

# Key Information Document

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Africa Opportunity Fund Limited

ISIN Code KYG012921048. This Key Information Document (KID) is issued and approved by Africa Opportunity Fund Limited. Visit [www.africaopportunityfund.com](http://www.africaopportunityfund.com) or phone +2711 684 1528 for more information.

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## What is this product?

This product is a closed-end Investment Company incorporated in the Cayman Islands and listed on the Specialist Funds Segment, a segment of the London Stock Exchange's regulated Main Market.

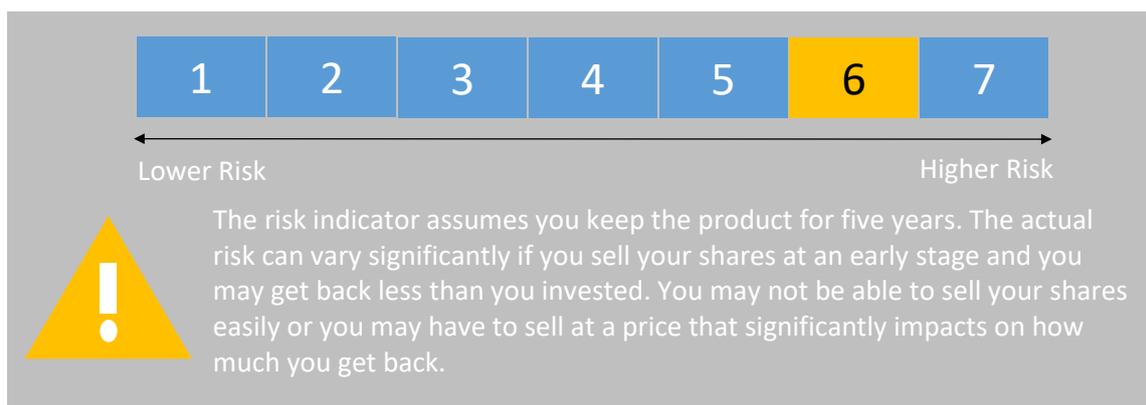
The investment objective of this product is to generate capital growth and income through value, arbitrage, and special situations investments in the continent of Africa. Portfolio investments will include equity, debt, and other interest in both listed and unlisted assets. This product will invest in assets with a material portion of their value derived from or located in Africa and geographic mix within the Africa continent will vary over time depending on the relative attractiveness of opportunities among countries and regions. At the time of investment, no single investment may exceed 15% of the net asset value without the prior approval of the Board. No one initial investment will exceed 20% at the time of investment. The Company may from time to time engage in the short sale of securities.

The Company may implement hedging and derivative strategies designed to protect investment performance against material movements in exchange rates and interest rates, and to protect against credit risk. Borrowing may not exceed 30% of net asset value. No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.

This product is only suitable for institutional investors, highly knowledgeable investors or professionally advised private investors who understand and are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such an investment. This product has no recommended holding period.

## What are the risks and what could I get in return?

The summary risk indicator below is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movement in the market.



We have classified the risk level of this product as 6, which is the second-highest risk class. This rates the potential losses from future performance at a high level, and poor market conditions are very likely to impact the amount you get back. **Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.**

In addition to market and currency risk, this product also carries interest rate risk and credit risk. The below table shows the money you could get back over the next 10 years, under different scenarios, assuming that you invest \$10 000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get back will vary depending on how the market performs and how long you keep the investment.

The stress scenario shows what you might get back in extreme market circumstances. The figures shown in the table below include all the costs of the product itself but do not include all the costs that you pay to your advisor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

Investment \$10 000					
Scenarios		1 year	3 years	5 years	10 years
Unfavourable Scenario	What you might get back after costs	\$9 954	\$6 378	\$4 510	\$3 707
	Average return each year	-0,46%	-13,92%	-14,72%	-9,45%
Moderate Scenario	What you might get back after costs	\$11 692	\$9 443	\$7 501	\$11 376
	Average return each year	16,92%	-1,89%	-5,59%	1,30%
Favourable Scenario	What you might get back after costs	\$13 772	\$13 935	\$12 571	\$34 748
	Average return each year	37,72%	11,69%	4,68%	13,26%

### What happens if the Company is unable to pay out?

The Company is listed on the Specialist Funds Segment, a segment of the London Stock Exchange's regulated Main Market. Shareholders who purchase the Company's shares on the stock exchange can sell the shares anytime subject to the availability of buyers and receive market value of the product. Should the Company be liquidated, shareholders will receive the value of assets available for distribution after all liabilities and costs have been paid. Shareholders of this Company do not have the right to make a claim in the event that the Company is unable to pay out. There is no compensation or guarantee scheme in place that applies to the Company and, if you invest in the Company, you should be prepared to assume the risk that you could lose all of your investment.

### What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown below are cumulative costs of the product itself, for three different holding periods. The figures assume you invest \$10 000. The figures are estimates and may change in the future. The person selling you or advising you about this product may charge you other costs. If so, the person will provide with information about these costs and show you the impact that all costs will have on your investment over time.

Investment \$10 000			
Scenarios	If you cash in after 1 year	If you cash in after 3 year	If you cash in at 5 years
Total costs	\$229	\$675	\$658
Impact on Return (RIY) per year	2,29%	2,29%	2,29%

This table shows the impact on return per year			
Once-off costs	Entry costs	N/A	The impact of the costs you pay when entering your investment. There is 0,50% UK government stamp duty to pay on purchases
	Exit costs	N/A	The impact of the costs of exiting your investment
Ongoing costs	Portfolio transaction costs	0,53%	The impact of the costs of us buying and selling underlying investments for the product
	Other ongoing costs	1,76%	The impact of the costs that we take each year for managing your investments. Management fee is 2% of first \$50million of NAV and 1% thereafter.
Incidental costs	Performance fees	N/A	Annual carried interest equivalent to 20% of amount in excess of NAV plus management fees and a 5% hurdle rate. The performance allocation is subject to a high watermark.
	Carried interests	N/A	

### How long should I hold it and can I take money out early?

There is no minimum or maximum required holding period for this investment. The shares are listed on the Specialist Funds Segment, a segment of the London Stock Exchange's regulated Main Market so investors may sell their shares at any time without penalty through a broker or adviser. The sale price will be at arms' length based on trading prices at the time and will not necessarily be equal to the NAV per share.

### How can I complain?

If you have concern about this product, you can contact us by sending a message through our contact page on our website ([www.africaopportunityfund.com](http://www.africaopportunityfund.com)) or write to Africa Opportunity Fund, Uglund House South Church Street, P.O. Box 309 George Town, Grand Cayman Islands, B.W.I.

### Other relevant information

You may obtain additional information about Africa Opportunity Fund from our website [www.africaopportunityfund.com](http://www.africaopportunityfund.com) including this document; annual and interim reports.

The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules. The Risk Indicator and Performance Scenarios are based on past share price returns with dividends reinvested. What you get back will vary depending on how the Company's underlying investments perform, how the overall market performs and how long you keep your investment. The stress scenario shows what you might get back in extreme market circumstances but does not take account of the situation where the Company is unable to pay you on its liquidation. The Performance Scenarios do not represent the upper or lower limits of potential returns.

