses exclude interest and dividend income.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the year and from reversal of prior year's unrealised gains and losses for financial instruments which were realised in the reporting period.

Realised gains and losses on disposals of financial instruments classified as 'at fair value through profit or loss' are calculated using the Average Cost (AVCO) method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

Due to and due from brokers

Amounts due to brokers are payables for securities purchased (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date at the Master Fund level. Refer to the accounting policy for financial liabilities, other than those classified at fair value through profit or loss for recognition and measurement.

Amounts due from brokers include margin accounts and receivables for securities sold (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date. Refer to accounting policy for financial assets at amortised cost for recognition and measurement.

Interest revenue and expense

Interest revenue and expense are recognised in profit or loss for all interest-bearing financial instruments using the effective interest method.

Dividend revenue

Dividend revenue is recognised when the Master Fund's right to receive the payment is established. Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately in profit or loss of the Master Fund.

6. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

6(a). Investment in subsidiaries at fair value

The Company has established Africa Opportunity Fund L.P., an exempted limited partnership in the Cayman Islands to ensure that the investments made and returns generated on the realisation of the investments made and returns generated on the realisation of the investments are both effected in the most tax efficient manner. All investments made by the Company are made through the limited partner which acts as the master fund. The limited partners of the limited partnership are the Company (95.7%) and AOF CarryCo Limited (4.3%). The general partner of the limited partnership is Africa Opportunity Fund (GP) Limited. Africa Opportunity Fund Limited hold 100% of the Africa Opportunity Fund (GP) Limited.

	2025
	USD
Investment in Africa Opportunity Fund L.P.	13,977,234
Investment in Africa Opportunity Fund (GP) Limited	4,870
Total investment in subsidiaries at fair value	13,982,104
Fair value at 01 January	13,686,902
Reduction in investment in subsidiaries*	(150,000)
Net gain on investment in subsidiaries at fair value	445,202
Fair value at 30 June 2025	13,982,104

*The reduction in investment in subsidiaries relates to capital withdrawn from the Master Fund by the Company

6(b). Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1: quoted (unadjusted) market prices in active markets for identical assets and liabilities.

Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Note: The assets and liabilities of the Master Fund have been presented but do not represent the assets and liabilities of the Company as the Master Fund has not been consolidated.

Fair value hierarchy of the Company

	30 June 2025	Level 1 USD	Level 2 USD	Level 3 USD
COMPANY				
Investment in subsidiaries	13,982,104	-	13,982,104	-

30 June

COMPANY	2024	Level 1 USD	Level 2 USD	Level 3 USD
Investment in subsidiaries	9,641,965	-	9,641,965	-

Fair value hierarchy of the Master Fund.

The Company has investment in Africa Opportunity Fund L.P., the Master Fund, amounting to USD 13,982,104. The underlying investments of the Master Fund amounts to USD 14,555,227. Details on the financial assets and liabilities of the Master Fund and fair value hierarchy are as follows:

	30 June 2025	Level 1 USD	Level 2 USD	Level 3 USD
MASTER FUND				
Financial assets at fair value through profit or loss				
Equities	14,555,227	12,429,427	2,125,800	-
	14,555,227	12,429,427	2,125,800	-
	30 June 2024	Level 1 USD	Level 2 USD	Level 3 USD
MASTER FUND				
Financial assets at fair value through profit or loss				
Equities	8,438,239	6,312,357	2,125,882	-
	8,438,239	6,312,357	2,125,882	-

6(c). The valuation technique of the investment in subsidiaries at Company level is as follow:

The Company's investment manager considers the valuation techniques and inputs used in valuing these funds as part of its due diligence, to ensure they are reasonable and appropriate and therefore the NAV of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions on redemptions, future commitments, and other specific factors of the fund and fund manager. In measuring fair value, consideration is also paid to any transactions in the shares of the fund. Given that there have been no such adjustments made to the NAV of the underlying subsidiaries and given the simple structure of the subsidiaries investing approximately 75% in quoted funds, the Company classifies this investment in subsidiaries as Level 2.

6(d). The valuation technique of the investments at Master Fund level are as follows:

Equity investments

These pertain to equity investments which are quoted and for which there is a market price. As a result, they are classified within level 1 of the hierarchy except for the valuation of instruments listed on Zimbabwe Stock Exchange which have been classified as level 2 given that their quoted share price had been discounted. As at 30 June 2025 they are classified as level 1 given that no discount was applied. A description of the methodology for both years is as follows:

Valuation of investments listed on the Zimbabwe Stock Exchange

The total carrying value of the investments held by the Master Fund amounted to USD 14,555,227 as at 30 June 2025 (Note 6(b)), of which USD 4,060,321 represents investments listed on the Zimbabwe Stock Exchange. Based on quoted prices on the Zimbabwe Stock Exchange, these investments would have been valued at USD 10,077,202. However,

owing to the ongoing market instability, hyperinflationary economy and difficulty repatriating ZiG currency to USD, a discount has been applied to the market price to arrive at the fair value of USD 4,060,321.

In April 2024, the Governor of the Reserve Bank of Zimbabwe introduced the Zimbabwe Gold Notes and Coins ("ZiG") as the new currency of Zimbabwe. The intent of the recalibrated monetary policy is to address the state of price and exchange rate instability in the economy. The structured currency introduced is anchored by a composite basket of foreign currency and precious metals (primarily gold) held as reserves by the Reserve Bank. The starting exchange rate was determined by prevailing closing interbank exchange rate as at 5 April and London PM Fix price of gold as at 4 April 2024. The intervening exchange rate is determined by inflation differential between ZiG and USD inflation rates and movement in price basket precious minerals held as reserves.

Though the Company valued the Zimbabwe investments at the prevailing ZiG rate as at 30 June 2024, by August 2024 it was apparent that the Company would need to begin discounting the ZiG, as it had previously done with the ZWL, due to the perceived inability to repatriate funds at, or close to, the official rate. In fact, many investor attempts to repatriate funds were addressed by the govt. through the issuance of T-Bills.

Similar to our ZWL discount, the Company adjusted the official exchange rate by utilising the inflation differential with the US Dollar. The Company continued to adjust its model to reflect a 20% surrender requirement on the basis that the reported CPI captured only 80% of actual inflation, as it had done with the ZWL discount. This discount factor changes every month. The consequence of applying this discount factor is that Zimbabwe Dollar prices of the Company's investments listed on the Zimbabwe Stock Exchange in ZiG converted into US Dollars, as at 30 June 2025 at a discount rate of 59.7% (there was no discount on the ZiG currency as at 30 June 2024).

The value of the Zimbabwe investments recorded in the books of the Company, after applying the methodologies as described above, was USD 4,060,321 (2024: USD 3,237,149).

Written put options

These are traded on an active market and have a quoted market price. They have therefore been classified in level 1 of the hierarchy. As of 30 June 2025, the Company had no options outstanding.

Unquoted debt and equity investments

Sand Technology Holdings ("Sand Tech") (formerly known as African Leadership University) is a global solutions company with expertise in enterprise and industrial artificial intelligence. The Investment Manager valued Sand Tech on the basis of an observable arms-length transaction between existing shareholders selling a portion of their shares and an unaffiliated third party. The transactions were agreed via an omnibus share purchase agreement dated 28 September 2022 with dates of the agreements evidencing the first, second, third, and fourth tranches, respectively, 30 September 2022, 5 December 2022, 6 March 2023 and 5 June 2023 (the fourth tranche was converted to partial purchases in June and September 2023, the overall number of shares remaining consistent), and thus were utilised as the basis of the valuation as at 30 June 2025. At 30 June 2025, the investment in Sand Tech has been classified under level 2 because the value of the investment utilises the recent transaction. The valuation of Sand Tech as at 30 June 2025 was USD 2,125,800 (30 June 2024: USD 2,125,800).

6(e). Statement of profit or loss and other comprehensive Income of the Master Fund for the period from 1 January to 30 June 2025

The net gain on investments in subsidiaries at fair value through profit or loss for the period from 1 January 2025 to 30 June 2025 amounted to USD 445,202, while net losses on investments in subsidiaries at fair value through profit or loss for the period from 1 January 2024 to 30 June 2024 amounted to USD 356,762 arising at the Master Fund and can be analysed as follows:

	For the period ended 30 June 2025
	USD
Income	
Dividend revenue	298,944
Interest revenue	290
Net gains on financial assets and liabilities at fair value through profit or loss	256,442
	555,676
Expenses	
Custodian fees, brokerage fees, commission and administration	50,226

Professional fees	3,132
Other operating expenses	1,127
	<u>54,485</u>
Operating profit before tax	501,191
Less withholding tax	<u>(32,319)</u>
Total Comprehensive income for the period	<u><u>468,872</u></u>
Attributable to:	
AOF Limited (direct interests)	445,017
AOF Limited (indirect interests through AOF (GP) Ltd)	185
	<u>445,202</u>
AOF CarryCo Limited (NCI)	23,670
	<u><u>468,872</u></u>

The financial assets and liabilities of the Master Fund are analysed as follows:

(i) Net gains/(losses) on financial assets and liabilities at fair value through profit or loss held by Africa Opportunity Fund L.P.

	For the period ended 30 June 2025	For the period ended 30 June 2024
	USD	USD
Net gains/(losses) on fair value of financial assets at fair value through profit or loss	<u>256,442</u>	<u>(289,473)</u>
Net gains/(losses)	<u><u>256,442</u></u>	<u><u>(289,473)</u></u>

(ii) Financial asset and liabilities at fair value through profit or loss held by Africa Opportunity Fund L.P.

	For the period ended 30 June 2025	For the period ended 30 June 2024
	USD	USD
Held for trading assets:		
At 1 January	13,031,893	8,727,712
Disposal	1,266,892	-
Net gains/(losses) on financial assets at fair value through profit or loss	<u>256,442</u>	<u>(289,473)</u>
At 30 June (at fair value)	<u><u>14,555,227</u></u>	<u><u>8,438,239</u></u>
Analysed as follows:		
- Listed equity securities	12,429,427	6,312,439
- Unlisted equity securities	<u>2,125,800</u>	<u>2,125,800</u>
	<u><u>14,555,227</u></u>	<u><u>8,438,239</u></u>

(iii) Net changes on fair value of financial assets at fair value through profit or loss

	For the period ended 30 June 2025	For the period ended 30 June 2024
	USD	USD
Realised	-	-
Unrealised	256,442	(289,473)
Total gains/(losses)	256,442	(289,473)

7. RECEIVABLES

	30 June 2025	30 June 2024
	USD	USD
Prepayments	9,986	1,341
	9,986	1,341

8. CASH AND CASH EQUIVALENTS

	30 June 2025	30 June 2024
	USD	USD
Cash at bank	9,595	55,804

9(a). ORDINARY SHARE CAPITAL

	30 June 2025	30 June 2025	30 June 2024	30 June 2024
	Number	USD	Number	USD
<i>Authorised share capital</i>				
Ordinary shares with a par value of USD 0.01	1,000,000,000	10,000,000	1,000,000,000	10,000,000
<i>Issued share capital</i>				
Ordinary shares with a par value of USD 0.01	11,468,907	114,689	11,468,907	114,689

The directors have the general authority to repurchase the ordinary shares in issue subject to the Company having funds lawfully available for the purpose. However, if the market price of the ordinary shares falls below the Net Asset Value, the directors will consult with the Investment Manager as to whether it is appropriate to instigate a repurchase of the ordinary shares.

The Company intends to pay or report dividends in order to remain an UK Reporting Fund, however, there is no assurance that the Company will be able to pay dividends. In compliance with the current investment strategy, Directors have the right to return cash through compulsory redemptions, by way of dividend or any other distribution as permitted by the Listing Rules.

9(b). SHARE CAPITAL AND SHARE PREMIUM

	Share Capital	Share Premium	Ordinary Shares
	USD	USD	Number
At 1 January 2024	114,689	5,810,553	11,468,907
Changes during the period:			
Redemption of ordinary shares	-	-	-
At 30 June 2024	114,689	5,810,553	11,468,907
At 1 January 2025	114,689	5,810,553	11,468,907
Changes during the period:			
Redemption of ordinary shares	-	-	-
At 30 June 2025	114,689	5,810,553	11,468,907

9(c). NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

	Ordinary Shares
	USD
At 1 January 2025	13,779,182
Changes during the period:	
Total comprehensive income for the period	156,810
At 30 June 2025	13,935,992
Net asset value per share at 30 June 2025	1.215

Mandatory Redemption

The Directors, at their sole discretion, can effect a compulsory redemption of the Ordinary Shares on an ongoing basis and will therefore undertake a staged return of capital to shareholders. During the half-year ended 30 June 2025, the Directors did not initiate or approve a partial mandatory redemption of the Company's Ordinary Shares. The Company has 11,468,907 Ordinary Shares in issue. Robert Knapp and Myma Belo-Osagie, Directors of the Company held 6,238,860 and 15,234 Ordinary Shares, respectively.

Ordinary and C share Merger, Issuance of Contingent Value Rights

In 2014, AOF closed a Placing of 29.2 million C shares of US\$0.10 each, at a placing price of US\$1.00 per C share, raising a total of \$29.2 million before the expenses of the Issue. The placing was closed on 11 April 2014 with the shares commencing trading on 17 April 2014. AOF's Ordinary Shares and the C Shares from the April placing were admitted to trading on the LSE's Specialist Fund Segment ("SFS") effective 17 April 2014.

The Company merged the C share class and the ordinary shares as contemplated in the April 2014 issuance of the C share class, and with the consent of the Board of Directors, on 23 August 2017. The C Class shares were converted into ordinary shares.

The Shoprite arbitral award issued in 2016. The arbitral award resulted in AOF not being considered legal owner of the specific Shoprite Holdings, therefore, the Shoprite investment was written off. To effectuate this merger, Contingent Value Rights certificates for any residual rights with respect to Shoprite shares listed on the Lusaka Stock Exchange were issued to the ordinary shareholders of record on 21 August 2017. Information regarding the merger was distributed and released to the market prior to, and upon execution of, the merger. This information and information relative to the CVRs can be found on the Company's website.

10. TRADE AND OTHER PAYABLES

	<u>30 June 2025</u>	<u>30 June 2024</u>
	USD	USD
Due to Africa Opportunity Fund L.P.	-	210,000
Directors Fees Payable	17,500	17,500
Other Payables	51,325	114,062
	<u>68,825</u>	<u>341,562</u>

Other payables are non-interest bearing and have an average term of six months. The carrying amount of trade and other payables approximates their fair value.

11. EARNING PER SHARE

The earnings per share (EPS) is calculated by dividing the change in net assets attributable to shareholders by the number of ordinary shares. The EPS for the period ended 30 June 2025 and 2024 represent both the basic and diluted EPS.

		<u>Period from 1 January 2025 to 30 June 2025</u>	<u>Period from 1 January 2024 to 30 June 2024</u>
		Ordinary shares	Ordinary shares
Change in net assets attributable to shareholders	USD	156,810	(520,499)
Number of shares in issue		11,468,907	11,468,907
Change in net assets attributable to shareholders per share (based on number of shares outstanding at period end)	USD	0.014	(0.045)
Weighted Average number of shares in issue		11,468,907	11,468,907
Change in net assets attributable to shareholders (based on weighted average number shares outstanding at period end)	USD	0.014	(0.045)

12. ANALYSIS OF NAV OF MASTER FUND ATTRIBUTABLE TO ORDINARY SHARES

	<u>30 June 2025</u>	<u>30 June 2024</u>
ASSETS		
Cash and cash equivalents	241,083	1,812,190
Trade and other receivables	235,360	28,700
Receivable from AOF Ltd	-	210,000
Financial assets at fair value through profit or loss	14,555,227	8,438,239
Total assets	<u>15,031,670</u>	<u>10,489,129</u>
EQUITY AND LIABILITIES		
Liabilities		
Trade and other payables	428,091	445,916

Total liabilities	<u>428,091</u>	<u>445,916</u>
Net assets attributable to members' account	<u>14,603,579</u>	<u>10,043,213</u>

13. TAXATION

Under the current laws of Cayman Islands, there is no income, estate, transfer sales or other Cayman Islands taxes payable by the Company. As a result, no provision for income taxes has been made in the financial statements.

Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income. Withholding taxes are not separately disclosed in statement of cash flows as they are deducted at the source of the income.

14. SEGMENT INFORMATION

For management purposes, the Company is organised in one main operating segment, which invests in equity securities, principally via the Master Fund. All of the Company's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

15. PERSONNEL

The Company did not employ any personnel during the period (2024: the same).

16. COMMITMENTS AND CONTINGENCIES

There are no commitments or contingencies at the reporting date.

17. SIGNIFICANT EVENTS

Effective 1 January 2025, NAVFund Services Inc. was appointed to act as administrator to the Company, replacing SS&C Technologies Inc.

18. EVENTS AFTER REPORTING DATE

There were no other material events after the reporting date up to the date that these financial statements were authorised for issue that warrant adjustments or disclosures in the financial statements for the period ended 30 June 2025.