2018 Annual Report

Building profitability in
Africa.

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Africa.

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Corporate Directory

COUNTRY OF INCORPORATION AND DOMICILE	Botswana
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	Investing and developing new businesses focused on Africa
DIRECTORS	Lesang Magang Rupert J McCammon Leutlwetse M Tumelo Keith R Jefferis
REGISTERED OFFICE	Unit 206, Plot 64516, Showgrounds Close, Fairgrounds, Gaborone, Botswana
BUSINESS ADDRESS	Unit A, 6th Floor, iTowers Plot 54368, CBD Gaborone, Botswana
POSTAL ADDRESS	P O Box AE 133 AEH Gaborone, Botswana
BANKERS/ INVESTMENT BANKERS	Barclays Bank Botswana Limited Stanbic Bank Botswana Limited Zemen Bank Ethiopia Mauritius Commercial Bank Facet Capital Nedbank Investec
AUDITORS	Grant Thornton Chartered Accountants A Botswana member of Grant Thornton International Limited
SECRETARY	Cycad (Proprietary) Limited
TRANSFER SECRETARIES	Transaction Management Services (Proprietary) Limited
COMPANY REGISTRATION NUMBER	2014/5015
FUNCTIONAL CURRENCY	US Dollar
DATE OF INCORPORATION	4 May 2014

Shareholder information

TOP 10 SHAREHOLDERS

SHAREHOLDER NAME	NUMBER OF SHARES	% HOLDING
GCH INVESTMENTS LIMITED	120,000,000	56.089%
FNB BOTSWANA NOMINEES (PTY) LTD RE:AA BPOPF EQUITY	60,000,000	28.044%
STANBIC NOMINEES BOTSWANA RE:IBMF	12,537,906	5.860%
FNB BOTSWANA NOMINEES (PTY) LTD RE:KGORI CAPITAL- BPOPF EQUITY	10,000,000	4.674%
FNB BOTSWANA NOMINEES (PTY) LTD RE: KGORI BPOPF WPPP	4,800,000	2.244%
SCBN (PTY) LTD RE: IAM BREWERIES PENSION FUND	1,487,385	0.695%
SCBN (PTY) LTD RE: IAM-BCL STAFF PENSION FUND-AGGRESSIVE PORTFOLIO	1,327,660	0.621%
SCBN (PTY) LTD RE: IAM-SEFALANA GROUP STAFF PENSION FUND	1,047,049	0.489%
OTTAPATHU RAMACHANDRAN	1,000,000	0.467%
STOCKER WILLIAM	150,000	0.070%

SHAREHOLDER SPREAD BY NUMBER OF SHARES

	NUMBER OF SHAREHOLDERS	% OF SHAREHOLDERS	TOTAL SHARES	% HOLDING
< 2,000	153	55.84%	106 489	0.05%
2,001 - 5,000	41	14.96%	159 336	0.07%
5,001 - 10,000	37	13.50%	305 561	0.14%
10,001 - 50,000	29	10.58%	691 777	0.32%
50,001 - 100,000	4	1.46%	333 087	0.16%
100,001 - 500,000	1	0.36%	150 000	0.07%
> 500,000	9	3.28%	212 200 000	99.18%
	274	100.00%	213 946 250	100.00%

SHAREHOLDER SPREAD (PUBLIC/NON PUBLIC)

	NUMBER OF SHAREHOLDERS	TOTAL SHARES	% HOLDING
TOTAL	274	213 946 250	100.00%
NON PUBLIC SHAREHOLDERS	15	120 378 727	56.27%
PUBLIC SHAREHOLDERS	259	93 567 523	43.73%
ANALYSIS OF NON PUBLIC SHAREHOLDERS			
DIRECTORS AND ASSOCIATES	15	120 378 727	56.27%

Chairman's Report

It is my pleasure to report to you on behalf of the Board of Afinitas Limited. 2018 was another milestone year for Afinitas and our focus on revenue growth has resulted in improved financial performance for the year.

The audited financial statements for FY 2018, show a 65% year on year (y-o-y) growth in revenue compared to a modest 6% y-o-y increase in operating costs. The result was a 9% reduction in the net loss over the comparative period in 2017. Although a significant portion of the revenue growth was driven by our London based flagship event, AFSIC, it is pleasing to report that both Adventis Limited and Ethiopia Investments Limited generated revenue for the first time.

As stated in my last report, the focus for 2018 was to drive revenue growth within the existing cost structure. It gives me great pleasure to confirm that overall our strategy for 2018 has been achieved and this is reflected in the audited financial statements.

The financial results for 2018 were achieved in a diverse and constantly changing business landscape. As a pan African investment holding company, one of the main challenges for Afinitas is to navigate these diverse markets and continuously adjust to changing regulatory, economic and political/social environment. The Board has tasked management with the responsibility to monitor the operating environment.

The political and social environment across most of the countries in which Afinitas operates was generally positive throughout the year.

The main positive change was in Ethiopia where, after a period of social unrest, the country appointed a new Prime Minister, Dr Abiy Ahmed, in April 2018. Since the appointment Ethiopia has enjoyed relative calm and renewed investor interest.

On the investment front, we have noted that investor appetite for Africa assets has been relatively soft over the last few years. The subdued interest in Africa has inevitably had an impact on the operations of some of the investee companies.

The April 2019 IMF Regional Economic Outlook paints a positive forward looking picture. The report forecasts economic growth in Sub-Saharan Africa to pick up from 3% in 2018 to 3.5% in 2019. The report further forecasts that non-resource intensive economies will see economic growth at 5% or more while growth in resource intensive economies is likely to underperform the regional average. This outlook by the IMF is positive for Afinitas because all the investee businesses target countries that are less dependent on the resources sector for economic growth.

The Board is of the view that although global investment appetite for Africa has softened, this is part of a cycle and it will eventually recover. Afinitas Limited, as a long term investor, continues to focus on positioning the investee companies to take advantage of the recovery.

During the year, the Board took steps to further strengthen its capability to provide oversight and strategic guidance by adopting King III Code. The King Code is an internationally recognised guidance on corporate governance standards. By adopting the code, the Board is committing to provide effective and responsible leadership to ensure that Afinitas and its investee companies operate as responsible corporate citizens.

Following the adoption of King III, the Board approved the establishment of an Audit Committee and a Remuneration Committee. Both committees comprises entirely of independent non-executive directors and are chaired by Keith Jefferis. In February 2019, the Board approved the appointment of Jenny Marinelli as independent member of the Audit Committee. Jenny is a Chartered Accountant and has extensive experience with listed companies. The Board is confident that these two committees will assist it to discharge its fiduciary duties more effectively.

In summary, as a Board we believe that the audited financial statements for 2018 reflect the transition of Afinitas from a start up to a cash flow positive company. The Board intends to continue to focus on increasing and diversifying revenue growth across the investee companies and containing any increase in operating costs.

Lesang Magang
Chairman

Managing Director's Report

Dear Shareholder,

I am delighted to provide an overview of the progress that Afinitas Limited has made in developing our investee companies during 2018.

Africa Events Limited has successfully built up one of the most valuable networks focused on Africa globally. Our network covers business leaders, investors and dealmakers in all 54 African countries and many of the most important business leaders based outside of Africa who are looking to grow their businesses, trade or investments within Africa.

The success of this network is evidenced by the growth of "AFSIC – Investing Africa", our flagship event. AFSIC, which is exclusively focused on attracting investment into African companies and funds, grew strongly in 2018. AFSIC 2019 is likely to show continued strong growth in revenue in 2019. The network that we have developed is core to Afinitas and will help us to originate and develop exciting new investments across Africa in future years.

Establishing new companies from scratch requires time and substantial costs are incurred upfront while the benefits of our investments only become apparent at a later date. The year under review saw continued focus on ensuring that the various investee companies have the required structures, processes and teams in place to ensure that they can grow profitably in future reasonably within their current cost structures. Each of our executive teams is focused on increasing revenue into their investee companies.

Africa Events Limited spent much of 2018 implementing sophisticated event management and communication systems, allowing the event company room to continue to grow approximately within our current structure.

For Adventis Limited, our asset management company, the focus has been on ensuring that regulatory approvals and structures are in place for the various funds and products that they intend to market during 2019.

In Ethiopia we employ a team of around 30 laying the groundwork for what we hope will be the development of a successful business process outsourcing company. Ethiopia is one of the fastest growing economies in Africa. EQOS, our business process outsourcing company, gained several international and domestic clients during 2018. Operating in Ethiopia does present management challenges.

An unexpected difficulty that we face in Ethiopia is retaining our staff who often, after a period of training, depart to work with international NGOs or development agencies like the UN where salary structures are higher and with which we cannot compete as business process outsourcing is a highly cost sensitive business. Infrastructure can also be an issue. Our focus during 2019 will be to establish scale within the BPO business.

Despite green shoots of growth appearing all across Africa, there is a general lack of interest from global investors in investing in Africa which dates back to the 2008/9 global financial crisis and the subsequent commodity price crash. Interest in investing Africa moves in cycles and we believe that confidence is building again from a low base, and we detect signs of increasing interest in the "Africa story" from the global investment community. As this interest continues to grow Afinitas will be well placed to benefit, and our progress should accelerate to levels in line with our forecasts in our listing prospectus.

In conclusion it has been pleasing to note that during the year under review our gross revenue grew by 65% while our costs grew by a much smaller amount of 6%. It is my expectation that the growth in revenue will continue while costs in each of our investee companies will stay relatively static or grow at a much lower rate than revenue. This should lead to a continued improvement in Afinitas' financial results.

Rupert McCammon
Managing Director

Board of Directors

1. Lesang Magang

Independent Non-Executive Chairman

Lesang is the Managing Director of Phakalane Estates (Pty) Ltd, a major property development company and one of the largest privately owned township developers involved in residential, commercial and industrial developments in Botswana. Lesang ia a non-executive director for RDC Properties.

2. Rupert McCammon

Managing Director

Rupert has worked extensively in Botswana and across Africa. In Botswana he has set up a number of companies including stockbroking, asset management and corporate finance companies. Across Africa, he has worked with a number of companies to raise funding.

3. Leutlwetse Tumelo
Executive Director

Leutlwetse has worked in both the capital market and resources sector in Botswana. He was previously the head of Client Services at Capital Securities and Country Manager for Minergy Coal. Leutlwetse is a director of Minergy Limited, Minergy Coal, Tshukudu Metals and Tshukudu Exploration.

4. Keith Jefferis
Independent Non-Executive Director

Keith is the Managing Director at Econsult Botswana (Pty) Ltd, which specializes in research, economic commentary and policy analysis. Keith works in Botswana and throughout the African continent, on a range of macro-economic, financial sector development, and mineral development policy issues. Previously, Keith served as the Deputy Governor of the Bank of Botswana (BoB) where he worked extensively on the formulation and analysis of macroeconomic policies. Keith is also a non-executive director at Sefalana Holdings Company and RDC Properties.

Corporate Governance

In order to achieve the vision of developing a leading Africa focused investment holding company, the Board acknowledges that it is important to embrace a strong corporate governance practices across the Group.

Effective corporate governance systems promote the interests of the company and its various stakeholders while ensuring that the company, along with investee companies are run in a responsible manner.

In this regard, the Board of Afinitas Limited as the ultimate governing body is responsible for determining the strategic direction of the Company. The Board also maintains effective control of the Company and meets regularly to review performance and provide guidance to the executive management.

Composition of the Board

The Board of Directors comprises of an equal number of Non-Executive and Executive directors. Currently the Board has two Independent Non-Executive Directors and two Executive Directors. The Chairman of the Board is an Independent Non-Executive Director.
The current Directors of Afinitas Limited are:

- Lesang Magang – **Independent Non-Executive Chairman**
- Keith Jefferis – **Independent Non-Executive Director**
- Rupert McCammon – **Managing Director**
- Leutlwetse Tumelo – **Executive Director**

The abbreviated CVs of the Directors are contained in page 10 of the annual report.

The current skills and expertise available on the Board are deemed to be adequate to allow the Board to discharge its duties effectively. The composition of the Board will continue to be reviewed annually to determine if additional skills are required on the Board.
Any future appointment of Directors will follow the Company's constitution and relevant regulatory procedures.

Board Committees

In order to further strengthen corporate governance within Afinitas, the Board of Directors has approved the establishment of an Audit Committee and a Remuneration Committee. The authority and scope of these committees is outlined in their respective charters and policies.

The Afinitas Board will continue to review its effectiveness and if deemed necessary additional Board Committees will be established.

Board and Committee Meetings

The Board of Directors meets at least once every quarter to review the strategic development. During the 2018 calendar year, the Board of Afinitas Limited met four (4) times and the attendance of each director is reflected in the table below:

Directors' attendance at meetings

Director	Q1 2018	Q2 2018	Q3 2018	Q4 2018
LESANG MAGANG	Yes	Yes	Yes	Yes
KEITH JEFFERIS	Yes	Yes	Yes	Yes
RUPERT MCCAMMON	Yes	Yes	Yes	Yes
LEUTLWETSE TUMELO	Yes	Yes	Yes	Yes

The Audit Committee and Remuneration Committee will hold their first meetings during the 2019 financial year.

A report on the attendance at these meetings will be included in the 2019 Annual Report.

Directors' Remuneration

The total remuneration paid to executive and non-executive directors for the 2018 financial year is listed below.

Directors' Remuneration

Director	Title	Salary	Directors' Fees	Total Pay	S/holding Direct	S/holding Indirect
Lesang Magang	Independent non-executive chairman		P80 000	P80 000	67 732	
Keith Jefferis	Independent non-executive Director		P80 000	P80 000	20 000	
Rupert McCammon	Managing Director		P80 000	P80 000	5 000	120 000 000
Leutlwetse Tumelo	Executive Director	$71 261		$71 261		7 460

There was no change in the remuneration of non-executive directors in 2018 from 2017. The Executive Directors of Afinitas Limited receive a monthly salary. In terms of the remuneration policy, executive directors and key management are also entitled to receive short term and long term incentives in either cash or share options.

The Managing Director, Rupert McCammon, does not earn a monthly salary but only receives a director's fee. The remuneration of Executive Directors during the 2018 financial year was as repeated above.

The proposed remuneration for executive and non-executive directors is presented in the Notice of AGM for shareholder approval.

Afinitas Limited currently has no share option scheme for its directors and employees.

Compliance with laws and regulations

As a pan African investment holding company, Afinitas Limited and its investee companies operate across a number of countries in Africa and Europe. In order to ensure that Afinitas is a responsible corporate citizen the Board of Directors regularly reviews compliance by all companies with relevant laws/regulations in their countries of operation.

During 2018 financial year, Afinitas and all the investee companies complied with the laws of their countries of operation.

The Company Secretary has confirmed that Afinitas Limited has complied with the requirements of the Companies Act.

Stakeholder Engagement

The Board is alert to the importance of effective stakeholder engagement as part of achieving the strategic objectives of the Group.

Effective stakeholder engagement ensures that key stakeholders are considered and informed of developments within the Company.
The Managing Director has been assigned the responsibility to engage regularly with key stakeholders of the Group.

KING III Code on Corporate Governance

The Board of Directors recently adopted the King III Code on Corporate Governance and the company is now in the process of implementing the code.

In order to bring the operations of the company in line with the requirements of the Code, the Board has reviewed a number of existing company polices and the Board Charter. The Board also approved the establishment of an Audit Committee and a Remuneration Committee.

Corporate Governance

The Audit Committee will have oversight of all matters relating to financial management, audit and tax. The committee is expected meet at least twice a year to discuss matters that have been delegated to it by the Board. Members of the Audit Committee are Keith Jefferis (Chairman), Lesang Magang and Jenny Marinelli (independent member).

The Remuneration Committee is responsible for oversight of all matters relating to the remuneration of key personnel including non-executive directors. Members of the committee are Keith Jefferis (Chairman) and Lesang Magang. The committee is authorised to employ an independent external consultant to assist it to discharge its duties.

The table below details compliance with the principles of the Code as well as action items for the coming year.

	Principle	Status	Comments
1.1	The board should provide effective leadership on an ethical foundation	Applied	The Board is committed to running the business on principles of good governance. The Board's commitment to provide leadership based on an ethical foundation is contained in the Board charter
1.2	The board should ensure that the company is and is seen to be a responsible corporate citizen	Applied	Through the Board Charter, the Board has committed to ensuring that Afinitas Limited is seen as a responsible corporate citizen.
1.3	The board should ensure that the company's ethics are managed effectively	Applied	The Board monitors the ethical conduct of the company through regular updates during Board meetings.
	Chapter 2 – Boards and Directors		
2.1	The board should act as the focal point for and custodian of corporate governance	Applied	The board is responsible determining and setting the tone for the company on corporate governance.
2.2	The board should appreciate that strategy, risk, performance and sustainability are inseparable	Partially Applied	The Board plays a leading role in developing strategy and is in the process of strengthening risk management.
2.3	The board should provide effective leadership based on an ethical foundation	Applied	See principle 1.1
2.4	The board should ensure that the company is and is seen to be a responsible corporate citizen		See principle 1.2
2.5	The board should ensure that the company's ethics are managed effectively		See principle 1.3
2.6	The board should ensure that the company has an effective and independent audit committee	Applied	The board has established an independent audit committee that will meet at least twice a year
2.7	The board should be responsible for the governance of risk	Applied	The board is responsible for the governance of risk
2.8	The board should be responsible for information technology governance	Applied	The Board has put in place measures to govern information technology.
2.9	The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards	Applied	The board ensures that the company complies with applicable laws.
2.10	The board should ensure that there is an effective risk based internal audit	Partially applied	The board continues to review the need for an internal audit and will introduce one at the appropriate time

2.11	The board should appreciate that stakeholders perception affect the company's reputation	Applied	The board appreciates that shareholders perceptions affect the company's reputation
2.12	The board should ensure the integrity of the company's integrated report	Applied	The Board reviews and approves the annual report.
2.13	The board should report on the effectiveness of the company's system of internal control	Applied	The Directors have reported on the effectiveness of internal controls
2.14	The board and its directors should act in the best interest of the company	Applied	The Directors are committed to act in the best interest the company and all conflicts of interest are disclosed.
2.15	The board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed	Applied	The Board is confident with the going concern status of the company and at this stage does not need to consider turnaround strategies.
2.16	The board should elect a chairman of the board who is an independent non-executive director. The chief executive officer of the company should not also fill the role of chairman of the board	Applied	The chairman of the board, Mr Lesang Magang, is an independent non-executive director. The MD of the company is Mr. Rupert McCammon
2.17	The board should appoint the chief executive officer and establish a framework for the delegation of authority	Applied	A Managing Director has been appointed. The board charter outlines the authority delegated by the Board to the Managing Director
2.18	The board should comprise a balance of power with a majority on non-executive directors. The majority of non-executive directors should be independent.	Partially applied	The board has a balance of executive and non-executive directors. All non-executive directors are independent.
2.19	Directors should be appointed through a formal process.	Applied	The appointment process for Directors is contained in the Board Charter and constitution of the company.
2.20	The induction of an ongoing training and development of Directors should be conducted through formal processes.	Applied	Directors are inducted on appointment and given full information relating to the company.
2.21	The Board should be assisted by a competent, suitably qualified and experienced company secretary	Applied	The Board is assisted by a competent, suitably qualified company secretary.
2.22	The evaluation of the board, its committees and the individual directors should be performed every year	Applied	Evaluation of the board and committees is provided for in the Board Charter and various committee charters.
2.23	The Board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	Applied	The Board has set up and developed committees. The structure of these committees is defined in the charter
2.24	A governance framework should be agreed between the group and its subsidiary boards	Applied	A governance framework exists between Afinitas Limited and its investee companies.
2.25	Companies should remunerate directors and executives fairly and responsibly	Applied	The Remuneration Committee will assist the Board to determine appropriate remuneration
2.26	Companies should disclose the remuneration of each director and certain senior executives	Applied	Remuneration of directors and executives is disclosed in the annual report
2.27	Shareholders should approve the company's remuneration policy	Partially applied	A remuneration policy has been approved by the Board and in future will be presented for shareholder approval
	Audit Committees		
3.1	The board should ensure that the company has an effective and independent audit committee	Applied	The Audit Committee function is independent of the Board.
3.2	Audit committee members should be suitably skilled and experienced independent non-executive directors	Applied	The Audit Committee members are suitably qualified. The committee is comprises of independent non-executive directors and an independent member.
3.3	The audit committee should be chaired by an independent non-executive director	Applied	The Audit Committee is chaired by an independent non-executive director.
3.4	The audit committee should oversee integrated reporting	Applied	The committee will be responsible for recommending the annual report to the Board of Directors.

3.5	The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities	Applied	The committee will meet regularly with external assurance providers in order to continuously monitor their relationship with the company.
3.6	The audit committee should satisfy itself of the expertise and experience of the company's finance function	Applied	The Audit Committee charter gives the committee the authority to regularly review the expertise of the finance team.
3.7	The audit committee should be responsible for overseeing of internal audit	Partially applied	The company currently does not have an internal audit, an internal audit function will be developed at the appropriate time.
3.8	The audit committee should be an integral component of the risk management process	Applied	The charter outlines the committee's role in risk management.
3.9	The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process	Applied	The Board has delegated authority to appoint external auditors and oversight of the external audit process to the Board Audit Committee.
3.10	The audit committee should report to the board and shareholders on how it has discharged its duties	Applied	The committee will report directly to the Board and shareholders.
	Governance of risk		
4.1	The board should be responsible for the governance of risk	Applied	The Board is responsible for governance of risk and has enhanced risk management through delegation of authority to some of its committees.
4.2	The board should determine the levels of risk tolerance	Applied	The Board considers the acceptable level of risk and will continue to review its risk assessment processes.
4.3	The risk committee or audit committee should assist the board in carrying out its responsibilities	Applied	The Audit Committee assists the Board in its responsibility of risk governance.
4.4	The board should delegate to management the responsibility to design, implement and monitor the risk management plan	Partially applied	The Board delegates risk monitoring to the management.
4.5	The board should ensure that risk assessments are performed on a continual basis.	Applied	Risk assessments are carried out regularly.
4.6	The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	Partially applied	The Board is working on expanding current risk management framework
4.7	The board should ensure that management considers and implements appropriate risk responses	Applied	Key risk areas are reported to the Board
4.8	The board should ensure continual risk monitoring by management	Applied	Board engages regularly with management on key risk areas.
4.9	The board should receive assurance regarding the effectiveness of the risk management process	Partially applied	The Audit Committee will report to the Board on effectiveness of risk management.
4.10	The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders	Partially applied	See 4.6
	The Governance of information technology (IT)		
5.1	The board should be responsible for information technology governance	Applied	The Board and management oversee governance of information technology
5.2	IT should be aligned with the performance and sustainability objectives of the company	Applied	IT systems are designed to support objectives of the company.
5.3	The board should delegate to management the responsibility for the implementation of an IT governance framework	Applied	Through an IT policy the Board has delegated governance of the IT framework to management,
5.4	The board should monitor and evaluate significant IT investments and expenditure	Applied	The Board is informed of key IT investments.
5.5	IT should form an integral part of the company's risk management.	Partially applied	See principle 4.6

5.6	The board should ensure that information assets are managed effectively	Applied	The Board has set a framework to manage IT assets.
5.7	A risk committee should assist the board in carrying out its IT responsibilities	Applied	The Audit Committee assists the Board in monitoring risk
	compliance with laws, rules, codes and standards		
6.1	The board should ensure that the company complies with applicable laws and considers adherence to nonbinding rules, codes and standards	Applied	A governance and compliance report is submitted to the Board at every board meeting,
6.2	The board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards on the company and its business	Applied	Through regular briefings, the directors are kept updated on changes in laws and regulations that may impact on the company.
6.3	Compliance risk should form an integral part of the company's risk management process	Applied	Management monitors compliance risk on an ongoing basis.
6.4	The board should delegate to management the implementation of an effective compliance framework and processes	Applied	See principle 5.3
	Internal audit		
7.1	The board should ensure that there is an effective risk based internal audit	Partially applied	See principle 3.7
7.2	Internal audit should follow a risk based approach to its plan	Partially applied	See principle 3.7
7.3	Internal audit should provide a written assessment of the effectiveness of the company's systems of internal control and risk management	Partially applied	See principle 3.7
7.4	The audit committee should be responsible for overseeing internal audit	Partially applied	See principle 3.7
7.5	Internal audit should be strategically positioned to achieve its objectives	Partially applied	See principle 3.7
	Governing stakeholder relationships		
8.1	The board should appreciate that stakeholders' perceptions affect a company's reputation	Applied	The Board appreciates that stakeholder perceptions affect company's reputation.
8.2	The board should delegate to management to proactively deal with stakeholder relationships	Applied	The Board has tasked management to proactively deal with stakeholders
8.3	The board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the company	Applied	The company considers the interest of its stakeholders as part of its decision making process.
8.4	Companies should ensure the equitable treatment of shareholders	Applied	See principle 8.3
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence	Applied	The company is committed to timely and accurate dissemination of information to all shareholders
8.6	The board should ensure disputes are resolved as effectively, efficiently and expeditiously as possible	Applied	The Board is committed to proper resolution of disputes.
	Integrated reporting and disclosure		
9.1	The board should ensure the integrity of the company's integrated report	Applied	See principle 2.12
9.2	Sustainability reporting and disclosure should be integrated with the company's financial reporting	Applied	See principle 2.12
9.3	Sustainability reporting and disclosure should be independently assured	Applied	The annual report is approved through the Audit Committee


African
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ROBYN SCOTT

Africa Events Limited

AFSIC - Leading Africa Investor Event Globally

AFSIC is a highly focused investment event and is believed to be the largest Africa investment event taking place annually in Europe and one of the most important Africa investor events globally.

During the year under review AFSIC attracted 700 of Africa's most important business leaders, investors and dealmakers. Strong growth was recorded over the 2017 event when 500 delegates attended. AFSIC offers delegates with an unparalleled opportunity to develop and nurture a robust, high quality network of business contacts across the continent, providing multiple networking opportunities for African business leaders, investors and dealmakers to meet.

A sophisticated Event and Meeting App allows delegates to prepare up to a month ahead for critical investment meetings allowing real deals to be concluded during the course of AFSIC. AFSIC has a strong focus on results; making investment decisions, originating and executing transactions, and raising debt or equity capital are the key objectives for delegates attending AFSIC.

The programme is designed to provide delegates with multiple opportunities to achieve these objectives, whether through presentations from many of the continent's leading investors, or through attending the many formal and informal networking sessions during the event.

This strong result focus has resulted in AFSIC gaining considerable popularity with investors, dealmakers and business leaders from across Africa.

The wide spread of business leaders attending from across Africa attracts a significant proportion of major institutional investors focused on investment into Africa. These investors include listed and private equity firms, direct investors, endowments, foundations, family offices, private banks, sovereign wealth funds, DFIs, IFIs, impact investors, microfinance investors alongside a wide range of African based investors, and fund of fund investors.

AFRICAN INVESTMENTS

African Investments hosted ten Trade and Investment Events during 2018 to introduce investment opportunities in infrastructure, power and energy, oil and gas, mining and agriculture in key African economies, and to showcase local financial sector expertise in each region.

New trips were launched in Morocco and Senegal this year, and return trips to Southern Africa, East Africa and

West Africa built on the success of last year's inaugural events in each country in terms of increased numbers of attendees, a broader range of sponsors and a rising quality in presentations and discussions.

Key figures for 2018

North-Western Africa 2018

In March 2018, the team hosted an investor trip to North-Western Africa with events in Senegal and Morocco. In Dakar, Senegal, the team secured a Gold Sponsorship from Teranga Gold Corporation and investment opportunities in the local mining sector were a key focus for the event which culminated in a site visit to Mineral Deposits' Grand Côte mineral sands dredging operation.

The event also included a "Dragon's Den" style entrepreneur session with several top entrepreneurs from the Enterprise Value Accelerator group giving presentations on their start-up companies. In Casablanca, Morocco, the key focus was on renewable energy with presentations from MASEN, IRESEN and the Ministry of Energy, investment opportunities in the sector and lively panel discussions on the challenges

Africa Events Limited (cont.)

for power distribution in West Africa and the changing policies regarding renewable energy. A trip to IRESEN's solar research facility near Marrakech highlighted the country's world-leading expertise in the field.

Southern Africa 2018

In June 2018, African Investments joined the Botswana Resource Sector Conference (BRSC) team to introduce investors to mining, gas and energy investment opportunities in the country. The BRSC Conference and Exhibition is now in its 16th year and attracts a solid local and international delegate base. The BRSC event was followed by the African Investments' event in Lusaka, Zambia, and included an international panel to discuss the role of private equity and pension funds to support alternative assets in the local capital markets. The event had a strong agriculture focus and included an entrepreneur showcase hosted by 4IP Group, Switzerland. Site visits were arranged to the Lusaka Securities Exchange and to a tomato growing operation outside Lusaka which generated strong investor interest.

East Africa 2018

The East Africa investor trip returned to Tanzania, Rwanda and Ethiopia in September 2018. In Tanzania, although investment proposals were plentiful, investor enthusiasm was subdued due to the ongoing uncertainty over government policies in some key sectors including mining and oil & gas.

Excellent site tours were hosted by Trend Solar to view some of the company's rural installations and by Africa Insight Advisors to see a frozen meat packaging expansion opportunity in Dar es Salaam.

In Rwanda, the government's pro-foreign investment and pro-business policies, the strong and stable economy and the improving education and skills of the working population provide strong incentives for investment. Several high-quality investment proposals across all sectors and contextual presentations from government groups including RDB, the Ministry of Mines and the Tony Blair Institute were well received.

Site visits to a poultry expansion project (World Food Bank) and to a rural Solar project (MeshPower) garnered strong investor interest.

The event in Ethiopia was co-hosted by Enterprise Partners, a social enterprise funded by DIFD which supports local SME's, and by our affiliated company, Ethiopia Investments Limited. The government's pro-business policies are also attracting strong investor interest and the event in Addis Ababa showcased numerous compelling investment opportunities across all sectors.

West Africa 2018

The 2018 season closed with the West Africa investor trip to Nigeria, Ghana and Côte d'Ivoire in October and November.

Delegate numbers at all events doubled from 2017 figures and feedback from attendees was overwhelmingly positive. In Lagos, Nigeria, attendance topped 100 people over the two-day event which included a day dedicated to entrepreneurs, sponsored by LoftyInc Capital Management. Investment opportunities spanned all sectors and included early stage start-ups to mature, advanced-stage projects.

Investors remain cautious in the lead up to the 2019 elections.

In Accra, Ghana, the two-day event included an entrepreneur session sponsored by Ghana Climate Innovation Centre, a business incubator supporting "green" businesses. The government's priority sectors include energy, infrastructure, tourism, agro-processing and mineral beneficiation which dovetails well with the African Investments sectors of interest.

The event in Abidjan, Côte d'Ivoire attracted a strong cross section of attendees and included presentations from several investors including a Chinese Government infrastructure fund, the African Development Bank, Pulsar Investments and Oikocredit. The event included a site visit to the BRVM, the regional stock exchange for eight West African Countries.


EQOS GLOBAL

Ethiopia Investments Limited (EIL)

This year EIL (the "Company") has continued to build a firm foundation for its future growth in 2019. This includes the following highlights:

- significant improvements at EQOS Service PLC, our BPO company and first investment;
- high-quality merchant banking mandates with three large local companies;
- broadening our network to increase our deal flow in Ethiopia; and
- decision to fund raise for EIL in Q1 2019.

Investments

As at the date of this report we have one investment: EQOS Service PLC ("EQOS"). EQOS has grown from one client served by 10 employees at its launch in 2017 to over 15 clients today. It employs some 30 workers in its Addis Ababa office and is looking to expand aggressively in the domestic market in 2019.

EQOS has mainly overseas clients, providing customer and sales services to clients that span, executive search, travel and tourism, telecommunications, utilities, and online retail sectors, among others.

On-going investment activities

In our four plus years on the ground in Ethiopia we have reviewed over 120 potential investments in a diverse range of sectors and sizes. We have made significant progress in our ability to analyse and assess investment opportunities in the context of Prime Minister Abiy Ahmed's new reformist Government agenda. We have an exciting pipeline of investment opportunities, including opportunities where we are in negotiations and evaluating investments in real estate, logistics, ag-processing and construction materials.

Merchant banking activities

In April 2018, through EQOS, EIL was appointed Financial Advisor to a well-established foreign owned motor vehicle and distribution company to support their non-core investment process and that will deploy surplus capital with a focus on job creation, import substitution and / or export revenue generative assets.

Additional fee earning activities (investment banking services) current and anticipated include:

- Growth capital to finance the country's first international standard gypsum board manufacturing plant by repurposing an existing cement plant;
- Local sell-side mandate for a high-end supermarket seeking growth capital to expand across Addis Ababa and "tier 2" cities, utilising a 7-11 model; and
- Global branding and growth advisory for leading coffee plantation, previously supplying to Starbucks.

Outlook

The Directors are pleased with the strong performance of the Company and the Company's first investment over the past year. Barring unforeseen circumstances, we expect EIL and EQOS businesses to continue to grow strongly in the years ahead and look forward to 2019 where we hope to significantly increase our capital base and execute on our investment strategy in one of today's most exciting frontier-markets.


Joseph Rohm
Adventis

Adventis Limited

Adventis continues to position itself as the premier African investment firm, while seeking to attract third party capital into high quality investment opportunities on the continent.

The last year has seen a number of regulatory, legal and organisational structures put in place. These position Adventis to deliver on its strategy.

Adventis completed the acquisition of Africa Merchant Capital asset management during 2018. The acquisition meant that we acquired a majority stake in both a regulated FSP in the South African market, and an Africa public equity fund. Two investment professionals, Jonathan Kruger and Michael Ashaolu, joined Adventis as a result of the acquisition.

We applied for a number of mandate changes to enhance the marketability of the fund, such as broadening the geographic remit of the fund. The fund has been rebranded and is being aggressively marketed globally. There is currently limited appetite for African public equity, however we are already well positioned for when appetite improves. Adventis has also recently been appointed as sub-advisor on a Pan African Equity mandate for a large European asset manager.

This fund is a UCITS fund that allows us to access the European investor base more easily. We have recently received regulatory clearance from the Luxembourg regulator for this mandate, and are currently submitting mandate changes for approval.

Adventis has been in a joint venture with Saffron Wealth for the last year, and are currently in the process of setting-up a separate regulated entity together to incorporate the Saffron team. The new entity will be called Adventis International, which will provide mostly African debt products. In particular the Africa Enhanced Income Fund is being launched and is a USD debt fund with a very attractive yield. This strategy will complement the Africa Equity Fund, and both funds have established long term track records, with proven investment processes. The launch of the Africa Enhanced Income Fund allows Adventis to enter a number of associated product areas and service offerings. For example, we will shortly have the capability to offer structured notes to discretionary wealth managers, and provide asset liability matching services for African insurers.

Adventis is in the process of launching a local currency African debt fund known as the Africa Financial Sector Deepening Fund. This fund is an Impact fund that aims to have a significant socio-economic impact on the African continent. There is an opportunity to accelerate capital market activity on the continent while providing funding that will be directed into impact sectors. The fund is viewed as being highly innovative and meeting real needs on the continent. The fund has received a commitment from the African Development Bank and is targeting similar development finance institutions. We are targeting a first close on this fund during the course of the year.

Adventis now has a number of corporate and regulatory structures in place that will allow it to accelerate growth and access more opportunities in future. We continue to look for opportunities to accelerate our growth, however these must complement the strategy. Over the coming decade we see domestic savings pools and capital markets developing on the African continent, which provides an attractive backdrop for Adventis to grow in. The fundamentals on the African continent remain strong and we continue to position Adventis to tak eadvantage of continued growth.

CONSOLIDATED ANNUAL FINANCIAL **STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2018

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act (Cap 42:01) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate annual financial statements

The consolidated and separate annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the year to 31 December 2019 and, in light of this review and the current financial position, they are satisfied that the group has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the group's consolidated and separate annual financial statements. The consolidated and separate annual financial statements have been examined by the group's external auditors and their report is presented on pages 29 to 31.

The consolidated and separate annual financial statements set out on pages 34 to 77, which have been prepared on the going concern basis, were approved by the board of directors on 27 March 2019 and were signed on their behalf by:

Rupert McCammon
Director

Lesang Magang
Director

Gaborone

Independent Auditor's Report

Grant Thornton
An instinct for growth™

To the shareholders of Afinitas Limited

Opinion

We have audited the consolidated and separate annual financial statements of Afinitas Limited set out on pages 34 to 77, which comprise the consolidated and separate statement of Financial Position as at 31 December 2018, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate annual financial Statements give a true and fair view of, the consolidated and separate financial position of Afinitas Limited as at 31 December 2018, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate AnnualFinancial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants {Parts A and B) {IESBA Code) and other independence requirements applicable to performing audits of financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate annual financial Statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole. and in forming our opinion thereon. and the report below is not intended to constitute separate opinions on those key audit matters.

Independent Auditor's Report (cont.)

Key audit matter	How the matter was addressed in our audit
Existence of investments The company's investments in subsidiaries represent the main operating activity of the company and form a significant component of their financial statement. The existence of these investments are critical to company's objective and operations. As a result verification of existence of these investments and ensuring title to these investments in company's name was significant to our audit.	Our audit procedures included verification of controls put in place by the entity to identify investments made and their appropriateness to be captured as investments in the accounting records of the company. We verified the title of the investments of the company and satisfied with the existence of the investments as at the year-end.
Valuation of investments Valuation of investments in subsidiaries and other financial instruments, being significant part of the financial statement and being the core business activity of the company were considered to be key audit matters. Investments are required to be accounted at the appropriate purchase cost and appropriately disclosed in the financial statements. Also the entity has investment that are measured at fa1r value which could affect report1ng of fair value gains/losses in the statement of comprehensive income and disclosures in the financial statements. Since there has been investments in the current year by the entity, this has been identified as a key audit matter.	We have examined the supporting data to validate the investments and determine that the cost allocated to the investment is appropriate. We have obtained an understanding of the Investments and controls in place towards valuation of the investments. We obtained confirmations and other supporting details through observable data to determine that the fair value of the investments measured using effective interest rate method are appropriate.

Responsibilities of the directors for the Consolidated Annual Financial Statements
The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate annual financial Statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the Consolidated and Separate Annual Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate annual financial statements.

Independent Auditor's Report (cont.)

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the subsidiaries or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Chartered Accountants
Certified Auditor: Mr. Sunny Mulakulam (Memb No: 20050097)
Certified Auditor of Public Interest Entity
Certificate No: CAP 0034 2019

27 March 2019
Gaborone

Directors' Report

The directors submit their report for the year ended 31 December 2018.

1. Review of activities

Main business and operations

The group is an investment holding company engaged in establishing and developing new businesses across Africa and operates principally in Botswana.

The operating results and state of affairs of the company are fully set out in the attached consolidated annual financial statements and do not in our opinion require any further comment.

2. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year, not otherwise dealt with in these financial statements, that would have a significant effect on the operations of the group or the result of its operations.

3. Directors' interests in contracts

There were no contracts during the period where the directors had interest.

4. Stated capital

There were no changes in the issued stated capital of the group since the public issue.

5. Directors

The directors in office at the date of this report are as follows:

Directors	**Nationality**
Lesang Magang	Motswana
Rupert J McCammon	British
Leutlwetse M Tumelo	Motswana
Keith R Jefferis	Motswana

6. Secretary

The secretary of the company is Cycad (Proprietary) Limited.

7. Interests in subsidiaries, associates and joint arrangements

Details of material interests in subsidiary companies, associates and joint arrangements are presented in the consolidated annual financial statements in note 15.

Name of subsidiary	Country of incorporation if not in Botswana
Africa Events Limited	Jersey Islands, United Kingdom
Adventis Limited	Jersey Islands, United Kingdom
Ethiopia Investments Limited	Mauritius

8. Auditors

Grant Thornton will continue in office in accordance with the Companies Act of Botswana (Cap 42:01).

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2018

		Group		Company	
Figures in US Dollar	**Note**	**2018**	**2017**	**2018**	**2017**
Revenue	4	711 310	430 409	-	90 158
Other income	5	15 348	27 005	-	17 185
Other operating income/(losses)	6	(44 386)	12 735	(26 462)	(4 455)
Other operating expenses	7	(1 994 624)	(1 878 401)	(810 498)	(965 515)
Operating loss	**7**	**(1 312 352)**	**(1 408 252)**	**(836 960)**	**(862 627)**
Finance income	8	92 342	66 686	177 391	131 926
Finance costs	9	(89)	-	-	-
Impairment	10	-	-	(1 911 000)	(250 000)
Loss before taxation		**(1 220 099)**	**(1 341 566)**	**(2 570 569)**	**(980 701)**
Taxation	12	-	-	-	-
Loss for the year		**(1 220 099)**	**(1 341 566)**	**(2 570 569)**	**(980 701)**
Other comprehensive income:					
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		(11 449)	(6 742)	-	-
Other comprehensive income for the year net of taxation	**11**	**(11 449)**	**(6 742)**	**-**	**-**
Total comprehensive loss for the year		**(1 231 548)**	**(1 348 308)**	**(2 570 569)**	**(980 701)**
Loss attributable to:					
Owners of the parent		(1 153 392)	(1 248 764)	(2 570 569)	(980 701)
Non-controlling interest		(66 707)	(92 802)	-	-
		(1 220 099)	**(1 341 566)**	**(2 570 569)**	**(980 701)**
Total comprehensive loss attributable to:					
Owners of the parent		(1 165 080)	(1 259 900)	(2 570 569)	(980 701)
Non-controlling interest		(66 468)	(88 408)	-	-
		(1 231 548)	**(1 348 308)**	**(2 570 569)**	**(980 701)**
Earnings per share					
Per share information					
Headline loss per share (c)		(0.570)	(0.627)	(1.202)	(0.458)
Diluted loss per share (c)		(0.570)	(0.627)	(1.202)	(0.458)

Statement of Financial Position

as at 31 December 2018

		Group		Company	
Figures in US Dollar	**Note**	**2018**	**2017**	**2018**	**2017**
Assets					
Non-Current Assets					
Property, plant and equipment	13	69 288	95 026	30 154	41 475
Investments in subsidiaries	15	-	-	1 037 474	31 187
Loans to group companies	16	-	-	-	2 606 312
Other financial assets	17	508 783	-	366 736	-
		578 071	**95 026**	**1 434 364**	**2 678 974**
Current Assets					
Loans to group companies	16	-	135	11 545	11 545
Trade and other receivables	19	364 826	151 827	101 823	50 792
Other financial assets	17	41 223	9 515	41 223	9 515
Current tax receivable		1 463	1 463	1 463	1 463
Cash and cash equivalents	20	5 297 837	7 290 967	3 593 830	4 998 823
		5 705 349	**7 453 907**	**3 749 884**	**5 072 138**
Total Assets		**6 283 420**	**7 548 933**	**5 184 248**	**7 751 112**
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Stated capital	21	9 067 560	9 067 560	9 067 560	9 067 560
Reserves		(28 191)	(16 503)	-	-
Accumulated loss		(2 772 978)	(1 619 586)	(3 926 560)	(1 355 991)
		6 266 391	7 431 471	5 141 000	7 711 569
Non-controlling interest		(401 699)	(179 288)	-	-
		5 864 692	**7 252 183**	**5 141 000**	**7 711 569**
Liabilities					
Non-Current Liabilities					
Other financial liabilities	23	128 588	-	-	-
Operating lease liability	25	3 456	2 910	3 456	2 910
		132 044	**2 910**	**3 456**	**2 910**
Current Liabilities					
Trade and other payables	24	133 809	176 300	39 792	36 633
Deferred income	26	152 875	117 530	-	-
Bank overdraft	20	-	10	-	-
		286 684	**293 840**	**39 792**	**36 633**
Total Liabilities		**418 728**	**296 750**	**43 248**	**39 543**
Total Equity and Liabilities		**6 283 420**	**7 548 933**	**5 184 248**	**7 751 112**

Statement of Changes in Equity

for the year ended 31 December 2018

Figures in US Dollar	Stated capital	Foreign currency translation reserves	Accumulated loss	Total attributable to equity holders of the group/ company	Non-controlling interest	Total equity
Group						
Balance at 01 January 2017	**9 067 560**	**(5 367)**	**(370 822)**	**8 691 371**	**(824)**	**8 690 547**
Loss for the year	-	-	(1 248 764)	(1 248 764)	(92 802)	(1 341 566)
Other comprehensive income	-	(11 136)	-	(11 136)	4 394	(6 742)
Total comprehensive loss for the year	**-**	**(11 136)**	**(1 248 764)**	**(1 259 900)**	**(88 408)**	**(1 348 308)**
Changes in ownership interest	-	-	-	-	42	42
Dividends	-	-	-	-	(90 098)	(90 098)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**-**	**(90 056)**	**(90 056)**
Balance at 01 January 2018	**9 067 560**	**(16 503)**	**(1 619 586)**	**7 431 471**	**(179 288)**	**7 252 183**
Loss for the year	-	-	(1 153 392)	(1 153 392)	(66 707)	(1 220 099)
Other comprehensive income	-	(11 688)	-	(11 688)	239	(11 449)
Total comprehensive loss for the year	**-**	**(11 688)**	**(1 153 392)**	**(1 165 080)**	**(66 468)**	**(1 231 548)**
NCI pre acquisition retained earnings	-	-	-	-	(174 820)	(174 820)
Sale of shares to non-controlling interest parties (Refer to note - 21)	-	-	-	-	18 877	18 877
Total changes recognised directly in equity	**-**	**-**	**-**	**-**	**(155 943)**	**(155 943)**
Balance at 31 December 2018	**9 067 560**	**(28 191)**	**(2 772 978)**	**6 266 391**	**(401 699)**	**5 864 692**

Statement of Changes in Equity cont.

for the year ended 31 December 2018

Figures in US Dollar	Stated capital	Foreign currency translation reserves	Accumulated loss	Total attributable to equity holders of the group/ company	Non-controlling interest	Total equity
Company						
Balance at 01 January 2017	**9 067 560**	**-**	**(375 290)**	**8 692 270**	**-**	**8 692 270**
Loss for the year	-	-	(980 701)	(980 701)	-	(980 701)
Other comprehensive loss for the year	-	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**(980 701)**	**(980 701)**	**-**	**(980 701)**
Balance at 01 January 2018	**9 067 560**	**-**	**(1 355 991)**	**7 711 569**	**-**	**7 711 569**
Loss for the year	-	-	(2 570 569)	(2 570 569)	-	(2 570 569)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**(2 570 569)**	**(2 570 569)**	**-**	**(2 570 569)**
Balance at 31 December 2018	**9 067 560**	**-**	**(3 926 560)**	**5 141 000**	**-**	**5 141 000**

Statement of Cash Flows

for the year ended 31 December 2018

		Group		Company	
Figures in US Dollar	**Note**	**2018**	**2017**	**2018**	**2017**
Cash flows in operating activities					
Cash used in operations	27	(1 526 502)	(1 291 618)	(846 503)	(758 654)
Finance income		92 342	66 686	177 391	131 926
Finance costs		(89)	-	-	-
Net cash in operating activities		**(1 434 249)**	**(1 224 932)**	**(669 112)**	**(626 728)**
Cash flows in investing activities					
Purchase of property, plant and equipment	13	(857)	(73 380)	-	(14 814)
Business combinations	29	18 836	-	-	-
Movement in investments	30	-	-	(2 917 287)	(280 986)
Purchase of financial assets		(564 747)	-	(398 444)	-
Sale of financial assets		24 256	1 489	-	1 489
Net cash in investing activities		**(522 512)**	**(71 891)**	**(3 315 731)**	**(294 311)**
Cash flows in financing activities					
Repayment of other financial liabilities		(14 644)	-	-	-
Dividends paid to non-controlling interest		-	(90 098)	-	-
Loans to group companies repaid		135	-	2 625 144	-
Loans advanced to group companies		-	(135)	(18 832)	(2 617 857)
Repayment of loans from group companies		-	(1 079)	-	-
Net cash in financing activities		**(14 509)**	**(91 312)**	**2 606 312**	**(2 617 857)**
Total cash and cash equivalents movement for the year		**(1 971 270)**	**(1 388 135)**	**(1 378 531)**	**(3 538 896)**
Cash and cash equivalents at the beginning of the year		7 290 957	8 664 244	4 998 823	8 542 174
Effect of exchange rate movement on cash balances		(21 850)	14 848	(26 462)	(4 455)
Total cash and cash equivalents at end of the year	**20**	**5 297 837**	**7 290 957**	**3 593 830**	**4 998 823**

Accounting Policies

Nature of operations and segmentation

The company is a pan African investment holding company that has a mandate to provide seed capital and develop new Africa focused businesses. The company is a venture capital entity listed on the Botswana Stock Exchange.

1. Presentation of consolidated annual financial statements

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards.The consolidated and separate annual financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in US Dollars.

These accounting policies are consistent with the previous period except for adoption of new standards.

1.1 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating-decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

The basis of segmental reporting has been set out in note 38.

1.2 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the consolidated annual financial statements of the company and all entities, including special purpose entities, which are controlled by the company.

The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use of its power over the entity.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the consolidated annual financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity .

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the company.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

Accounting Policies cont.

1.2 Consolidation (continued)

Business combinations

The group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued.Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Any contingent consideration is included in the cost of the business combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not effected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current assets Held For Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Non-controlling interests in the acquiree are measured on an acquisition-by-acquisition basis either at fair value or at the non- controlling interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This treatment applies to non-controlling interests which are present ownership interests, and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. All other components of non-controlling interests are measured at their acquisition date fair values, unless another measurement basis is required by IFRS.

In cases where the group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured at fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year. Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases the goodwill is translated to the functional currency of the group at the end of each reporting period with the adjustment recognised in equity through other comprehensive income.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the consolidated and separate annual financial statements,management is required to make estimates and assumptions that affect the amounts represented in the consolidated and separate annual financial statements and related disclosures. Use of available information and the application of judgement is used in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated and separate annual financial statements. Significant judgements include:

Accounting Policies cont.

1.3 Significant judgements and sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

Trade receivables

The group assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price.

The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in- use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that an assumption may change which may impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

Provisions

Provisions were raised and management determined an estimate based on the information available.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Contingent liabilities

Management applies its judgement to facts and advice it receives from its attorneys and other advisors in assessing if an obligation is probable, more likely than not, or remote. This judgement application is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

Useful life and residual value of property, plant and equipment

The estimates of useful lives as translated into depreciation rates are detailed in property, plant and equipment policy on the annual financial statements. These rates and residual lives of the assets are reviewed annually taking cognisance of the forecasted commercial and economic realities and through benchmarking of accounting treatments in the industry.

Accounting Policies cont.

1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	10 years
Office equipment	Straight line	10 years
IT equipment	Straight line	4 years
Other fixed assets	Straight line	5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset. Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.5 Intangible assets

Goodwill is initially measured at cost, being the excess of the cost of the business combination over company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

Subsequently goodwill, acquired in a business combination is carried at cost less any accumulated impairment. Goodwill is assessed at each statements of financial position date for impairment.
The excess of the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the business combination is immediately recognised in the statements of comprehensive income.

Internally generated goodwill is not recognised as an asset.

Accounting Policies cont.

1.6 Interests in subsidiaries

Company annual financial statements

In the company's separate annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

1.7 Financial instruments

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the group ,as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets :

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments);

Financial liabilities:

- Amortised cost;

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the group are presented below:

Loans to group companies at amortised cost

Recognition and measurement

Loans receivable are recognised when the group becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Accounting Policies cont.

1.7 Financial instruments (continued)

Application of the effective interest method

Interest income is calculated using the effective interest method, and is included in profit or loss in finance income (note 8).

The application of the effective interest method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:

- The effective interest rate is applied to the gross carrying amount of the loan, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a loan is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the loan, even if it is no longer credit-impaired.
- If a loan was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the loan in the determination of interest. If, in subsequent periods, the loan is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Loans denominated in foreign currencies

When a loan receivable is denominated in a foreign currency, the carrying amount of the loan is determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating income/(losses) (note 6).

Details of foreign currency risk exposure and the management thereof are provided in the specific loan notes and in the risk management (note 36).

Impairment

The group recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The group measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the group considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the group compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the group has reasonable and supportable information that demonstrates otherwise.

By contrast, if a loan is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the loan has not increased significantly since initial recognition.

The group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

Accounting Policies cont.

1.7 Financial instruments (continued)

Definition of default

For purposes of internal credit risk management purposes, the group consider that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the group considers that default has occurred when a loan instalment is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write off policy

The group writes off a loan when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Loans written off may still be subject to enforcement activities under the group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the loan at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available), industry of counterparty etc. The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the group measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and visa versa.

An impairment gain or loss is recognised for all loans in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is included in material operating items requiring separate disclosure in profit or loss as a movement in credit loss allowance (note 7).

Credit risk

Details of credit risk related to loans receivable are included in the specific notes and the risk management (note 36).

Derecognition

Refer to the “derecognition” section of the accounting policy for the policies and processes related to derecognition. Any gains or losses arising on the derecognition of a loan receivable is included in profit or loss in risk management (note 36).

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 19). They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the group’s business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

Accounting Policies cont.

1.7 Financial instruments (continued)

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a receivable is a purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit-impaired.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Trade and other receivables denominated in foreign currencies

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in other operating income/(losses) (note 6).

Details of foreign currency risk exposure and the management thereof are provided in the risk management (note 19 & 36).

Impairment

The group recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date. The group measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 19.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in material operating items requiring separate disclosure in profit or loss as a movement in credit loss allowance (note 7).

Write off policy

The group writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the trade and other receivables note (note 19) and the risk management note (note 36).

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Accounting Policies cont.

1.7 Financial instruments (continued)

Borrowings and loans from related parties

Recognition and measurement

Borrowings and loans from related parties are recognised when the group becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 9).

Loans denominated in foreign currencies

When borrowings are denominated in a foreign currency, the carrying amount of the loan is determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating income/(losses) (note 6).

Details of foreign currency risk exposure and the management thereof are provided in the specific loan notes and in the risk management note (note 36).

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Trade and other payables

Classification

Trade and other payables (note 24), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 9).

Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 36 for details of risk exposure and management thereof.

Trade and other payables denominated in foreign currencies

When trade payables are denominated in a foreign currency, the carrying amount of the payables are determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating income/(losses) (note 6).

Accounting Policies cont.

1.7 Financial instruments (continued)

Details of foreign currency risk exposure and the management thereof are provided in the risk management note (note 24 & 36).

Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition

Financial assets

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The group derecognises financial liabilities when, and only when, the group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

Financial assets

The group only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

1.8 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates that have been substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Accounting Policies cont.

1.8 Tax (continued)

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction and affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.10 Impairment of assets

The group assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Accounting Policies cont.

1.10 Impairment of assets (continued)

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.11 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.12 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical aid), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

Defined contribution plans

The group does not provide pension benefits for all its employees but operates a severance benefit scheme for citizens in terms of section 28 of the Botswana Employment Act. Severance pay is not considered to be a retirement benefit plan as the benefits are payable on completion of each 60 month period of continuous employment, at the option of the employee. The expected severance benefit liability is provided in full by way of a provision.

1.13 Provisions and contingencies

Provisions are recognised when:

- the group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

1.14 Revenue from contracts with customers

The group recognises revenue from the following major sources:

- Provision of services

  Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

- Interest is recognised, in profit or loss, using the effective interest rate method.

- Dividends are recognised, in profit or loss, when the company's right to receive payment has been established.

1.15 Translation of foreign currencies

Functional and presentation currency

Items included in the consolidated annual financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

Accounting Policies cont.

1.15 Translation of foreign currencies (continued)

The consolidated annual financial statements are presented in US Dollar which is the group functional and presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in US Dollar, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous consolidated annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in US Dollar by applying to the foreign currency amount the exchange rate between the US Dollar and the foreign currency at the date of the cash flow.

Investments in subsidiaries, joint ventures and associates

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions;and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.16 Deferred income and deferred expenses

Deferred income represents the amount received in advance against expenses that are deferred and is recognised when the outcome of a transaction involving the rendering of services can be estimated reliably.

Deferred expenses represent initial set up costs that are deferred and directly associated with the outcome of the transaction involving rendering of the service. These expenses are recognised in the income statement when the associated costs directly attributable to the revenue generated have been estimated reliably.

2. Changes in accounting policy

The consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year except for the adoption of the following new or revised standards.

Accounting Policies cont.

2. Changes in accounting policy (continued)

Application of IFRS 15 Revenue from contracts with customers

In the current year, the group has applied IFRS 15 Revenue from Contracts with Customers (as revised in April 2016) and the related consequential amendments to other IFRSs. IFRS 15 replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue - Barter Transactions Involving Advertising Services.

IFRS 15 introduces a 5-step approach to revenue recognition with the core principle as below

- Identify the contract with the customer
- Identify the performance obligations
- Determine the transaction price
- Allocate the transaction price to performance obligations and
- Recognise revenue when performance obligations are satisfied.

Given below are the various revenue streams of the group

Investment management

Management fees is recognised at the agreed period of time in compliance with the terms of the contract between the parties and measured as a percentage of the funds managed by the company. The management fees is charged on regular intervals as per the terms agreed in the contract. The current existing revenue recognition policies are compliant with IFRS 15.

Conference organising

Event management fees is recognised only at point of time when the delegates or participants attend the conference event organised by the company at the scheduled place and time. The current existing revenue recognition policies are compliant with IFRS 15.

Outsourcing services

Outsourcing revenue is recognised as per the terms of the engagement between the parties and is based on the hours or days worked. The services carried out are charged at agreed prices set out in the related contracts. The current existing revenue recognition policies are compliant with IFRS 15.

IFRS 9 Financial Instruments

IFRS 9 replaces IAS 39 'Financial Instruments: Recognition and Measurement'. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for the impairment of financial assets.

When adopting IFRS 9, the Group has applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of IFRS 9 in relation to classification, measurement, and impairment are recognised in retained earnings.

The adoption of IFRS 9 has impacted the following areas:

- the classification and measurement of the Group's financial assets. Management holds financial assets to hold and collect the associated cash flows. The previously classified as held-for-trading (HFT) investments under IAS 39 are now measured at fair value through profit or loss.
- Investments in listed equity securities and non listed equity investments previously classified as available-for-sale (AFS) investments under IAS 39 are now measured at fair value through other comprehensive income as the cash flows are not solely payments of principal and interest (SPPI).
- Impairment of financial assets applying the expected credit loss model. This affects the Group's trade receivables and loans to group companies assets measured at amortised cost. For trade receivables, the Group applies a simplified model of recognising lifetime expected credit losses as these items do not have a significant financing component.

The above adoption of IFRS 9 for impaiment of financial assets has been done, the impact of application/adoption of IFRS 9 is not significant therefore no adjustment has been made to the financial statements of the group

Accounting Policies cont.

Figures in US Dollar	Group 2018	Group 2017	Company 2018	Company 2017
2. Changes in accounting policy (continued)				
Group	**Previous**	**New**	**New**	**Change**
Previously Loans and receivables	**measure-ment**	**measure-ment**	**measure-ment**	**attributable to**
	IAS 39	**IFRS 9 Amortised cost**	**IFRS 9 FVPL**	**retained earnings:**
Trade and other receivables	151,827	151,827	-	No change
Cash and cash equivalents	7,290,967	7,290,967	-	No change
Previously fair value through profit or loss - held for trading				
Other financial assets	9,515	-	9,515	No change
	7,452,309	**7,442,794**	**9,515**	

Company	**Previous**	**New**	**New**	**Change**
Previously Loans and receivables	**measure-ment**	**measure-ment**	**measure-ment**	**attributable to**
	IAS 39	**IFRS 9 Amortised cost**	**IFRS 9 FVPL**	**retained earnings:**
Loans from group companies	2,617,857	2,617,857	-	
Trade and other receivables	50,792	50,792	-	No change
Cash and cash equivalents	4,998,823	4,998,823	-	No change
Previously fair value through profit or loss - held for trading				
Other financial assets	9,515	-	9,515	No change
	7,676,987	**7,667,472**	**9,515**	

3. New Standards and Interpretations

3.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Amendments to IFRS 15: Clarifications to IFRS 15 Revenue from Contracts with Customers

The amendment provides clarification and further guidance regarding certain issues in IFRS 15. These items include guidance in assessing whether promises to transfer goods or services are separately identifiable; guidance regarding agent versus principal considerations; and guidance regarding licenses and royalties.

The effective date of the amendment is for years beginning on or after 1 January 2018.

Accounting Policies cont.

3. New Standards and Interpretations (continued)

3.1 Standards and interpretations effective and adopted in the current year (continued)

The group has adopted the amendment for the first time in the 2018 consolidated annual financial statements. The impact of the amendment is not material.

IFRS 9 Financial Instruments

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurements of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a)impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the outstanding principal are generally measured at amortised cost at the end of subsequent reporting periods. Debt instruments that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on outstanding principal, are measured at FVTOCI. All other debt and equity investments are measured at fair value at the end of subsequent reporting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of the liability is presented in other comprehensive income, unless the recognition of the effect of the changes of the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Under IAS 39, the entire amount of the change in fair value of a financial liability designated as at fair value through profit or loss is presented in profit or loss.

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. It is therefore no longer necessary for a credit loss event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify as hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been replaced with the principal of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The effective date of the standard is for years beginning on or after 1 January 2018.

The group has adopted the standard for the first time in the 2018 consolidated annual financial statements.

The impact of the standard is not material.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction contracts; IAS 18 Revenue; IFRIC 13 Customer Loyalty Programmes; IFRIC 15 Agreements for the construction of Real Estate; IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue - Barter Transactions Involving Advertising Services.

Accounting Policies cont.

3. New Standards and Interpretations (continued)

3.1 Standards and interpretations effective and adopted in the current year (continued)

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Identify the contract(s) with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when (or as) the entity satisfies a performance obligation.

IFRS 15 also includes extensive new disclosure requirements.

The effective date of the standard is for years beginning on or after 1 January 2018.

The group has adopted the standard for the first time in the 2018 consolidated annual financial statements. The impact of the standard is not material.

3.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 January 2019 or later periods:

IFRS 16 Leases

IFRS 16 Leases is a new standard which replaces IAS 17 Leases, and introduces a single lessee accounting model. The main changes arising from the issue of IFRS 16 which are likely to impact the group are as follows:

Group as lessee:

- Lessees are required to recognise a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.
- The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.
- The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.
- The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.
- The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications.
- Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.
- The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.

Accounting Policies cont.

3. New Standards and Interpretations (continued)

- The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.

- Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lessee re-measures the lease liability by making a corresponding adjustment to the right-of-use asset.

- Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed. This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property. IFRS 16 contains different disclosure requirements compared to IAS 17 leases.

Group as lessor:

- Accounting for leases by lessors remains similar to the provisions of IAS 17 in that leases are classified as either finance leases or operating leases. Lease classification is reassessed only if there has been a modification.

- A modification is required to be accounted for as a separate lease if it both increases the scope of the lease by adding the right to use one or more underlying assets; and the increase in consideration is commensurate to the stand alone price of the increase in scope.

- If a finance lease is modified, and the modification would not qualify as a separate lease, but the lease would have been an operating lease if the modification was in effect from inception, then the modification is accounted for as a separate lease. In addition, the carrying amount of the underlying asset shall be measured as the net investment in the lease immediately before the effective date of the modification. IFRS 9 is applied to all other modifications not required to be treated as a separate lease.

- Modifications to operating leases are required to be accounted for as new leases from the effective date of the modification. Changes have also been made to the disclosure requirements of leases in the lessor's financial statements.

Sale and leaseback transactions:

- In the event of a sale and leaseback transaction, the requirements of IFRS 15 are applied to consider whether a performance obligation is satisfied to determine whether the transfer of the asset is accounted for as the sale of an asset.

- If the transfer meets the requirements to be recognised as a sale, the seller-lessee must measure the new right-of- use asset at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The buyer-lessor accounts for the purchase by applying applicable standards and for the lease by applying IFRS 16.

- If the fair value of consideration for the sale is not equal to the fair value of the asset, then IFRS 16 requires adjustments to be made to the sale proceeds. When the transfer of the asset is not a sale, then the seller-lessee continues to recognise the transferred asset and recognises a financial liability equal to the transfer proceeds. The buyer-lessor recognises a financial asset equal to the transfer proceeds.

The effective date of the standard is for years beginning on or after 1 January 2019.

The group expects to adopt the standard for the first time in the 2019 consolidated annual financial statements.

It is unlikely that the standard will have a material impact on the group's consolidated annual financial statements.

Notes to the Consolidated Annual Financial Statements

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**
4. Revenue				
Revenue from contracts with customers				
Event management	656,827	430,409	-	-
Management fees	8,155	-	-	-
Outsourcing services	46,328	-	-	-
	711 310	**430 409**	**-**	**-**
Revenue other than from contracts with customers				
Dividends received	-	-	-	90 158
	711 310	**430 409**	**-**	**90 158**
5. Other income				
Sundry income	15 348	27 005	-	17 185
6. Other operating income/(losses)				
Foreign exchange gains (losses)				
Net foreign exchange (losses) gains	(44 386)	12 735	(26 462)	(4 455)
7. Operating loss				
Operating loss for the year is stated after charging the following, amongst others:				
Auditor's remuneration - external				
Audit fees	36 189	22 431	20 364	10 541
Expenses by nature				
Employee costs	483 875	432 560	131 223	130 837
Operating lease charges	53 954	46 823	37 076	29 645
Depreciation, amortisation and impairment	83 863	15 825	11 321	10 113
Other expenses	665 923	526 702	122 806	171 749
Consulting and professional fees	619 653	710 727	445 091	507 897
Travel expenses	87 356	145 764	62 981	115 274
	1 994 624	**1 878 401**	**810 498**	**965 515**
8. Finance income				
Interest income				
From investments in financial assets:				
Interest on fixed deposit Stanbic Bank Botswana Limited	19 373	60 167	19 373	55 516
Interest on African Alliance Limited	4 481	2 657	4 481	2 657
Interest on banks	68 488	3 862	32 507	3 793
From loans to group and other related parties:				
Subsidiaries	-	-	121 030	69 960
Total finance income	**92 342**	**66 686**	**177 391**	**131 926**
9. Finance costs				
Bank interest	89	-	-	-

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**
10. Impairment				
Impairment losses				
Investments in subsidiaries	-	-	(1 911 000)	(250 000)

Management have taken a prudent view when considering impairment provisions on its investments - Adventis Limited and Ethiopia Investment Limited. Both companies are in the early stages as start-ups and future income generation is uncertain at present and it was resolved to make prudent impairment provisions until future income flows stabilise and are at a high recurrent level. Management has assessed the value in use of the subsidiaries based on the Net Asset Value of the subsidiaries as at the year end for the purpose of measuring the impairment provisions.

The net asset value were less than the carrying value and the provision for impairment was recognized as follows:

Ethiopia Investment Limited	-	-	(221 000)	(250 000)
Adventis Limited	-	-	(1 690 000)	-
	-	**-**	**(1 911 000)**	**(250 000)**

11. Other comprehensive income

Components of other comprehensive income - Group - 2018

	Gross	Tax	Net before non-controlling interest	non-controlling interest	Net
Items that may be reclassified to profit (loss)					
Exchange differences on translating foreign operations					
Exchange differences arising during the year	(11 449)	-	(11 449)	(239)	(11 688)

Components of other comprehensive income - Group - 2017

Items that may be reclassified to profit (loss)					
Exchange differences on translating foreign operations					
Exchange differences arising during the year	(6 742)	-	(6 742)	(4 394)	(11 136)

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**
12. Taxation				
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.				
Accounting loss	(1 220 099)	(1 341 566)	(2 570 569)	(980 701)
Tax at the applicable tax rate of 15% (2017: 15%)	(183 015)	(201 235)	(385 585)	(147 105)
Tax effect of adjustments on taxable income				
Deferred tax not recognised	183 015	201 235	385 585	147 105
	-	-	-	-

No provision has been made for 2018 tax as the group has no taxable income. The group has a carry forward loss during the current year. The holding company has not recognised a deferred tax asset since company expects to earn income that is exempt or zero rated in nature in the foreseeable future, and thus would not be able to claim back the carry forward losses. No deferred tax asset has been recognised for the subsidiaries since the directors consider that it is not probable that future taxable profits will be available against which tax losses can be utilised.

13. Property, plant and equipment

Group	**2018**			**2017**		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Furniture and fixtures	22 650	(5 525)	17 125	23 193	(2 543)	20 650
Office equipment	1 132	(235)	897	1 132	(121)	1 011
IT equipment	62 370	(25 564)	36 806	64 162	(10 214)	53 948
Other fixed assets	24 788	(10 328)	14 460	24 788	(5 371)	19 417
Total	**110 940**	**(41 652)**	**69 288**	**113 275**	**(18 249)**	**95 026**

Company	**2018**			**2017**		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Furniture and fixtures	11 353	(3 830)	7 523	11 353	(1 938)	9 415
Office equipment	1 132	(235)	897	1 132	(121)	1 011
IT equipment	17 435	(10 161)	7 274	17 435	(5 803)	11 632
Other fixed assets	24 788	(10 328)	14 460	24 788	(5 371)	19 417
Total	**54 708**	**(24 554)**	**30 154**	**54 708**	**(13 233)**	**41 475**

Notes to the Consolidated Annual Financial Statements cont.

Figures in US Dollar	Group 2018	Group 2017	Company 2018	Company 2017

13. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2018

	Opening balance	Additions	Foreign exchange movements	Depreciation	Total
Furniture and fixtures	20 650	102	(578)	(3 049)	17 125
Office equipment	1 011	-	-	(114)	897
IT equipment	53 948	755	(1 979)	(15 918)	36 806
Other fixed assets	19 417	-	-	(4 957)	14 460
	95 026	**857**	**(2 557)**	**(24 038)**	**69 288**

Reconciliation of property, plant and equipment - Group - 2017

Furniture and fixtures	3 415	19 471	78	(2 314)	20 650
Office equipment	375	730	-	(94)	1 011
IT equipment	8 609	53 179	619	(8 459)	53 948
Other fixed assets	24 375	-	-	(4 958)	19 417
	36 774	**73 380**	**697**	**(15 825)**	**95 026**

Reconciliation of property, plant and equipment - Company - 2018

	Opening balance	Depreciation	Total
Furniture and fixtures	9 415	(1 892)	7 523
Office equipment	1 011	(114)	897
IT equipment	11 632	(4 358)	7 274
Other fixed assets	19 417	(4 957)	14 460
	41 475	**(11 321)**	**30 154**

Reconciliation of property, plant and equipment - Company - 2017

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	3 415	7 631	(1 631)	9 415
Office equipment	375	730	(94)	1 011
IT equipment	8 609	6 453	(3 430)	11 632
Other fixed assets	24 375	-	(4 958)	19 417
	36 774	**14 814**	**(10 113)**	**41 475**

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**

14. Goodwill

Reconciliation of goodwill - Group - 2018

	Opening balance	Additions through business combinations	Impairment provision	Total
Goodwill	-	59 825	(59 825)	-

Goodwill of USD 59 825 arising from the acquisition of Adventis SA Proprietary Limited, a subsidiary of Adventis Limited was recognised on acquisition. In line with the Group's accounting policy, the Goodwill was assessed for impairment at the closing of the financial period date, and the amount of USD 59 825 was impaired.

15. Investments in subsidiaries

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Company

Name of company	Held by	% voting power 2018	% voting power 2017	% holding 2018	% holding 2017	Carrying amount	Carrying amount
Africa Events Limited incorporated in Jersey, United Kingdom		50.00 %	50.00 %	50.00 %	50.00 %	100	100
Adventis Limited incorporated in Jersey, United Kingdom		66.00 %	66.00 %	66.00 %	66.00 %	2 727 374	87
Ethiopia Investments Limited incorporated in Mauritius		100.00 %	100.00 %	100.00 %	100.00 %	471 000	281 000
						3 198 474	281 187
Impairment of investment in subsidiary (Refer note 10)						(2 161 000)	(250 000)
						1 037 474	31 187

Significant judgements and assumptions
The group holds 50% of ordinary shares in Africa Events Limited and has control and significant influence over the company.

Subsidiaries with material non-controlling interests

The following information is provided for subsidiaries with non-controlling interests which are material to the reporting company. The summarised financial information is provided prior to intercompany eliminations.

Subsidiary	Country of incorporation	% Ownership non-controlling	Interest held by interest
		2018	2017
Africa Events Limited	Jersey	50 %	50 %
Adventis Limited	Jersey	33 %	33 %
Adventis SA Proprietary Limited	South Africa	40 %	- %

The dividends paid to NCI by Africa Events Limited were USD Nil (2017: USD 90 158). In Adventis Limited there were no dividends paid.

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**

15. Investments in subsidiaries (continued)

2018

Summarised statement of financial position	Non-current assets	Current assets	Total assets	Non-current liabilities	Current liabilities	Total liabilities	Carrying amount of non-controlling interest
Africa Events Limited	960	561 860	562 820	-	300 568	300 568	130 167
Adventis Limited	241 881	1 451 696	1 693 577	-	37 106	37 106	(374 992)
Adventis SA Proprietary Limited	-	34 101	34 101	221 837	19 667	241 504	(164 878)
Total	242 841	2 047 657	2 290 498	221 837	357 341	579 178	(409 703)
Non-controlling interest in all other subsidiaries							8 004
Non-controlling interest per statement of financial position							(401 699)

Summarised statement of profit or loss and other comprehensive income	Revenue	Profit/ (loss) before tax	Profit (loss)	Other comprehensive income	Total comprehensive income	Profit (loss) allocated to non-controlling interest
Africa Events Limited	656 827	184 109	184 109	(8 425)	175 684	92 055
Adventis Limited	-	(457 246)	(457 246)	-	(457 246)	(152 415)
Adventis SA Proprietary Limited	8 155	5 087	5 087	-	5 087	3 052
Total	664 982	(268 050)	(268 050)	(8 425)	(276 475)	(57 308)
Profit or loss allocated to non-controlling interest of other subsidiaries						(9 399)
Total profit (loss) allocated to non-controlling interest						(66 707)

Summarised statement of cash flows	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Net increase (decrease) in cash flow
Africa Events Limited	165 160	(13 023)	-	152 137
Adventis Limited	(597 515)	(2 837 180)	2 727 287	(707 408)
Adventis SA Proprietary Limited	(102 358)	1 459	88 674	(12 225)
Total	(534 713)	(2 848 744)	2 815 961	(567 496)

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**

15. Investments in subsidiaries (continued)

2017

Summarised statement of financial position	Non-current assets	Current assets	Total assets	Current liabilities	Total liabilities	Carrying amount of non-controlling interest
Africa Events Limited	628	296 568	297 196	210 618	210 618	43 289
Adventis Limited	-	2 027 580	2 027 580	2 641 154	2 641 154	(222 577)
Total	628	2 324 148	2 324 776	2 851 772	2 851 772	(179 288)

Summarised statement of profit or loss and other comprehensive income	Revenue	Profit/ (loss) before tax	Profit (loss)	Other comprehensive income	Total comprehensive income	Profit (loss) allocated to non-controlling interest
Africa Events Limited	430 409	151 2451	151 245	8 788	160 033	75 624
Adventis Limited	-	(505 280)	(505 280)	-	(505 280)	(168 426)
Total	430 409	(354 035)	(354 035)	8 788	(345 247)	(92 802)

Summarised statement of cash flows	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Net increase (decrease) in cash flows
Africa Events Limited	257 399	9 880	(180 257)	87 022
Adventis Limited	(596 240)	2 606 258	128	2 010 146
Total	(338 841)	2 616 138	(180 129)	2 097 168

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**
16. Loans to (from) group companies				
Related companies				
Capital Africa Limited	-	135	-	
The above loan is unsecured, carries no interest and is repayable on demand.				
Fellow subsidiaries				
Africa Events Limited	-	-	11 545	11 545
The above loan is unsecured, carries no interest and is repayable on demand.				
Adventis Limited	-	-	-	2 606 312
The shareholder loan relates to financing and expenses that were covered during the prior period by the Parent on behalf of the Company. The loan was unsecured, bore interest at 3% plus a margin at the 12 month USD LIBOR rate. On 17 December 2018 the principal plus accrued interest of USD190,990 was capitalised and 2,134,195 Preference Shares were issued in favour of the Holding company.				
	-	**-**	**11 545**	**2 617 857**
Non-current assets	-	-	-	2 606 312
Current assets	-	135	11 545	11 545
	-	**135**	**11 545**	**2 617 857**
Fair value of loans to and from group companies				
The fair value of loan to and from related companies approximates its fair value.				
17. Other financial assets				
At fair value through other comprehensive income				
ICECAP Trust Holdings	366 736	-	366 736	-
This amount represents investment in equity of 9.605%.				
At fair value through profit or loss				
Investment in Africa Merchant Sub-Sahara Fund Class B Units	142 047	-	-	-
The Company has acquired 1 442.4819 Class B units in the Africa Merchant Sub-Sahara Fund which represents 4.8% of the total fund. The investment is held at its fair value. Fair value is determined using the NAV of the investee entity at the reporting date. Subsequent to the year end Adventis acquired a further 1 442.3136 units for USD 144 325 to increase its investment holding in the above fund to 15%.				
African Alliance Botswana Liquidity Fund	41 223	9 515	41 223	9 515
	183 270	**9 515**	**41 223**	**9 515**

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**
17. Other financial assets (continued)				
Total other financial assets	**550 006**	**9 515**	**407 959**	**9 515**
Non-current assets				
Designated as at FV through profit (loss) (FV through income)	366 736	-	366 736	-
Held for trading (fair value through income)	142 047	-	-	-
	508 783	**-**	**366 736**	**-**
Current assets				
At fair value through profit or loss- held for trading	41 223	9 515	41 223	9 515
	550 006	**9 515**	**407 959**	**9 515**

Fair value hierarchy of financial assets at fair value through profit or loss

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies inputs which are not based on observable market data.

Level 2				
African Alliance Botswana Liquidity Fund	41 223	9 515	41 223	9 515
Investment in Africa Merchant Sub-Sahara Fund Class B Units	142 047	-	-	-
	183 270	**9 515**	**41 223**	**9 515**
Level 3				
ICECAP Trust Holdings	366 736	-	366 736	-
	550 006	**9 515**	**407 959**	**9 515**

Credit quality of other financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates.

18. Deferred tax

Recognition of deferred tax asset

The group does not recognise deferred tax asset on the losses carried forward since the management forecasts that the group will be making profits that are exempt from income tax in the foreseeable future.

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**
19. Trade and other receivables				
Financial instruments:				
Trade receivables	10 301	49	49	49
Trade receivables - related parties	-	-	70 607	23 180
Trade receivables at amortised cost	10 301	49	70 656	23 229
Deposits	4 340	1 552	1 552	1 552
Deferred expenses	45 786	44 394	-	-
Advance to Africa Merchant Sub-Sahara Fund	144 325	1 256	-	-
Other receivables	109 793	45 504	610	-
Non-financial instruments:				
Value added tax	2 768	-	-	-
Prepayments	47 513	59 072	29 005	26 011
Total trade and other receivables	**364 826**	**151 827**	**101 823**	**50 792**

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

Notes to the Consolidated Annual Financial Statements cont.

Figures in US Dollar	Group 2018	Group 2017	Company 2018	Company 2017
20. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Cash on hand	1 273	1 353	693	827
Bank balances	1 808 976	2 353 906	105 549	62 288
Short-term deposits	3 487 588	4 935 708	3 487 588	4 935 708
Bank overdraft	-	(10)	-	-
	5 297 837	**7 290 957**	**3 593 830**	**4 998 823**
Current assets	5 297 837	7 290 967	3 593 830	4 998 823
Current liabilities	-	(10)	-	-
	5 297 837	**7 290 957**	**3 593 830**	**4 998 823**

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired, can be assessed by reference to external credit ratings. Though the banks in Botswana are not rated, they are subsidiaries of reputed financial institutions located in South Africa and United Kingdom.

The credit quality of cash at bank and short term deposits, excluding cash on hand that are either past due or impaired, can be assessed by reference to external credit ratings. Zemen Bank is a financial institution located in Ethiopia.

21. Stated capital

Number of shares issued:				
Number of shares issued:	213 946 250	213 946 250	213 946 250	213 946 250
Reconciliation of number of shares issued:				
Number of share at the beginning and end of the year	213 946 250	213 946 250	213 946 250	213 946 250
Issued				
Ordinary shares of no par value	9 164 838	9 164 838	9 164 838	9 164 838
less: share issue costs	(97 278)	(97 278)	(97 278)	(97 278)
	9 067 560	**9 067 560**	**9 067 560**	**9 067 560**

22. Share incentive scheme

Mr Sean Keough and Graham Parrot are employees of the Group who have been seconded to the Ethiopian subsidiary "Eqos Service PLC". The Subsidiary, Eqos Holding entered into a share incentive scheme ("SIC") between Mr Sean Keough, Graham Parrot and Afinitas Limited. In order to retain the services of the employees, Eqos Holding Co granted shares to them which were free of charge.

As a result, Eqos Holdings Co has transferred 2.5% shares each to Mr Sean Keough and Graham Parrot respectively. In that respect, the shareholding has been reduced to 95% and a share option expense amounting to USD 18,877 has been recognised in the books of the subsidiary for the period under review.

The group has committed to transfer 2.5% shares each in the next 3 years to Sean Keough and Graham Parrot respectively to bring their total share holding to 10% each in EQOS Holding Company. Currently the value of this commitment is zero.

Notes to the Consolidated Annual Financial Statements cont.

Figures in US Dollar	Group 2018	Group 2017	Company 2018	Company 2017
23. Other financial liabilities				
Held at amortised cost				
Facet Capital	128 588	-	-	-

The unsecured loan having a face value of USD 150 000 will accrue interest from 1 January 2021 at a rate of 8% with repayments on a quarterly basis from 31 March 2021. If the company fails to make payment on the due date, interest on the unpaid amount shall accrue daily from the date of non-payment until the date of actual payment at 12%.

Facet Capital has deferred its right to claim or accept payment owing to it until the Adventis SA (Proprietary) Limited assets fairly valued exceed its liabilities.

Non-current liabilities				
At amortised cost	128 588	-	-	-
24. Trade and other payables				
Trade payables	1 856	4 307	-	4 302
Value added tax	9 473	14 875	-	-
Amounts due to directors	4 525	-	-	-
Accrued expenses	19 374	5 482	840	840
Other payables	98 581	151 636	38 952	31 491
	133 809	**176 300**	**39 792**	**36 633**

Fair value of trade and other payables

The carrying amounts of trade and other payables approximates its fair value.

25. Operating lease liability				
Operating lease liability	3 456	2 910	3 456	2 910
26. Deferred income				
Current liabilities	152 875	117 530	-	-
27. Cash used in operations				
Loss before taxation	(1 220 099)	(1 341 566)	(2 570 569)	(980 701)
Adjustments for:				
Depreciation	24 038	15 825	11 321	10 113
Finance income	(92 342)	(66 686)	(177 391)	(131 926)
Finance costs	89	-	-	-
Impairment losses and reversals	59 825	-	1 911 000	250 000
Movements in operating lease assets and accruals	546	2 910	546	2 910
Foreign exchange differences	21 850	(22 245)	26 462	4 455
Changes in working capital:				
Trade and other receivables	(208 211)	(93 483)	(51 031)	64 069
Trade and other payables	(147 543)	142 265	3 159	22 426
Deferred income	35 345	71 362	-	-
	(1 526 502)	**(1 291 618)**	**(846 503)**	**(758 654)**

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**
28. Tax paid				
Balance at beginning of the year	1 463	1 463	1 463	1 463
Balance at end of the year	(1 463)	(1 463)	(1 463)	(1 463)
	-	-	-	-
29. Business combinations				
Adventis SA (Proprietary) Limited				
On 30 November 2018 the group acquired 66% of the voting equity interest of Adventis SA (Proprietary) Limited which resulted in the group obtaining control over Adventis SA (Proprietary) Limited.				
Goodwill of $ 59 825 arising from the acquisition consists largely of the synergies and economies of scale expected from combining the operations of the entities, as well as from intangible assets which did not qualify for separate recognition. Goodwill is not deductible for income tax purposes.				
Fair value of assets acquired and liabilities assumed				
Trade and other receivables	4,788	-	-	-
Cash and cash equivalents	29,507	-	-	-
Other financial liabilities	(143,232)	-	-	-
Trade and other payables	(105,052)	-	-	-
Total identifiable net assets	(213,989)	-	-	-
Non-controlling interest	164,835	-	-	-
Goodwill	59,825	-	-	-
	10,671	**-**	**-**	**-**
Acquisition date fair value of consideration paid				
Cash	(10,671)	-	-	-
30. Movement in investments				
Fair value of assets acquired				
Equity	-	-	2 917 287	280 986
Consideration paid				
Cash	-	-	(2 917 287)	(280 986)
Net cash outflow on acquisition				
Cash consideration paid	-	-	(2 917 287)	(280 986)
31. Commitments				
Authorised capital expenditure				
In 2017 the Board of directors authorised up to USD 2.5 million to be invested in Ethiopia Investments Limited. At 31 December 2018, the group has spent USD 1 106 864 of this commitment.				
Leased property				
Minimum lease payments due				
- within one year	44 932	34 290	20 765	20 989
- in second to fifth year inclusive	35 354	62 171	35 354	62 171
	80 286	**96 461**	**56 119**	**83 160**

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**
32. Healine and diluted earnings per share				
Healine and diluted earnings per share is calculated by dividing the earnings attributable to the share holders by the weighted average number of share holders in issue during the year				
Headline earnings per share (in USD)	(1 220 099)	(1 341 566)	(2 570 569)	(980 701)
Headline earnings per share (in USD)	(0.570)	(0.627)	(1.202)	(0.458)
Diluted earnings per share (in USD)	(0.570)	(0.627)	(1.202)	(0.458)
Weighted average number of shares at year end	213 946 250	213 946 250	213 946 250	213 946 250

33. Top ten shareholders information

(Refer to page 5)

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**

34. Related parties

Relationships				
Subsidiaries	Africa Events Limited Adventis Limited Adventis SA (Proprietary) Limited Ethiopia Investments Limited EQOS Holding Limited EQOS Service (Proprietary) Limited			
Other related companies	Capital Africa Limited			
Members of key management	Lesang Magang Rupert J McCammon Leutlwetse M Tumelo Keith Robert Jefferis Joseph Rohm Sean Keough Graham Parrott			
Related party balances				
Loan accounts - Owing (to) by related parties				
Capital Africa Limited	-	135	-	-
Africa Events Limited	-	-	11 545	11 545
Adventis Limited	-	-	-	2 606 312
	-	**135**	**11 545**	**2 617 857**
Amounts included in Trade receivables (Trade payables) regarding related parties				
Adventis Limited	-	-	17 730	11 590
Joseph Rohm	(4 525)	(22 917)	-	-
Adventis SA (Proprietary) Limited	-	-	10 865	-
Africa Events Limited	-	-	18 832	-
EQOS Holding Limited	-	-	11 590	-
Ethiopia Investments Limited	-	-	11 590	-
	(4 525)	**(22 917)**	**70 607**	**11 590**
Related party transactions				
Interest paid to (received from) related parties				
Adventis Limited	-	-	-	(69 960)
Consultation fees paid to related parties				
Joseph Rohm	197 919	297 921	-	-
Clare McCammon	18 400	-	-	-
Compensation to directors and other key management				
Directors fees	23 521	28 152	23 521	28 152
Directors remuneration	71 261	346 226	71 261	71 222
	94 782	**374 378**	**94 782**	**99 374**

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**

35. Categories of financial instruments

A description of each category of financial assets and financial liabilities is provided in the policies under policy number 1.7 financial instruments. The carrying amounts of financial assets and financial liabilities in each category are as follows:

Group 2018 **Financial assets**	**Amortised cost**	**Fair value through profit (loss)**	**Derivatives used for hedging at far value**	**Total**
Other financial assets	-	366 736	-	366 736
Trade and other receivables	314 545	-	-	314 545
Cash and cash equivalents	5 297 837	-	-	5 297 837
	5 612 382	**366 736**	**-**	**5 979 118**

Group 2018 **Financial liabilities**	**Amortised cost**	**Fair value through profit (loss)**	**Total**
Other financial liabilities	128 588	-	128 588
Trade and other payables	124 336	-	124 336
	252 924	**-**	**252 924**

The financial instrument classifications in the prior period are in accordance with IAS 39 as follows:

Group 2017 **Financial assets**	**Loans and receivables (amortised cost)**	**Financial assests at far value through profit (loss)**	**Financial liabilities at amortised cost**	**Total**
Other financial assets	-	9 515	-	9 515
Loans to group companies	135	-	-	135
Trade and other receivables	45 553	-	-	45 553
Cash and cash equivalents	7 290 967	-	-	7 290 967
Trade and other payables	-	-	161 425	161 425
Bank overdraft	-	-	10	10
	7 336 655	**9 515**	**161 435**	**7 507 605**

Group 2017 **Financial liabilities**				
Trade and other payables	-	-	161 425	161 425
Bank overdraft	-	-	10	10
	-	**-**	**161 435**	**161 435**

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**

35. Categories of financial instruments (continued)

Group 2018 **Financial assets**	**Amortised cost**	**Fair value through profit (loss)**	**Total**
Other financial assets	-	366 736	366 736
Loans to group companies	11 545	-	11 545
Trade and other receivables	72 818	-	72 818
Cash and cash equivalents	3 593 830	-	3 593 830
	3 678 193	**366 736**	**4 044 929**

Group 2018 **Financial liabilities**	**Amortised cost**	**Fair value through profit (loss)**	**Total**
Trade and other payables	39 792	-	39 792

Group 2017 **Financial assets**	**Loans and receivables (amortised cost)**	**Financial assests at far value through profit (loss)**	**Financial liabilities at amortised cost**	**Total**
Other financial assets	-	9 515	-	9 515
Loans to group companies	2 617 857	-	-	2 617 857
Trade and other receivables	23 229	-	-	23 229
Cash and cash equivalents	4 998 823	-	-	4 998 823
	7 639 909	**9 515**	**-**	**7 649 424**

Group 2017 **Financial liabilities**				
Trade and other payables	-	-	36 633	36 633

Notes to the Consolidated Annual Financial Statements cont.

36. Risk management

Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the group consists of cash and cash equivalents disclosed in note 19, and equity as disclosed in the statement of financial position.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk and liquidity risk.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The group's risk to liquidity is a result of the funds available to cover future commitments. The group manages liquidity risk through an ongoing review of future commitments.

The table below analyses the group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Group

At 31 December 2018	Less than 1 year
Trade and other payables	124 336
At 31 December 2017	Less than 1 year
Trade and other payables	161 425

Company

At 31 December 2018	Less than 1 year
Trade and other payables	39 792
At 31 December 2017	Less than 1 year
Trade and other payables	36 633

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**

36. Risk management (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Financial assets exposed to credit risk at year end were as follows:

Financial instrument				
Loans to related parties	-	135	58 972	2 617 857
Trade and other receivables	298 019	45 553	23 229	23 229
Cash and cash equivalents	5 296 564	7 289 614	3 593 137	4 997 996

Foreign exchange risk

The group does not hedge foreign exchange fluctuations.

Foreign currency exposure at the end of the reporting period

Current assets				
Other financial assets BWP	407 959	9 515	407 959	9 515
Cash and cash equivalents BWP	49 859	936	49 859	936
Cash and cash equivalents ETB	3 876	26 583	-	27 410
Cash and cash equivalents GBP	358 127	-	-	-
Cash and cash equivalents ZAR	25 012	-	-	-

37. Fair value information

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 2

Recurring fair value measurements

Assets	Note				
Financial assets at fair value through profit (loss) - held for trading	17				
African Alliance Botswana Liquidity Fund		41 223	9 515	41 223	9 515
ICECAP Trust Holdings		366 736	-	366 736	-
Investment in Africa Merchant Sub-Sahara Fund Class B Units		142 047	-	-	-
Total financial assets at fair value through profit (loss) - held for trading		**550 006**	**9 515**	**407 959**	**9 515**
Total		**550 006**	**9 515**	**407 959**	**9 515**

Notes to the Consolidated Annual Financial Statements cont.

		Group		Company	
Figures in US Dollar		**2018**	**2017**	**2018**	**2017**
37. Fair value information (continued)					
Level 3					
Recurring fair value measurements					
Assets					
	Note(s)				
Financial assets designated at fair value through profit (loss)	17				
ICECAP Trust Holdings		366 736	-	366 736	-
Financial assets at fair value through profit (loss) - held for trading	17				
Investment in Africa Merchant Sub-Sahara Fund Class B Units		142 047	-	-	-
African Alliance Botswana Liquidity Fund		41 223	9 515	41 233	9 515
Total financial assets at fair value through profit (loss) - held for trading		**183 270**	**9 515**	**41 233**	**9 515**
Total		**550 006**	**9 515**	**407 969**	**9 515**

The Group's investment in African Alliance Botswana Liquidity Fund is not traded in an active market. It has been fair valued using observable interest rates corresponding to the maturity of the fund. The effects of non-observable inputs are not significant for the fund.

Notes to the Consolidated Annual Financial Statements cont.

	Group		Company	
Figures in US Dollar	**2018**	**2017**	**2018**	**2017**

38. Segment reporting

Segment information is organised into categories based on geographical location of the operations. The segments are the basis in which the group reports on the performance of its operations.

2018	**Botswana**	**Outside Botswana**	**Total**
Revenues	-	711 310	711 310
Other operating income	-	15 348	15 348
Other operating gains/(losses)	(26 462)	(17 924)	(44 386)
Finance income	56 361	35 981	92 342
Finance cost	-	(89)	(89)
Operating expenses	(810 498)	(1 184 126)	(1 994 624)
Exchange difference on translation	-	(11 449)	(11 449)
Operating loss	**(780 599)**	**(450 949)**	**(1 231 548)**
Segment Assets and Liabilities			Total
Assets	5 184 248	1 096 060	6 280 308
Liabilities	(43 248)	(372 368)	(415 616)
	5 141 000	**723 692**	**5 864 692**

2017	**Botswana**	**Outside Botswana**	**Total**
Revenues	-	430 409	430 409
Other operating income	17 185	9 820	27 005
Other operating gains/(losses)	(4 455)	17 190	12 735
Finance income	61 966	4 720	66 686
Operating expenses	(965 515)	(912 886)	(1 878 401)
	(890 819)	**(450 747)**	**(1 341 566)**
Segment Assets and Liabilities			Total
Assets	5 090 433	2 458 500	7 548 933
Liabilities	(33 723)	(263 027)	(296 750)
	5 056 710	**2 195 473**	**7 252 183**

The company operating in Botswana is Afinitas Limited.

The companies operating outside Botswana are Africa Events Limited, Adventis Limited and Ethiopia Investments Limited and their subsidiaries.

39. Events after the reporting period

Subsequent to the year end on 2 January 2019, Adventis Limited made a further investment into the Africa Merchant Sub-Sahara Fund. On 25 January 2019, payment was made for 2108.22 units in the amount of $211 400 for the final tranche of the subscription to the Africa Merchant Sub-Sahara Fund which was issued to the company on 2 February 2019.

Notice of Annual General Meeting

Registration no CO 2014/5015

Notice is hereby given that the Annual General Meeting of Afinitas Limited will be held at the offices of Afinitas Limited, Office 6A, i-Towers, Plot 54368, CBD, Gaborone, Botswana on Wednesday 12th June 2019 at 1500hrs for the following business:

1. Ordinary Resolution 1:
To receive, approve and adopt the audited financial statements for the year ended 31 December 2018 together with the reports of the directors and statutory auditors.

2. Ordinary Resolution 2:
To re-elect Keith Jefferis who retires in accordance with the Constitution of the Company and being eligible, offers himself for re-election, as director. Keith Jefferis CV is contained on page 11 of the annual report.

3. Ordinary Resolution 3:
To reappoint Grant Thornton as auditors for the ensuing year.

4. Ordinary Resolution 4:
To authorise the Board of Directors to determine the remuneration and terms of reference of the external auditors.

5. Ordinary Resolution 5:
To approve the remuneration of the chairman and directors of the company.

Director	Basic Salary	Directors fees	Total Remuneration
Lesang Magang		P80 000.00	P80 000
Keith Jefferis		P80 000.00	P80 000
Rupert McCammon		P80 000.00	P80 000
Leutlwetse Tumelo	$71 260		$71 260

6. Ordinary Resolution 6:
To review and adopt minutes of the previous Annual General Meeting.

7. Ordinary Resolution 7:
To approve the appointment of Keith Jefferis as a member of the audit committee.

8. Ordinary Resolution 8:
To approve the appointment of Lesang Magang as a member of the audit committee.

9. Ordinary Resolution 9:
To approve the appointment of Keith Jefferis as a member of the remuneration committee.

10. Ordinary Resolution 10:
To approve the appointment of Lesang Magang as a member of the remuneration committee.

1. Special Resolution:
1. Clause 27.1 of the Constitution be deleted in its entirety and replaced with the following clause:

"In addition to the notices to be sent to all registered holders of Securities, all notices shall, if the Company is listed, be published on the relevant stock exchange news service and, if required by the listing requirements of the relevant stock exchange, in a newspaper"

2. Clause 27.2 of the Constitution be deleted in its entirety and replaced with the following clause:

"All notices, reports, accounts or documents to be sent to shareholders shall be sent by any of the following means, in the discretion of the Board;

(a) Delivering it to that shareholder or person;
(b) Delivering it or sending it by post to the address of the shareholder in the register or the alternative address (if any) nominated by that shareholder or person for that purpose;

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(c) Sending it to a fax number or electronic address (if any) nominated by that shareholder or person for that purpose;
(d) If permitted by the Companies Act and/or the listing requirements of the relevant stock exchange notifying that shareholder of the notices' availability by any electronic means nominated by the shareholder for that purpose;
(e) Any other means permitted under the Companies Act and/or the listing requirements of the relevant stock exchange."

3. Clause 27.3 of the Constitution be deleted in its entirety and replaced with the following clause:

"Any notice given, or document delivered by the company to a shareholder or person whose address for notices is not within Botswana shall, in the discretion of the board, be delivered by airmail, air courier, fax or any form of electronic transmission and be deemed to be received by the holder three days after the time of commencement of such delivery."

11. To give the shareholders present opportunity to question, discuss or comment on the management of the Company as envisaged in Section 97 of the Companies Act.

Voting and Proxies

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead.
2. The instrument appointing such a proxy must be deposited at the registered office of the Company or sent by email to contactus@corpservebotswana.com not less than 48 hours i.e. 15H00 on Monday 10th June 2019 before the meeting.
3. The completion and lodging of the form of proxy will not preclude the relevant member from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof.

By order of the Board

Company Secretary

Proxy Form

For use at the Annual General Meeting to be held at 1500hrs on Wednesday 12th June 2019 at the offices of Afinitas Limited, Office 6A, i-Towers, Plot 54368, CBD, Gaborone, Botswana.

I/We _____ of _____
_____ being a shareholder/s of the above mentioned company, holding _____
number of shares hereby appoint:

1. _____ or failing him/her
2. _____ or failing him/her
3. The Chairman of the Annual General Meeting

As my/our proxy to speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the offices of Afinitas Limited, Office 6A, I-Towers, Plot 54368, CBD, Gaborone, Botswana on 12 June 2019, at 1500hrs, and at any adjournment thereof follows:

		For	Against	Abstain
1	**Ordinary resolution 1:** To receive, approve and adopt the audited financial statements for the year ended 31 December 2018 together with the reports of the directors and statutory auditors.			
2	**Ordinary resolution 2:** To re-elect Keith Jefferis who retires in accordance with the Constitution of the Company and being eligible, offers himself for re-election, as director. Keith Jefferis CV is contained on page 11 of the annual report.			
3	**Ordinary resolution 3:** To reappoint Grant Thornton as auditors for the ensuing year.			
4	**Ordinary Resolution 4:** To authorise the Board of Directors to determine the remuneration and terms of reference of the external auditors.			
5	**Ordinary Resolution 5:** To approve the remuneration of the chairman and directors of the company.			
6	**Ordinary Resolution 6:** To review and adopt minutes of the previous Annual General Meeting.			
7	**Ordinary Resolution 7:** To approve the appointment of Keith Jefferis as a member of the audit committee.			
8	**Ordinary Resolution 8:** To approve the appointment of Lesang Magang as a member of the audit committee.			
9	**Ordinary Resolution 9:** To approve the appointment of Keith Jefferis as a member of the remuneration committee.			
10	**Ordinary Resolution 10:** To approve the appointment of Lesang Magang as a member of the remuneration committee.			
11	**Special Resolution 1:** To approve the amendment to the Constitution as proposed in the Notice of Annual General Meeting.			

Signed at _____ on the _____ day of _____ 2019

Signature of Member: _____

Name of Member: _____

Capacity of signatory: _____

(where applicable) assisted by:

Proxy Form

Notes and instructions

1. Every shareholder present in person or represented by proxy and entitled to vote at the General Meeting shall, on a show of hands, have only one vote, irrespective of the number of shares held and in the event of a poll, every shall be entitled to one vote for every share held.
2. A shareholder may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space/s provided, with or without deleting "the Chairman of the General Meeting", but any such deletion must be initialled by the shareholder. Should the spaces be left blank, the proxy will be exercised by the Chairman. Should the proxies whose names have been inserted not attend and "the Chairman of the General Meeting" not be deleted, the proxy will be exercised by the Chairman.
3. A shareholder's voting instructions to the proxy must be indicated by the insertion of an "X", or the number of votes exercisable by that shareholder, in the appropriate spaces provided. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting, as he/she thinks fit in respect of all the shareholder's exercisable votes. A shareholder or his/her proxy is not obliged to use all the votes exercisable by him/her or by his/her proxy, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the shareholders or by his/her proxy.
4. The proxy shall have the power to vote for and attend at any adjournment of the Meeting and to vote on any amendment to any of the resolutions which may be proposed at the Meeting.
5. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
6. The power of attorney or other authority establishing the authority of a person signing the form of proxy in a representative capacity or certified copy thereof must be attached to the form of proxy, unless previously recorded by the transfer secretaries or waived by the Chairman of the Meeting.
7. The completion of any blank spaces in the form of proxy need not be initialled. Any alterations or corrections to the form of proxy must be initialled by the signatory/ies.
8. The Chairman of the Meeting may accept any form of proxy which is completed other than in accordance with these instructions provided that he is satisfied as to the manner in which a shareholder wishes to vote.

A vote given in accordance this form of proxy shall be valid notwithstanding the previous legal incapacity of the principal or revocation of the form of proxy or the transfer of the share in respect of which the vote is given, unless an intimation in writing of such legal capacity or transfer shall have been lodged with the Transfer Secretaries, Corpserve Unit 206, Second Floor, Plot 64516 Showgrounds Close, Fairgrounds, P.O. Box 1583, AAD Gaborone, or by email to contactus@corpservebotswana.com , to be received by them by not later than 15H00 Monday 10th June 2019.

Notes

Notes

Directors: Lesang Magang, Rupert McCammon, Leutlwetse Tumelo, Keith Jefferis

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i-Towers, Plot 54368
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