

MORE ABOUT APEO

- Sub-Saharan African co-investment opportunities fund, founded in 2016 and managed by African investment veterans
- Directors own in excess of 50% of APEO's shares
- Unique deal flow from directors' diverse networks in Africa
- Co-investment strategy through partnerships with entrepreneurs and investors with physical in country presence
- Leaning towards businesses seeking to benefit from the fast adoption of mobile technologies, and the growth in demand for Fast Moving Consumable Goods ("FMCG") products by rapidly urbanising populations
- Risk diversification across countries and industries
- Limited subscription with self-imposed cash limit of 20% at any time to avoid cash drag
- Striving for long term returns adopting a "patient capital" approach
- Dividends declared annually equal to interest and dividends received net costs, plus 50% of realised investment surpluses

WE ARE NOT SUITABLE FOR EVERYONE

- Our investments are by nature riskier than first world asset classes, with limited liquidity in the short term
- Given our long-term focus, we are not suitable for short term and risk adverse investors
- African private equity is highly volatile
- We run a concentrated portfolio looking to extract value, but that does not always work as planned
- Our past investment record is not a predictor of future returns

KEY FACTS

Preference shares in issue:	7 743 523
Auditor:	BDO Spencer Steward
Market capitalization:	USD 16.9 million
Net asset value per preference share:	USD 2.052
Minimum investment size:	USD 100,000

INVESTMENT OBJECTIVE

The Company's objective is to generate above average investment returns from the investment opportunities the Directors introduce through their involvement with various investment structures and/or corporate networks, mainly in Africa. The Company evaluates investment opportunities with the aim to deliver a total USD portfolio return of at least 12,5% per annum above the annual change in the USA inflation over the lifetime of the investment.

INVESTMENT MANDATE

We invest in any asset class, in any investment market and in any currency provided 75% of its effective investment exposure (other than cash) at the time of making an investment is;

- in Private Equity (i.e. unlisted) assets;
- primarily in businesses with a majority African focus or origin.

Any individual investment (at historical cost) may not comprise more than 25% of the total portfolio value at the time of making the investment.

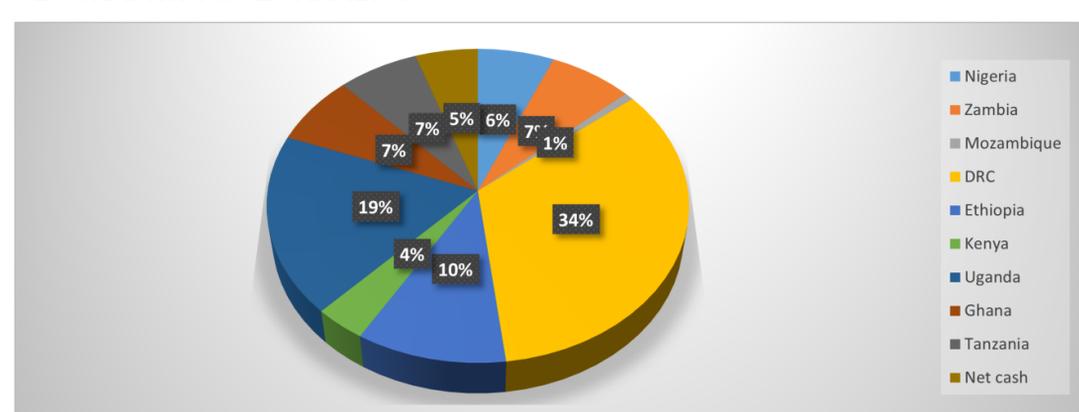
HISTORICAL PERFORMANCE RECORD SINCE INCEPTION

YEAR	Q1	Q2	Q3	Q4	YTD
2016			-2.0%	1.6%	-0.4%
2017	5.9%	4.0%	3.7%	-10.9%	1.7%
2018	3.1%	-1.2%	2.0%	-2.8%	1.0%
2019	1.4%	4.7%	5.2%	4.3%	16.4%
2020	-4.5%	1.6%	11.7%	24.8%	35.2%
2021	11.0%	17.3%			29.7%

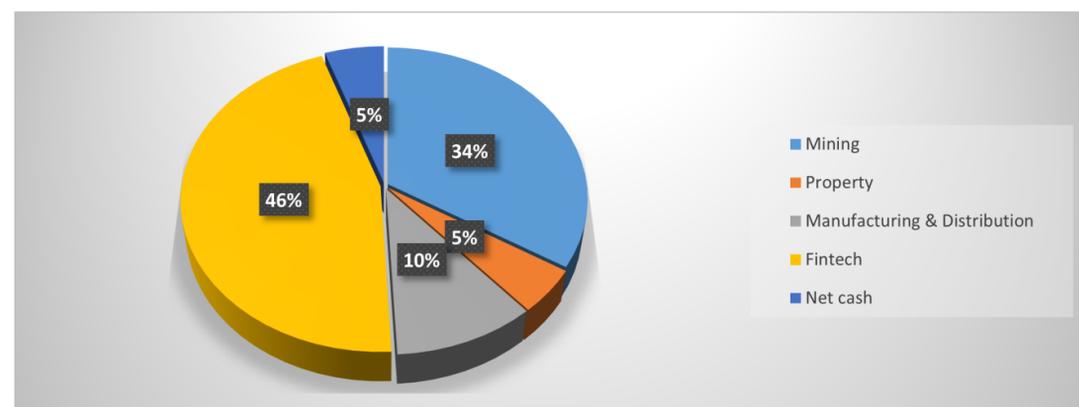
*Includes dividends paid

The APEO investment portfolio's annualised internal rate of return before costs, cash drag and carried interest since inception is 25.2%. Our administration costs are capped at 0.85% of assets under management, and carried interest equates to 10% of returns.

GEOGRAPHIC ASSET ANALYSIS

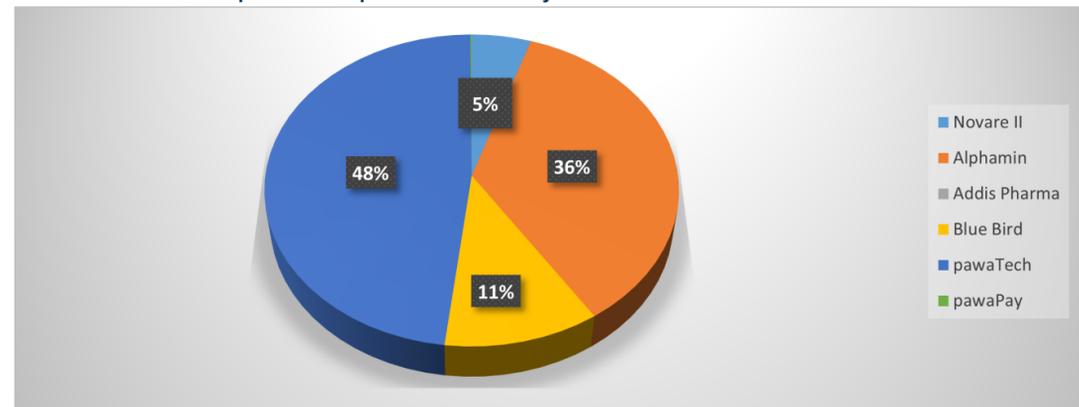


INDUSTRY ASSET ANALYSIS



PORTFOLIO BACKGROUND INFORMATION

The APEO investment portfolio comprises of six minority investments as follows:



Novare Africa Property Fund II ("Novare II"), representing 5% of the APEO portfolio, developed retail and commercial developments in major African cities between 2014 to 2019, comprising of eight projects in Abuja, Lagos, Lusaka and Maputo with total capital invested of USD 320 million. Rental collections continue to disappoint, and this is reflected in the valuation.

Alphamin Resources Corp. ("Alphamin"), representing 36% of the APEO portfolio, owns the highest-grade producing tin orebody. It is situated remotely in North Kivu Province, DRC. The company explored a small portion of its prospecting licensed area, large enough to start a small mine to prove the concept. The mine commenced mining operations in August 2019 and is highly profitable, currently producing 3% of global tin supply. The investment is valued at the TSX-listed share price.

Addis Pharmaceutical Factory Share Company ("Addis Pharma") manufactures a broad range of pharmaceuticals in Adigrat, Tigray for the Ethiopian public and private sector. The investment is currently fully provided given that its main factory is not operational due to the Tigray conflict.

Blue Bird Holdings ("Blue Bird"), representing 11% of the APEO portfolio, produces a range of FMCG products including edible oil, soap, and pasta in and around Addis Ababa. The company's profitability has resumed growing from pre-Covid levels. Our valuation makes provision for recent increased security and currency exchange risks in Ethiopia.

pawaTech Group ("pawaTech"), representing 48% of the APEO portfolio, is a UK registered holding company with licensed African online (smart phone) sports betting subsidiaries. We received dividends equal to USD 215k in Q2, and increased our investment by acquiring USD 200k of pawaTech shares from an existing investor. The valuation is based on listed industry comparisons with suitable provision for its unlisted illiquid status.

pawaPay Holdings ("pawaPay") is a new fintech payments provider investment, currently representing 0.1% of the APEO portfolio. It connects African consumers (with mobile wallets from various mobile service providers) with each other, and to global online service providers as a payment alternative to credit cards. The pawaPay operations consist of the previous payments/treasury division of pawaTech, which was spun out to pawaTech shareholders through an offer to subscribe for shares. APEO's investment cost for 3% of pawaPay was USD 19k – the investment will be revalued once more trading and third party fund raising information becomes available.

DIVIDEND

No dividend has been declared in Q2 following the declaration of a dividend in Q1 of 2021.

CASH

APEO issued preference shares to the value of USD 250k in Q2. After providing for future draw-downs from Novare II and expected future cash flows, APEO has USD 0.3 million in free cash available for future investment.

DIRECTORATE AND INVESTMENT COMMITTEE MEMBERS

Rudolf Pretorius
Brendon Jones
Brett Childs
Adriaan van Wyk
James Henry

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