

INTERIM FINANCIAL STATEMENTS

FOR THE 6 MONTHS ENDED 30 JUNE 2020

The Directors of Afinitas Limited wish to announce results for the 6 months ended 30 June 2020. The operating entities within the Afinitas Group comprise Africa Events Limited and Adventis Limited. In addition, Afinitas holds a 9.6% stake in Icecap Trust Holdings Limited. Adventis Limited (Adventis), a 66% owned specialist investment management company focusing on the African continent. The Adventis investment team includes some of the most experienced and successful investment managers in Africa. The company is looking to offer pan African equity and income funds to investors interested in increasing their exposure to Africa, one of the fastest growing parts of the world economically. Our belief is that African debt and equity products are looking increasingly attractive from both a valuation and risk perspective relative to alternative investments in the developed world. The management will continue to focus on growing the Adventis Africa Enhanced Income Strategy and the Adventis Africa Equity Strategy. Within Adventis, a large amount of time during the year was necessarily spent on obtaining the various regulatory approvals needed in order to market a wider range of products. These approvals are now in place allowing marketing to commence in earnest. Many additional initiatives, apart from fund strategies, are being examined each of which could prove attractive to global investors. Adventis was in the midst of encouraging discussions regarding potential investment into its portfolio of Africa focused funds. These discussions were put on hold at the start of the Covid-19 outbreak. As business confidence starts to return to the global economy, we expect these discussions to restart.

Africa Events Limited (AEL), a 50% owned event management company focused on promoting trade and investment into and with Africa. Africa Events Limited was preparing to host its largest ever AFSIC - Investing in Africa event in May 2020 however the arrival of Covid-19 meant that the event was unable to be held in 2020 and has been postponed to May 2021. In prior years the event had gained considerable momentum, and is increasingly recognised as Africa's investment event, and a major conduit of investment into Africa. We were also unable to host any investor roadshows in Africa during the year. As disclosed in the Business Update dated 06th May 2020, the arrival of Covid-19 had an immediate impact on Ethiopia Investments Limited (EIL). Our focus had been on the development of EQOS Services, the company's majority owned BPO Business. Prior to Covid-19 EQOS had been showing signs of growth in business income, however when Covid-19 hit worldwide business development expenditure plans were put on hold, and a number of our most important clients did not continue to utilise EQOS Services. In addition, our team in Addis was unable to finish projects that it had ongoing within Ethiopia as they were no longer able to access clients' offices due to the lockdown. As a result, a difficult decision was taken to close the EQOS Services company. The Group will exit Ethiopia as a result. Icecap Trust Holdings Limited (Icecap). Afinitas has a 9.6% stake in Icecap, a company based in Jersey that provides trust, company and administration services. The company is in the early stages of development.

At this stage it is too early to determine the impact of Covid-19 on the operations of ICECAP Limited. The impact of Covid-19 meant that our key income generator AEL was unable to hold its flagship event AFSIC 2020 causing revenue for the 6 month period compared to the same period the year before to fall from \$1 039,466 to \$19 424 a 98% decrease of revenue, and an increase in the loss for the 6 month period from \$159k to \$987k. The Covid-19 outbreak has had a disappointing impact on the performance of the Group. The impact will continue to be felt by the Group throughout 2021. The board is looking at strategic options to keep our costs as low as possible during these uncertain times while identifying new business opportunities that may arise because of the global pandemic.

Lesang Magang
Board Chairman

Rupert McCammon
Managing Director

16 September 2020

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2020

Figures in US Dollars	Group		
	6 months ended 30 June 2020 (Reviewed)	6 months ended 30 June 2019 (Reviewed)	12 months ended December 2019 (Audited)
Revenue	19,424	1,039,466	1,043,122
Other operating income	17,554	18,344	17,249
Other operating (losses)/gains	(199,746)	873	(6,562)
Other operating expenses	(642,285)	(1,188,407)	(1,757,336)
Operating Loss	(805,053)	(129,724)	(703,527)
Finance income	13,463	36,206	78,530
Finance costs	-	(1,563)	(6,633)
Income from equity accounted investments	(1,364)	-	(946)
Profit (Loss) for the 6 months before taxation	(792,954)	(95,081)	(632,576)
Taxation	-	(1,463)	-
Loss from continuing operations	(792,954)	(96,544)	(632,576)
Discontinued operations			
Loss from discontinued operations	(193,711)	(62,433)	(108,466)
Loss for the period	(986,665)	(158,977)	(741,042)
Other Comprehensive Income:			
Items that will not be reclassified to profit or loss:			
Loss on fair value of investments in equity instruments at fair value through other comprehensive income	-	-	(301,542)
Total items that will not be reclassified to profit or loss	-	-	(301,542)
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations:	65,451	(28,842)	(56,306)
Share of comprehensive income of equity accounted investments	1,505	-	832
Total items that may be reclassified to profit or loss	66,956	(28,842)	(55,474)
Total Comprehensive Income (Loss) for the 6 months	(919,709)	(187,819)	(1,098,058)
Loss attributable to:			
Owners of the parent	(717,321)	(315,466)	(819,830)
Non-controlling interest	(269,344)	156,489	78,788
	(986,665)	(158,977)	(741,042)
Owners of the parent:			
From continuing operations	(542,981)	(250,805)	(683,167)
From discontinued operations	(174,340)	(64,661)	(136,663)
	(717,321)	(315,466)	(819,830)
Non-controlling interest:			
From continuing operations	(249,973)	154,261	87,408
From discontinued operations	(19,371)	2,228	(8,620)
	(269,344)	156,489	78,788
Total Comprehensive Income (Loss) attributable to:			
Owners of the parent	(683,942)	(360,423)	(1,195,928)
Non-controlling interest	(235,767)	172,604	97,870
	(919,709)	(187,819)	(1,098,058)
Earnings per share			
Per share information			
Basic earnings (loss) per share (cents)	(0.34)	(0.15)	(0.38)
Diluted earnings (loss) per share (cents)	(0.34)	(0.15)	(0.38)
From continuing operations			
Basic earnings (loss) per share (cents)	(0.25)	(0.12)	(0.32)
Diluted earnings (loss) per share (cents)	(0.25)	(0.12)	(0.32)
From discontinued operations			
Basic earnings (loss) per share (cents)	(0.08)	(0.03)	(0.06)
Diluted earnings (loss) per share (cents)	(0.08)	(0.03)	(0.06)

Group Segment reporting	Management Fees	Event Management Services	Outsourcing Income	Other	Total
As at 30 June 2020					
Revenue	19,424	-	-	-	19,424
Other income	-	1,233	-	14,958	16,191
Other operating gains	(79,570)	922	-	(121,098)	(199,746)
Finance income	-	-	-	13,463	13,463
Operating expenses	(77,412)	(177,728)	-	(387,145)	(642,285)
Loss from continued operations	(137,558)	(175,574)	-	(479,822)	(792,954)
Segment assets and liabilities					
Assets	85,678	733,251	-	3,840,167	4,659,095
Liabilities	(193,971)	(615,577)	-	(130,346)	(939,894)
Assets held for sale	-	-	31,014	-	31,014
Liabilities held for sale	-	-	(63,576)	-	(63,576)
	(108,294)	117,674	(32,562)	3,709,821	3,686,639

As at 30 June 2019	Management Fees	Event Management Services	Outsourcing Income	Other	Total
Revenue	19,546	1,019,921	-	-	1,039,466
Other income	-	10,248	-	8,096	18,344
Other operating gains	3,167	1,981	-	(4,275)	873
Finance income	-	288	-	35,918	36,206
Finance cost	(12)	-	-	(1,551)	(1,563)
Operating expenses	(84,866)	(576,841)	-	(526,701)	(1,188,407)
Loss from continued operations	(62,165)	455,597	-	(488,513)	(95,081)
Segment assets and liabilities					
Assets	41,272	747,325	-	5,277,515	6,066,113
Liabilities	(165,626)	(42,103)	-	(154,137)	(361,866)
	(124,353)	705,222	-	5,123,379	5,704,247

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2020

Group	Stated Capital	Foreign Currency translation Reserve	Revaluation Reserve of Investment Property	Accumulated Loss	Total Attributable to Equity Holders of the group/ Company	Non Controlling Interest	Total Equity
Balance as at 1 January 2019	9,067,560	(28,191)	-	(2,772,978)	6,266,391	(401,699)	5,864,692
Loss for the period	-	-	-	(315,466)	(315,466)	156,489	(158,977)
Other comprehensive income	-	(44,957)	-	-	(44,957)	16,115	(28,842)
Total Comprehensive Loss for the period	-	(44,957)	-	(315,466)	(360,423)	172,604	(187,819)
Sale of shares non controlling interest	-	-	-	-	-	27,374	27,374
Balance as at 30 June 2019	9,067,560	(73,148)	-	(3,088,444)	5,905,968	(201,721)	5,704,247
Loss for the period	-	-	-	(504,364)	(504,364)	(77,701)	(582,065)
Other comprehensive income	-	(29,599)	(301,542)	-	(331,141)	2,967	(328,174)
Total Comprehensive Loss for the period	-	(29,599)	(301,542)	(504,364)	(835,505)	(74,734)	(910,239)
Sale of shares non-controlling interest	-	-	-	-	-	5,500	5,500
Dividends	-	-	-	-	-	(193,160)	(193,160)
Balance as at 31 December 2019 - Audited	9,067,560	(102,747)	(301,542)	(3,592,808)	5,070,463	(464,115)	4,606,348
Balance at 1 January 2020	9,067,560	(102,747)	(301,542)	(3,592,808)	5,070,463	(464,115)	4,606,348
Loss for the period	-	-	-	(717,321)	(717,321)	(269,344)	(986,665)
Other comprehensive income	-	100,533	-	-	100,533	(33,577)	66,956
Total Comprehensive Loss for the period	-	100,533	-	(717,321)	(616,788)	(302,921)	(919,709)
Balance at 30 June 2020	9,067,560	(2,214)	(301,542)	(4,310,129)	4,453,675	(767,036)	3,686,639

Board of Directors
Lesang Magang
Rupert McCammon
Leutlwtse Tumelo
Lipalesa Makepe

Independent Non-Executive Chairman
Managing Director
Executive Director
Independent Non-Executive Director

Contact Details
Leutlwtse Tumelo – Executive Director
Office 001, Ground Floor, Regus Hub, i-Towers,
Plot 54368, CBD, Gaborone, Botswana
P O Box AE 133 AEH, Gaborone, Botswana
T: +267 318 4075
E: leutlwtse@afinitas.co

Auditors

Grant Thornton



Investing in Africa.