



ABRIDGED GROUP AUDITED FINANCIAL STATEMENTS for the year ended 31 December 2019

Afinitas Abridged Full Year Results

The Directors of Afinitas Limited are pleased to announce results for the 12 months ended 31 December 2019.

The operating entities within the Afinitas Group comprise Africa Events Limited, Adventis Limited, and EQOS Holding Co. 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 world economies. 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. Management continues 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.

Africa Events Limited (AEL), a 50% owned event management company focused on promoting trade and investment into and with Africa. AEL hosted the 7th "AFSIC - Investing in Africa" conference in London in May 2019. AFSIC is rapidly becoming one of the most important Africa trade and investment events globally and has become a major conduit of investment into Africa. It attracts many of the continent's most important investors, dealmakers and corporate leaders. AFSIC 2019 showed strong growth in delegate numbers and revenue. AFSIC 2020 was due to be a record year from an attendance and revenue perspective but the event has been postponed, post year end, due to the COVID-19 (corona virus) epidemic. This postponement is expected to depress this group's result by USD 214 000.

Eqos Holding Co, a 90% owned subsidiary. This company owns 100% of EQOS Services (EQOS) which is the first foreign owned Business Process Outsourcing (BPO) company in Ethiopia. Ethiopia is an attractive destination for BPO as it has a talented pool of educated, motivated and skilled youth. EQOS is still in the early stages of development but has established a suite of both international and local clients for whom it is undertaking outsourced IT services.

Icecap Trust Holdings Limited (Icecap). Afinitas has a 9.6% stake in Icecap, a company based in Jersey that provides trust and company administration services. The company is in the early stages of development and is progressing well. Icecap continues to win mandates and is actively discussing the provision of services with a number of additional parties.

Management focus during 2019 was on increasing revenue in all the different businesses. All three main operating businesses, and Icecap, are now generating income. The result was a 72% increase of revenue from \$711,310 to \$1,224,017, and a reduction in the loss for the year from \$1.2m to \$741k. In accordance with IFRS 9 relevant equity investments have been written down to a prudent fair value. An adjustment for 2019 of US\$301,542 has been reflected in other comprehensive income in line with the provisions of IFRS 9. These investments may be written back in future years as the companies reach breakeven.

This strong growth in income is pleasing, and management is focused on ensuring the growth in income continues. AFSIC 2020 was showing strong year on year growth again as it develops into one of the most important conduits of investment into Africa, and we were expecting to be able to report strong group income growth again in 2021 and a continued drive towards profitability at the group level. However, the recent postponement of AFSIC, due to the COVID-19 epidemic globally, will adversely affect Afinitas' income in FY2020 as a one-off unforeseeable event. Regardless of the unique circumstances of the postponement of AFSIC, and the negative financial impact on your group, Afinitas has built up one of the most valuable business networks in Africa, and the value of this network should become more apparent in future years.

Lesang Magang
Board Chairman

Rupert McCammon
Managing Director

12 March 2020
Gaborone, Botswana

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

FIGURES IN US DOLLAR	2019	2018
Revenue	1,224,017	711,310
Other income	31,289	15,348
Other operating (losses) / income	(5,167)	(44,386)
Other operating expenses	(2,062,441)	(1,994,624)
Operating loss	(812,302)	(1,312,352)
Finance income	78,839	92,342
Finance cost	(6,633)	(89)
Share of loss from equity accounted investment	(946)	-
Loss before taxation	(741,042)	(1,220,099)
Taxation	-	-
Loss for the year	(741,042)	(1,220,099)
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)	-
Items that may be reclassified to profit or loss:		
Share of comprehensive income of equity accounted investments	832	-
Exchange differences on translating foreign operations	(56,306)	(11,449)
Other comprehensive income for the year net of taxation	(357,016)	(11,449)
Total comprehensive loss for the year	(1,098,058)	(1,231,548)
Loss attributable to:		
Owners of the parent	(819,830)	(1,153,392)
Non-controlling interest	78,788	(66,707)
	(741,042)	(1,220,099)
Total comprehensive loss attributable to:		
Owners of the parent	(1,195,928)	(1,165,080)
Non-controlling interest	97,870	(66,468)
	(1,098,058)	(1,231,548)
Earnings per share		
Per share information		
Headline loss per share (c)	(0.35)	(0.57)
Diluted loss per share (c)	(0.35)	(0.57)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

FIGURES IN US DOLLAR	2019	2018
Assets		
Non-Current Assets		
Property, plant and equipment	51,159	69,288
Right of use assets	82,929	-
Investments in associate	17,946	-
Investments at fair value	576,102	508,783
	728,136	578,071
Current Assets		
Trade and other receivables	258,332	364,826
Other financial assets	47,494	41,223
Current tax receivable	-	1,463
Cash and cash equivalents	4,055,007	5,297,837
	4,360,833	5,705,349
Total Assets	5,088,969	6,283,420
Equity and Liabilities		
Equity		
Equity Attributable to Equity Holders of Parent		
Stated capital	9,067,560	9,067,560
Reserves	(404,289)	(28,191)
Accumulated loss	(3,592,799)	(2,772,978)
	5,070,472	6,266,391
Non-controlling interest	(464,115)	(401,699)
	4,606,357	5,864,692
Liabilities		
Non-Current Liabilities		
Lease liabilities	54,969	-
Borrowings	138,888	128,588
Operating lease liability	-	3,456
Deferred income	151,164	-
	345,021	132,044
Current Liabilities		
Trade and other payables	108,813	133,809
Lease liabilities	28,778	-
Deferred income	-	152,875
	137,591	286,684
	482,612	418,728
Total Liabilities	482,612	418,728
Total Equity and Liabilities	5,088,969	6,283,420

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

FIGURES IN US DOLLAR	2019	2018
Cash flows in operating activities		
Cash used in operations	(649,122)	(1,526,502)
Finance income	78,839	92,342
Finance cost	(6,633)	(89)
Tax paid	1,463	-
Net cash in operating activities	(575,453)	(1,434,249)
Cash flows (utilised)/generated from investing activities		
Purchase of property, plant and equipment	(8,437)	(857)
Net cash acquired from business combinations	-	18,836
Investment in associate	(18,060)	-
Purchase of financial assets	(403,763)	(564,747)
Sale of financial asset	-	24,256
Net cash flows (utilised)/generated from investing activities	(430,260)	(522,512)
Cash flows utilised in financing activities		
Proceeds from borrowings	22,259	-
Repayment of borrowings	(11,959)	(14,644)
Dividends paid	(193,162)	-
Amounts due to related companies	-	135
Payment of lease liabilities	(25,961)	-
Net cash in financing activities	(208,823)	(14,509)
Total cash and cash equivalents movement for the year	(1,214,536)	(1,971,270)
Cash and cash equivalents at the beginning of the year	5,297,837	7,290,957
Effect of exchange rate movement on cash balances	(28,294)	(21,850)
Total cash and cash equivalents at end of the year	4,055,007	5,297,837

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

FIGURES IN US DOLLAR	STATED CAPITAL	FOREIGN CURRENCY TRANSLATION RESERVE	RESERVES FOR VALUATION OF INVESTMENTS	ACCUMULATED LOSS	TOTAL ATTRIBUTABLE TO EQUITY HOLDERS OF THE GROUP / COMPANY	NON-CONTROLLING INTEREST	TOTAL EQUITY
Group							
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)
NCl pre acquisition retained earnings	-	-	-	-	-	(174,820)	(174,820)
Sale of shares to non controlling interest parties	-	-	-	-	-	18,877	18,877
Total changes recognised directly in equity	-	-	-	-	-	(155,943)	(155,943)
Balance at 01 January 2019	9,067,560	(28,191)	-	(2,772,969)	6,266,400	(401,699)	5,864,701
(Loss)/profit for the year	-	-	-	(819,830)	(819,830)	78,788	(741,042)
Other comprehensive income	-	(74,556)	(301,542)	-	(376,098)	19,082	(357,016)
Total comprehensive Loss for the year	-	(74,556)	(301,542)	(819,830)	(1,195,928)	97,870	(1,098,058)
Dividends	-	-	-	-	-	(193,160)	(193,160)
Sale of shares to non controlling interest parties	-	-	-	-	-	32,874	32,874
Total changes recognised directly in equity	-	-	-	-	-	(160,286)	(160,286)
Balance at 31 December 2019	9,067,560	(102,747)	(301,542)	(3,592,799)	5,070,472	(464,115)	4,606,357

AUDITORS



Plot 50370, Acumen Park,
Fairgrounds, Gaborone, Botswana

Board of Directors

Mr. Lesang Magang Independent Non-Executive Chairman
Mr. Rupert McCammon Managing Director
Mr. Leutlwtse Tumelo Executive Director
Dr. Keith Jefferis Independent Non-Executive Director

Contact Details

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GROUP SEGMENT REPORTING PRIMARY SEGMENT - REVENUE GENERATION BASIS

FIGURES IN US DOLLAR	Management Fees	Event Management Services	Outsourcing Income	Other	Total
31 December 2019					
Revenue	42,416	1,000,705	180,896	-	1,224,017
Other income	6,940	10,055	-	14,294	31,289
Other operating gains/(losses)	2,857	1,100	1,395	(10,519)	(5,167)
Finance income	13,397	-	309	65,133	78,839
Finance cost	(4,574)	-	-	(2,059)	(6,633)
Operating expenses	(169,011)	(567,691)	(241,686)	(1,084,999)	(2,063,387)
	(107,975)	444,169	(59,086)	(1,018,150)	(741,042)
Segment assets and liabilities					
Assets	99,977	480,098	136,394	4,372,500	5,088,969
Liabilities	(200,082)	(176,559)	(15,641)	(90,330)	(482,612)
	(100,105)	303,539	120,753	4,282,170	4,606,357
31 December 2018					
Revenue	8,155	656,827	46,328	-	711,310
Other income	14,213	135	1,000	-	15,348
Other operating gains/(losses)	(8,555)	(1,715)	4,612	(38,728)	(44,386)
Finance income	21,398	-	26	70,918	92,342
Finance cost	-	-	-	(89)	(89)
Operating expenses	(15,911)	(485,216)	(212,092)	(1,281,405)	(1,944,624)
	5,087	184,109	(160,991)	(1,248,304)	(1,220,099)
Segment assets and liabilities					
Assets	34,100	433,820	76,352	5,739,148	6,283,420
Liabilities	(152,781)	(161,279)	(21,413)	(83,255)	(418,728)
	(118,681)	272,541	54,939	5,655,893	5,864,692

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