



INTERIM UNAUDITED FINANCIAL STATEMENTS

for the 6 month period ended 30 June 2017

Afinitas Limited is a pan African investment holding company focused on developing a portfolio of leading Africa focused businesses. The Directors of Afinitas are pleased to provide shareholders with this report on the operational and financial performance of the group for the 6 month period ended 30 June 2017.

UPDATE ON OPERATIONS

The operating entities in the Afinitas Group comprise of Africa Events Limited, Adventis Limited and Ethiopia Investments Limited.

Africa Events Limited (AEL), a 50% owned event management company, hosted the 5th Africa Financial Services Investment Conference (AFSIC) in London on 3rd to 5th May 2017. AFSIC once again recorded good growth in delegate numbers and profitability. This represents a 5th consecutive year of growth for the event. AFSIC is now one of the leading Africa focused investment events held annually and attracts a global audience of key executives of Africa focused companies and investors.

During the period under review Africa Events Limited launched a series of investor trips into 12 African countries. These trips will initially be focused on connecting investors with investment opportunities in the Infrastructure, Energy, Power, Renewables, Mining and Oil and Gas sectors. The first of these investor roadshows was held in June and focused on several countries in Southern Africa. Investor trips are being arranged for East Africa, West Africa and North Africa. Details of the investor trips are available at www.africaninvestments.co.

Adventis Limited (Adventis), a 66% owned subsidiary of Afinitas as of date, is focused on attracting investment into the African continent. The investments will be managed by an experienced team led by Mr. Joseph Rohm. The Adventis team is actively working on launching a product that will look to strengthen and deepen Africa's financial services sector. Discussions with potential investors are ongoing and details will be communicated to the market at a later date.

Ethiopia Investment Limited (EIL), a 100% owned permanent capital vehicle focused on investing in Ethiopia, has been granted a licence to set up a business process outsourcing (BPO) company in Ethiopia. The new company, a subsidiary of EIL, operates under the name Eqos Global (www.eqosglobal.com) and will provide outsourced services to international and local clients. Eqos Global is one of the first BPO companies in Ethiopia. A management team is in place for the new entity and is actively working on recruiting clients. Eqos Global is the first of many exciting investments that EIL plans to make in Ethiopia.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2017

	6 month ended 30 June 2017	6 month ended 30 June 2016	12 month ended 31 December 2016
Figures in US Dollars			
Assets			
Non-Current Assets			
Property, plant and equipment	53,428	11,636	36,774
	53,428	11,636	36,774
Current Assets			
Loans to related companies	130	139,421	-
Trade and other receivables	73,195	34,481	58,344
Other financial assets	105,174	116,747	11,004
Current tax receivable	1,463	1,463	1,463
Cash and cash equivalents	8,033,357	8,778,710	8,664,244
	8,213,319	9,070,822	8,735,055
Total Assets	8,266,747	9,082,458	8,771,829
Equity and Liabilities			
Equity			
Equity Attributable to Equity Holders of Parent			
Stated capital	9,067,560	9,067,560	9,067,560
Foreign currency translation reserves	(18,640)	(3,958)	(5,367)
Accumulated loss	(782,441)	(62,533)	(370,821)
	8,266,479	9,001,069	8,691,372
Non controlling interest	(31,375)	58,044	(824)
	8,235,104	9,059,113	8,690,548
Liabilities			
Current Liabilities			
Deferred income	-	-	34,034
Loans from related companies	-	-	1,079
Trade and other payables	31,643	23,345	46,168
	31,643	23,345	81,281
Total Equity and Liabilities	8,266,747	9,082,458	8,771,829

STATEMENT OF CHANGES IN EQUITY

for the 6 month period ended 30 June 2017

	Stated Capital	Foreign Currency Translating Reserve	Accumulated Loss	Total Attributable to Equity Holders of the Group	Non-controlling Interest	Total Equity
Figures in US Dollars						
Group						
Balance as at 1 January 2016	9,067,560	(13)	(41,711)	9,025,836	61	9,025,897
Loss for the 6 month	-	-	(20,822)	(20,822)	61,928	41,106
Other comprehensive income	-	(3,945)	(3,945)	(3,945)	(3,945)	(7,890)
Total Comprehensive Profit for the 6 month	-	(3,945)	(20,822)	(24,767)	57,983	33,216
Balance at 30 June 2016	9,067,560	(3,958)	(62,533)	9,001,069	58,044	9,059,113
Balance at 1 January 2017	9,067,560	(5,367)	(370,821)	8,691,372	(824)	8,690,548
Loss for the 6 month	-	-	(411,620)	(411,620)	(29,035)	(440,655)
Other comprehensive income	-	(13,273)	-	(13,273)	(1,516)	(14,789)
Total Comprehensive Loss for the 6 month	-	(13,273)	(411,620)	(424,893)	(30,551)	(455,444)
Balance at 30 June 2017	9,067,560	(18,640)	(782,441)	8,266,479	(31,375)	8,235,104

Board of Directors
Mr. Lesang Magang Independent Non-Executive Chairman
Mr. Rupert McCammon Managing Director
Mr. Leutlwetse Tumelo Executive Director
Dr. Keith Jefferis Independent Non-Executive Director

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FINANCIAL REVIEW

The unaudited Interim Financial Statements have been reviewed by Grant Thornton Botswana. The financial performance of the Group reflects the development stage of the company. Key highlights are:

- Revenue for the group increased by 26% against the comparative interim period to \$412,953 mainly driven by the growth of AFSIC.
- Operating and establishment costs increased over the comparative period in 2016. This is attributable to ongoing investment into the subsidiaries.
- The higher operating costs resulted in pre-tax loss of \$440,655.
- The group maintains a low burn rate of its cash resources through prudent management of costs. Total cash available for future investments is \$3m after taking into account the \$2.5m allocated to Adventis Limited and \$2.5m allocated for Ethiopia Investments Limited.
- Overall the Group has a strong balance sheet and is in a good position to fund new businesses and cover operating costs going forward.

The Afinitas Group has achieved some key growth milestones during the period under review. These include establishing the first operating subsidiary in Ethiopia, Eqos Global, the launch of a series of investor trips across Africa, and the growth of AFSIC. Post the reporting date Africa Events Limited declared and paid a dividend of \$90,000 to Afinitas Limited. This illustrates that the Group is gradually transitioning from a start-up company as operational subsidiaries become cash flow positive.

For and on behalf of the Board of Directors

Lesang Magang
Chairman

Rupert McCammon
Managing Director

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the 6 month period ended 30 June 2017

	6 month ended 30 June 2017	6 month ended 30 June 2016	12 month ended 31 December 2016
Figures in US Dollars			
Revenue	412,953	328,020	310,814
Other operating income	17,696	11,529	10,925
Other operating gains	9,412	-	-
Other operating expenses	(908,303)	(330,126)	(704,058)
Operating Profit (Loss)	(468,242)	9,423	(382,319)
Finance income	27,587	31,687	57,676
Finance costs	-	(3)	-
Profit (Loss) for the 6 month	(440,655)	41,107	(324,643)
Other Comprehensive Income:			
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations:	(14,802)	(7,891)	(10,707)
Income (Loss) for the 6 month net of taxation	(14,802)	(7,891)	(10,707)
Total Comprehensive Income (Loss) for the 6 month	(455,457)	33,216	(335,350)
Profit (loss) attributable to:			
Loss attributable to:			
Owners of the parent	(411,620)	(20,821)	(329,111)
Non-controlling interest	(29,035)	61,928	4,468
	(440,655)	41,107	(324,643)
Total Comprehensive Income (Loss) attributable to:			
Owners of the parent	(424,906)	(24,767)	(334,465)
Non-controlling interest	(30,551)	57,893	(885)
	(455,457)	33,216	(335,350)
Earnings per share			
Per share information			
Basic earnings (loss) per share (cents)	(0.206)	0.019	(0.152)
Diluted earnings (loss) per share (cents)	(0.206)	0.015	(0.152)
Segment reporting			
As at 30 June 2017	Within Botswana	Outside Botswana	Total
Group			
Revenue	-	412,953	412,953
Other income	2,925	24,183	27,108
Finance income	27,557	30	27,587
Operating expenses	(391,929)	(516,374)	(908,303)
Profit (Loss) for the period	(361,447)	(79,208)	(440,655)
As at 30 June 2016			
Revenue	-	328,020	328,020
Other income	-	11,529	11,529
Finance income	31,686	1	31,687
Operating expenses	(114,432)	(215,697)	(330,129)
Profit (Loss) for the period	(82,746)	123,853	41,107

STATEMENT OF CASH FLOWS

for the 6 month period ended 30 June 2017

	6 month ended 30 June 2017	6 month ended 30 June 2016	12 month ended 31 December 2016
Figures in US Dollars			
Cash flows from operating activities			
Cash (used in) generated from operations	(541,605)	(19,444)	(379,103)
Finance income	27,587	31,687	57,676
Finance costs	-	(3)	-
Tax paid	-	(499)	(499)
Net cash from operating activities	(514,018)	11,741	(321,926)
Cash flows from investing activities			
Purchase of property, plant and equipment	(21,615)	(9,723)	(36,765)
Movement in investments	125	-	-
Net movement in financial assets	(94,170)	134,526	240,269
Net cash from investing activities	(115,660)	124,803	203,504
Cash flows from financing activities			
Loans advanced to related companies	(1,209)	(139,421)	(15,887)
Repayment of loans from related parties	-	(16,966)	-
Net cash from financing activities	(1,209)	(156,387)	(15,887)
Total cash and cash equivalent movement for the 6 month	(630,887)	(19,843)	(134,309)
Cash and cash equivalents at the beginning of the 6 month	8,664,244	8,798,553	8,798,553
Total cash and cash equivalents at the end of the 6 month	8,033,357	8,778,710	8,664,244