AFRICAN DOMESTIC BOND FUND

the "FUND"

ANNUAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

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FOR THE YEAR ENDED JUNE 30, 2024

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NOTICE

Unless otherwise mentioned herein, all references of Acts and Regulations in this Annual Report relates to legislations issued in the Republic of Mauritius.

AFRICAN DOMESTIC BOND FUND
MANAGEMENT & ADMINISTRATION

		Date of appointment	Date of resignation
BOARD MEMBERS	Mr Gilbert Gnany	May 04, 2017	March 31, 2024
	Mr Patrick Eric Ronald Lam Yan Foon	May 04, 2017	-
	Mr Jean Hok Yui How Hong	October 05, 2017	-
	Ms Li Fa Cheung Kai Suet	January 31, 2022	March 19, 2024
	Mr Krishen Patten	May 06, 2024	-
	Ms Medina Sarah ToraballY	June 11, 2024	-

PLACE OF BUSINESS OF THE FUND
C/o MCB Investment Management Co. Ltd
9-15, Sir William Newton Street
Port Louis, MAURITIUS

REGISTERED OFFICE
C/o Apex Fund & Corporate Services (Mauritius) Ltd
Lot 15 A3
1st Floor, Cybercity
Ebène 72201, MAURITIUS

FUND MANAGER
MCB Investment Management Co. Ltd
9-15, Sir William Newton Street
Port Louis, MAURITIUS

CORPORATE SECRETARY
Apex Fund & Corporate Services (Mauritius) Ltd
Lot 15 A3
1st Floor, Cybercity
Ebène 72201, MAURITIUS

REGISTRAR
MCB Registry & Securities Ltd
9-15, Sir William Newton Street
Port Louis, MAURITIUS

BANKER
The Mauritius Commercial Bank Ltd
9-15, Sir William Newton Street
Port Louis, MAURITIUS

CUSTODIAN FOR INVESTMENTS
Standard Chartered Bank (Mauritius) Limited
19 Bank Street, 6th Floor, Standard Chartered Tower
Cybercity, Ebène, 72201, MAURITIUS

AUDITOR
BDO & Co.
10, Frère Felix de Valois Street
Port Louis, MAURITIUS

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AFRICAN DOMESTIC BOND FUND

CORPORATE GOVERNANCE REPORT
FOR THE YEAR ENDED JUNE 30, 2024

1. GOVERNANCE STRUCTURE

1.1 Overview

African Domestic Bond Fund (the "Fund") was incorporated in Mauritius under the Mauritius Companies Act 2001 on May 04, 2017 as a public company with liability limited by shares and is authorised by the Financial Services Commission (the "FSC") to operate as a Collective Investment Scheme, categorised as a Global Scheme pursuant to a Global Business Licence from the FSC. The Fund was admitted on the Stock Exchange of Mauritius on September 19, 2018 and on the Exchange Traded Funds Board of the Botswana Stock Exchange Limited on September 15, 2022 for the secondary listing of the Participating Shares of the Fund. The Fund is not a public interest entity as defined by law but is required to apply the National Code of Corporate Governance for Mauritius (2016) (the "Code") by the FSC. It is committed to the highest standard of business integrity, transparency and professionalism in all its activities to ensure that the activities of the Fund are managed ethically and responsibly to enhance value for all stakeholders.

The Fund is managed by MCB Investment Management Co. Ltd (the "Manager"), a company duly licensed by the FSC to promote, manage and administer collective investment schemes and closed-end funds.

The Fund has no employees and its day-to-day operations are handled by its functionaries which include the Manager, a registrar and a custodian.

1.2 Statement of Compliance

The board of directors has given and will continue to give due consideration to the principles of good corporate governance which are applicable to the Fund under the Code. It is worth noting that the Manager and the ultimate holding company of the Manager, MCB Group Limited ("MCBG"), are required to comply with the principles of the Code.

Throughout the year ended June 30, 2024, to the best of the Board's knowledge, the organisation has complied with the Code in all material aspects except for certain sections as mentioned and explained in the table below.

Principle	Section relating to	Reasons for non-compliance
2	Organisations should have at least an Audit Committee and a Corporate Governance Committee	Given that the Fund is a Collective Investment Scheme, this Principle is being complied with at the level of the Manager's holding and ultimate holding companies.
2	Board Structure with a designated chairperson, with an appropriate combination of executive, non-executive and independent directors and having both genders.	Given that the Fund is a Collective Investment Scheme with no employees, executive directors cannot be appointed. There is no designated chairperson for the Fund and the chairperson for board meetings is decided when the directors meet. Moreover, the board of the Manager, is fully compliant with this Principle.

The board of directors will regularly reassess the requirements of the Code to ensure that the Fund remains compliant thereto.

1.3 Constitutive documents or Charter documents

1.3.1 Board Charter

The Board Charter has been duly approved by the Board and is reviewed by the latter on a regular basis. The Charter provides for delegation of authority and clear lines of responsibility with a reporting mechanism whereby matters affecting the affairs and reputation of the Fund are duly escalated to the Board of the Fund.

1.3.2 Constitution and Prospectus

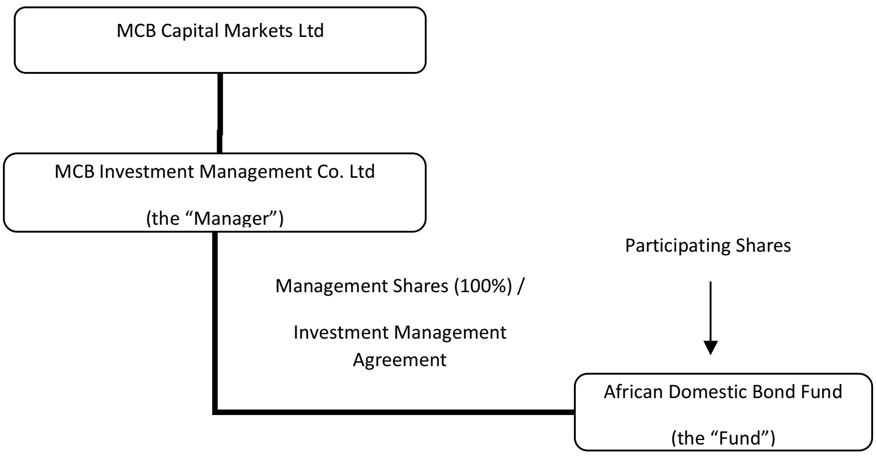
The constitution and prospectus of the Fund (the "Constitutive Documents") have been duly approved by the Board and are reviewed by the latter on a regular basis. The Constitutive Documents provide for delegation of authority and clear lines of responsibility with a reporting mechanism whereby matters affecting the affairs and reputation of the Fund are duly escalated to the Board of the Fund.

The Constitutive Documents provide amongst others the following main objectives:

(i) Defining the Fund's purpose, strategy and value;
(ii) Determining policies and best practices to ensure that the business is conducted with the highest standards of ethical conduct within the Fund;
(iii) Reviewing and, where appropriate, approving risk policy of the Fund; and
(iv) Reviewing and approving the financial statements of the Fund.

1.3.3 Organisation Structure

The Fund has issued one management share to the Manager, a wholly owned subsidiary of MCB Capital Markets Ltd ("MCBCM"), which is itself wholly-owned by MCBG.



1.3.4 Statement of Main Accountabilities

The Board is responsible and accountable for the long-term success of the Fund and has approved and set the main accountabilities of the Board collectively as follows:

	Main Accountabilities
Chairperson	-Provides overall leadership to the Board -Ensures that the Board is effective in its tasks of setting and implementing the Fund's direction and strategy -Ensures that the development needs of the directors are identified and appropriate training is provided to continuously update their skills and knowledge -Maintains sound relations with the shareholders
Board	-Ensures compliance by the Fund with applicable legislation, regulation and policies -Safeguards the assets of the Fund -Ensures Board decisions are being implemented and the long-term interests of the shareholders are being served
Secretary	-Providing guidance to the Board relating to their duties, responsibilities and powers -Informing the Board of all legislation pertaining to meetings of the shareholders and the Board -Ensuring that the minutes of all meetings of shareholders and Board are properly recorded, and that all statutory registers are properly maintained -Certifying in the annual financial statements, that the Fund has filed with the Registrar of Companies all such returns as are required under the Mauritius Companies Act 2001 (the "Act") as may be amended from time to time.

1.3.5 Material Clauses of the Constitution

As per the constitution of the Fund, no shareholder shall have any pre-emptive rights whatsoever to subscribe for any additional shares issued by the Fund. The Board is expressly permitted to issue further Redeemable Participating Shares as the case may be at any time ranking as to voting or distribution rights or both equally with Redeemable Participating Shares, already issued by the Fund without such issue qualifying as a variation of class rights of the existing Redeemable Participating Shares.

2. THE BOARD STRUCTURE

2.1 Board Roles and Responsibilities

The Board's primary function is to direct and supervise the business and affairs of the Fund. The Board currently consists of four directors, at least two of whom shall at all times be resident in Mauritius. All board meetings of the Fund are chaired from and decisions are taken in Mauritius. The members of the Board are appointed by the holder of the Management Share.

The Fund is currently managed by a unitary Board of four members, residents of Mauritius, out of whom two (2) are Non-Executive and two (2) are Independent Non-Executive Directors.

There is no designated Chairperson for the Fund. The Chairperson for board meetings is decided when the directors meet.

The Board meets at least four times a year to review the investments, operations and administrative affairs of the Fund. There are no service contracts between the Fund and any of its directors in their personal capacity, nor are any such contracts proposed. A director may vote at, or be counted in the quorum of any meeting of the Board to consider any contract in which the director is interested, provided that such director declares the interest prior to the taking the vote at the meeting and causes such interest to be recorded in the register of interests.

All the members of the board possess the necessary knowledge, skills, objectivity, intellectual honesty, integrity, experience and commitment to make sound judgements on various key issues relevant to the business of the Fund, independent of the Manager and to protect the interests of shareholders, clients and other stakeholders.

All directors receive timely information so that they are equipped to play as full a part as possible in board meetings. All board members have access to the Company Secretary for any further information they require.

The Fund has entered into an investment management agreement of unlimited duration with the Manager which gives the Manager full power to administer, supervise and direct the acquisition and/or disposal (by whatever means) of the Fund's investments subject to and in compliance with the investment objectives and in light of any reasonable instructions that may be given by the Board.

2.2 Composition of the Board

The Board examines the size, composition and the essential competencies of its members annually to ensure that there is an appropriate balance of skill, experience and knowledge to enable it to carry out its duties and responsibilities effectively.

The Board currently comprises of four members as detailed below:

Name	Title	Category	Gender	Country of Residence
Jean Hok Yui HOW HONG	Director	Independent	Male	Mauritius
Krishen PATTEN	Director	Non-Executive	Male	Mauritius
Patrick Eric Ronald LAM YAN FOON	Director	Non-Executive	Male	Mauritius
Medina Sarah TORABALLY	Director	Independent	Female	Mauritius

The size of the Board and its level of diversity is commensurate with the size of the Fund which is a Collective Investment Scheme with no employees.

Given that the Fund has no employees, it is not possible to have executive directors. Day-to-day operations are handled by its functionaries which include the Manager, a registrar and a custodian.

Mr. Patrick Eric Ronald Lam Yan Foon is a director of the Fund, the Manager and MCBCM.

2.3 Profile of Directors

A brief profile of each director along with their directorships is set out below:

(i) Jean Hok Yui How Hong, Independent Director

Mr. How Hong holds a Diploma in Sugar Technology (School of Agriculture, University of Mauritius). He has 40 years' management experience in the agro-industry, wholesale and distribution sector at Innodis Ltd. He was the Chief Operating Officer for 3 years and then Chief Executive Officer for 8 years prior to retiring in December 2016. Mr. How Hong has assumed functions of Executive Director of Mauritius Farms Ltd, and General Manager (Commercial Division) of Happy World Ltd.

<u>Directorship in other listed companies</u>: Innodis Ltd and MCB India Sovereign Bond ETF (Stock Exchange of Mauritius)

(ii) Krishen Patten, Non-Executive Director

Krishen Patten is the Head of Financial Risk at The Mauritius Commercial Bank Ltd since March 2021. He started his career at Goldman Sachs in London in 2006 in the Market Risk Management & Analysis unit covering market risks across several asset classes before joining LCH.Clearnet in London as a Fixed Income Risk Manager in 2012. He subsequently relocated to Abu Dhabi as a Senior Risk Specialist for the Abu Dhabi Investment Council from 2013 to 2016. He then joined AXYS Investment Partners Ltd as Chief Risk Officer from 2016 until 2021.

Krishen holds a first class Honours degree in Actuarial Science from the London School of Economics & Political Science. He is also both a CFA and FRM charterholder.

Directorship in other listed companies: MCB India Sovereign Bond ETF (Stock Exchange of Mauritius)

(iii) Patrick Eric Ronald Lam Yan Foon (Rony Lam), Non-Executive Director

Mr Lam started his career with KPMG in Beijing and London, where he qualified as a Chartered Accountant. Since 2000, he has pursued a career in investment banking at HSBC Investment Bank and Barclays in London and Asia. From 2007 to 2012, he was a Partner at Fenchurch Advisory Partners, a leading UK investment banking firm focused exclusively on advising financial institutions on mergers and acquisitions and capital markets transactions. Mr Lam was a Cambridge Commonwealth Trust scholar and holds a BA (Honours) and MA (Cantab) in Economics from Cambridge University. He also has a Diploma in Mandarin Chinese from Renmin University of China.

Directorship in other listed companies: MCB India Sovereign Bond ETF (Stock Exchange of Mauritius)

(iv) Medina Sarah Torabally, Independent Director

Miss Medina Torabally holds a Bachelor of Laws (LLB) from the University of Reading (UK) and is a practising lawyer at the Bar of Mauritius. She is also admitted to the Bar of England & Wales. Prior to joining Prism Chambers as an associate, Medina was a litigation associate at Benoit Chambers for three years and a Fellow of the Permanent Court of Arbitration in Mauritius. Her practice since 2016 centred around commercial dispute resolution. She presently spearheads the dispute resolution team at Prism Chambers with a focus on tax controversy and advice.

Directorship in other listed companies: MCB India Sovereign Bond ETF (Stock Exchange of Mauritius)

2.4 Corporate Secretary

The Fund's secretary is Apex Fund & Corporate Services (Mauritius) Ltd, a private company incorporated in Mauritius with registered office address at Lot 15 A3, 1st Floor Cybercity, Ebene, 72201 Mauritius ("Corporate Secretary"). Apex Fund & Corporate Services (Mauritius) Ltd, is regulated by the Financial Services Commission and provide inter-alia management, fund administration, trusteeship and other corporate administration and secretarial services. The Corporate Secretary has a pool of professionals who have in-depth knowledge and understanding of the latest rules and regulations governing businesses and other legal entities. All board members have access to the Corporate Secretary for information relating to the Board matters. Profile of the key personnel of Apex Fund & Corporate Services (Mauritius) Ltd is below:

Purnima Boyjonauth-Bhogun (Deepti)

Deepti is currently a Vice President at Apex Fund and Corporate Services Limited (AFCS) whereby she oversees a portfolio of clients which include a mixture of Funds, Global Business Licence companies, Authorised companies, Investment Managers, Investment Advisors, Trusts, Foundation and Domestic companies. Her main role is to ensure excellent client service, ensuring clients are being managed in line with the regulatory framework. She also acts as Director and authorised signatory on client companies. Moreover she leads a team and ensures proper guidance and coaching at all times along with ensuring efficiency.

Deepti holds a BSc (Hons.) Finance from the University of Mauritius and is ACCA (Association of Chartered Certified Accountants) qualified.

Mohammad Salman Ibrahim Hatteea

More than a decade in the offshore industry during which he amassed the savoir-faire in fiduciary & corporate services.

During his career, he has been exposed to sophisticated vehicles including Investment Funds, regulated intermediaries amongst others. Such exposure had enhanced his understanding of the industry and given him the capabilities to participate in corporate structuring, handling company establishment and ongoing administration, be responsible for liaison with authorities, provided dedicated investors' services to HNWI/Institution Investors and much more.

He is currently pursuing his Bsc (Hons) Finance with Law at the Open University of Mauritius.

2.5 Board Attendance

Board meetings are usually held at least four times a year but may be convened at any time in case urgent matters need to be discussed.

No of Meetings held during the year	**4**
Directors	
Mr. Jean Desire Gilbert Gnany (Resigned on March 31, 2024)	3
Mr. Patrick Eric Ronald Lam Yan Foon	4
Mr. Jean Hok Yui How Hong *	4
Ms. Li Fa Cheung Kai Suet (Resigned on March 19, 2024)	3
Mr. Krishen Patten (Appointed on May 06, 2024)	1
Ms. Medina Sarah Torabally (Appointed on June 11, 2024)	-

** Physically or through their duly appointed alternate director pursuant to Article 24.9 of the constitution.*

2.6 Board Committees

Given that the Fund is a Collective Investment Scheme, all board committees have been set up at the level of the Manager's Group.

3. DIRECTORS APPOINTMENT PROCEDURES

3.1 Directors Selection

The Remuneration, Corporate Governance, Ethics and Sustainability Committee (RCGESC) of MCBG identifies suitable candidates for the Board of the Fund after determining whether the potential candidates have the required criteria it has established. The RCGESC then proposes the selected candidates to the Manager and the Board of the Fund for review and approval. The ultimate authority for appointment and induction of directors and for succession planning remain with the Board of directors of the Fund.

3.2 Election and Re-election of Directors

All directors are re-elected each year at the annual meeting of shareholder.

3.3 Induction of new Directors

Ms. Medina Sarah Torabally and Mr. Krishen Patten were appointed as directors during the financial year. All new directors are given an induction pack, which comprises the offering and constitutive documents and the minutes of the last meeting of the Board. An introductory meeting is organised to explain the business activities of the Fund and its governing policies. The other directors as well as the Company Secretary are readily available to answer any queries that newly appointed directors may have with respect to the Fund.

The above mentioned induction programme meets the specific needs of both the Fund and the newly appointed directors and enable the latter to participate actively in Board discussions.

3.4 Professional Development

Directors are encouraged to keep themselves up to date with the professional practices and industry related developments. The Board regularly reviews and comes to an agreement with each director, if necessary, on his or her training and development needs. Upon request from directors, the Fund provides the necessary resources for developing and updating its directors' knowledge and capabilities.

3.5 Succession Planning

The Fund does not have any direct employees. MCBG is one of the largest group of companies in Mauritius with a large pool of talent with different skills, academic and professional qualifications, and expertise in various fields of business. The MCB Group strategy includes the recognition and fostering of talents within executive and management levels across the Group thus ensuring that opportunities are created to develop current and future leaders.

3.6 Time Commitment

Each director is expected to devote sufficient time and attention to the affairs of the Fund. The Fund anticipates a time commitment of at least 48 hours per annum. This will include attendance at Board meetings, the Annual Meeting of Shareholders and meetings as part of the Board evaluation process and training and development programmes. There is always the possibility of additional time commitment in respect of ad-hoc matters that may arise from time to time, and particularly when the Fund is undergoing a period of increased activity. The Directors allocate sufficient time to the Fund's operation (refer to 2.5).

4. DIRECTORS DUTIES, REMUNERATION AND PERFORMANCE

4.1 Legal Duties of Directors

The directors are aware of their legal duties under the Act and other relevant legislations. They exercise the required standard degree of care, skill and diligence which a reasonably prudent and competent director in such position would exercise. The Directors allocate sufficient time to the Company's operation (refer to 2.5).

4.2 Remuneration Philosophy

The RCGESC is responsible for the setting up and developing of the Group's policy concerning the remuneration of directors. MCB Group Ltd lays significant emphasis on appointing the right people with relevant skills and appropriate behaviours, and rewarding them, in line with market practice.

The Fund's remuneration philosophy for directors is a fixed annual director fees and a board attendance fee.

4.3 Directors' Remuneration

Directors	Remuneration from the Fund	
	2024	2023
	USD	USD
Mr Jean Hok Yui How Hong	**798**	327
Ms Li Fa Cheung Kai Suet (Resigned on March 19, 2024)	**105**	327
Mr Krishen Patten (Appointed on May 06, 2024)	**-**	-
Mr Patrick Eric Ronald Lam Yan Foon	**-**	-
Mr Gilbert Gnany (Resigned on March 31, 2024)	**-**	-
Ms Medina Sarah Torabally (Appointed on June 11, 2024)	**-**	-
	903	654

Directors who are already in an executive position within the MCB Group do not receive additional remuneration as Board member, in line with MCBG policy. Mr Jean Hok Yui How Hong and Ms Medina Sarah Torabally are entitled to a fixed annual director fees of MUR 75,000 and a fee or MUR 1,250 for board attendance each. The Board reviews the remuneration of independent and those non-executive directors who are eligible to receive director's remuneration, and recommendations are made to the RCGESC of MCB Group Ltd, the ultimate holding company.

4.4 Directors' Interests in Shares

The directors do not hold shares in the Fund directly or through any associate (as defined under the Listing Rules of the Stock Exchange of Mauritius).

4.5 Directors' Service Contracts

There are no fixed term contracts or service contracts between the Fund and the directors.

4.6 Related Party Transactions

Related party transactions have been conducted in accordance with the Conflicts of interest and Related Party Transaction Policy and the Code of Ethics. For related party transactions, please refer to note 14 of the Financial Statements.

4.7 Policies of the Fund and Code of Ethics

The following policies of the ultimate holding company, MCBG, have been adopted by the Manager:

- Information, Information Technology and Information Security Governance Policy
- Conflicts of interest and Related Party Transaction Policy
- Whistleblowing Policy
- Code of Ethics

Compliance with the Code of Ethics is regularly monitored and evaluated by the Board of the Manager. The above policies can be viewed on the website of MCBG.

4.8 Whistleblowing

The Whistleblowing Policy of MCBG provides all employees within the Group, including those of the Manager, a reporting channel on suspected misconduct or malpractice within the Manager without the risk of subsequent victimization or discrimination. The policy outlines the complaint handling and reporting processes to improve transparency.

4.9 Information Governance

The Fund has outsourced substantially all its operations to reputable service providers, mainly within the MCB Group, to whom the policies (as per 4.7 above) of MCBG applies. The Board oversees information governance of its service providers.

4.10 Register of Interest

An interest register is maintained by the Corporate Secretary and is available for consultation by the shareholder upon request.

4.11 Directors' Performance

The Board acknowledges the need of regularly reviewing the performance and effectiveness of the Board and its Directors. The directors endeavour to maintain the same vigilance in leading the Fund. A review is currently being carried out by means of a questionnaire to be filled by each Director to assess the Board's effectiveness and whether directors continue to discharge their respective duties effectively.

5. RISK GOVERNANCE AND INTERNAL CONTROL

The Board of Directors has delegated the responsibilities to ensure the effectiveness of the internal control systems to the Manager of the Fund which has set adequate policies to provide reasonable assurance that risks are identified and managed appropriately. Any serious issue arising is take at Board level.

The Manager's policy on risk management encompasses all significant business risks including physical, operational, human resources, technology, business continuity, financial, compliance and reputational which could influence the achievement of the Fund's objectives.

The system of internal control, which is embedded in all key operations of the Manager, provides reasonable rather than absolute assurance that the Fund's business objectives will be achieved.

The Manager, is responsible for the design, implementation and monitoring of all risk, compliance and anti-money laundering policies and procedures of the Fund and has a direct reporting line to the Board of Directors.

The Board is satisfied regarding the implementation, operation and effectiveness of internal control and risk management.

The risk management mechanisms in place include:
- A system for the ongoing identification and assessment of risk;
- Development of strategies in respect of risk and definition of acceptable and non-acceptable levels of risk;
- Reviewing the effectiveness of the system of internal control; and
- Processes to reduce or mitigate identified risks and contain them within the levels of tolerance defined by the Board.

The key risks for the Fund are legal, regulatory, operational, reputational, performance and financial risks. The Board is ultimately responsible for these matters but delegates the ongoing tasks to the Manager.

Legal and regulatory risks are mainly the risks that the Fund does not comply with legal & regulatory requirements namely SEM, FSC and Registrar of Companies. These risks are managed by the Board, taking advice from the Fund's legal advisor where appropriate and setting out of proper processes and procedures in order to comply with all relevant legislations in force to safeguard the assets of the Company. The Board is also covered under appropriate insurance cover taken by the Fund's immediate holding company. Regulatory reporting has outsourced to experienced team of professionals within the MCB Group.

The **operational risks** profile of business activities and processes have been analysed and following evaluation, appropriate controls have been designed and implemented. In addition, risk arising from business processes is managed through the application of the necessary technical controls at every stage of those processes.

Reputational and performance risks are managed by the Board.

The identification and management of the financial risks are discussed in note 4 to the Financial Statements.

During the financial year under review all significant areas with respect to risk governance were covered by the internal control and no risk or deficiency has been noted in the organisation's system of internal controls.

6. REPORTING WITH INTEGRITY

6.1 Health and Safety Issues

The Manager is committed to the highest standards of integrity and ethical conduct in dealing with all its stakeholders. The Fund however does not have any employees.

6.2 Corporate Social Responsibility

There were no Corporate Social Responsibility contributions made during the year under review.

6.3 Charitable Donation

No donation was made by the Fund during the year under review.

6.4 Political Donation

The Fund did not make any political donation during the year under review.

6.5 Documents on website

The prospectus, constitution, Board charter, the interim accounts and the latest Audited Financial Statements as well as the Manager's corporate governance undertakings are published on the website of MCB Capital Markets. These documents have been approved by the Board and are monitored and updated in a timely manner further to any changes in laws requirements from regulatory bodies or decision taken by the Board.

6.6 Assessment of the organisation's financial, environmental, social and governance position performance and outlook

The assessment of the organisation's financial, social and governance position performance and outlook are detailed in the Manager's report.

7. AUDIT

7.1 Internal Audit

Given that the Fund is a Collective Investment Scheme, internal audit assignments are done at the level of the Manager.

The internal audit function of the Manager is outsourced to the Group Internal Audit Department of The Mauritius Commercial Bank Ltd (GIA), which provides another balanced assessment of key risks and controls, independent from reports received from the Manager's management.

The Head of GIA is independent of the Executive Management of the Manager and reports to the Audit Committee of MCBCM semi-annually. The audit team executes its duties freely and objectively in accordance with the Institute of Internal Auditors' Code of Ethics and International Standards on independence and objectivity. All members of the audit team are required to sign the Code of Ethics on an annual basis.

GIA ensures that the quality of internal audit services provided to the Manager is aligned with recognised best practices. GIA leverages on a systematic and disciplined approach, notably through the use of well-focused audit work programs and computer aided audit techniques to evaluate the effectiveness of the internal control systems of the Manager. The Institute of Internal Auditors requires each internal audit function to have an external quality assessment conducted at least once every five years. The last exercise was carried out in October 2023, by an internationally recognised auditing firm which confirmed the Internal Audit BU's compliance with the International Standards for the Professional Practice of Internal Audit issued by the above-mentioned institute.

Areas, systems and processes covered by internal audit including non-financial matters are as follows:

- Governance: Review of minutes of Board meetings and review of monitoring process of the Risk and Compliance Unit
- Accounting: Bank reconciliation and fixed assets
- Investment: Investment agreement
- CIS Management: Settlement and dealing, pricing and reporting
- Client take-on: Unit trust –application and redemption
- IT: Quantis logical access management, disaster recovery, shared folder administration, Service Level Agreement
- Others: Human resources analysis
- AML/CFT procedures in place

There are no restrictions placed on the internal auditors in conducting their audit exercises.

7.2 External Auditor

The current auditor is BDO & Co and has been appointed in June 2018 and the tenure of office will be 7 years pursuant to section 41A of the Financial Reporting Act regarding listed entities.

The Board receives reports from the Fund's external auditor. The external auditors did not carry out non-audit services for the Fund during the financial year under review.

The Board recommends the appointment of external auditors to the shareholder.

The Board also evaluates the performance of the External Auditor and reviews the integrity, independence and objectivity of the External Auditor by:

- Confirming that the External Auditor is independent from the Fund
- Considering whether the relationships that may exist between the Fund and the External Auditor impair the External Auditor's judgement

The Board will recommend that the audit firm for the Fund be rotated every seven years.

7.3 Auditor's Fees

The fees payable to the auditor, for audit for the year under review were as follows:

	2024	2023
	USD	USD
Audit fees - BDO & Co - Yearly Audit	**4,934**	4,485
	4,934	4,485

Fees are inclusive of VAT. No other services have been provided by the auditor for the year under review.

8. RELATIONS WITH THE SHAREHOLDER AND OTHER KEY STAKEHOLDERS

Shareholders are kept properly informed on matters affecting the Fund. The annual meeting of shareholder is held in accordance with the Act and upon consultation with the shareholder. Notices for the annual meeting and other shareholder meetings are duly sent to the shareholder.

The Fund's website is used to provide relevant information to other stakeholders. Open lines of communication are maintained to ensure transparency and optimal disclosure.

8.1 Shareholders Agreement Affecting The Governance of the Fund by the Board

There is currently no such agreement.

8.2 Major Transaction

No major transaction as defined under section 130(2) of the Act was undertaken.

8.3 Third Party Management Agreement

(a) Investment Management Agreement

The Fund has entered into an investment management agreement with the Manager which gives the latter full power to administer, supervise and direct the acquisition and/or disposal (by whatever means) of the Fund's investments subject to and in compliance with the investment objectives and in light of any reasonable instructions that may be given by the Board. The Manager fulfils additional duties and reporting obligations including:

(i) To provide instructions with respect to the execution of purchases and sales of investments on behalf of the Fund as it deems to be in the best interests of the Fund;
(ii) To make all material disclosures to the Fund regarding itself and its members, managers, partners, officers, directors, shareholders, employees, affiliates or any person who controls any of the foregoing, their investment performance and general investment methods, the investment performance of their customer accounts;
(iii) To maintain a continuous record of all investments and securities acquired by the Fund and with respect to all transactions effected by it or on behalf of the Fund in accordance with such regulatory and reporting requirements of the FSC and such other relevant authorities;
(iv) To maintain such books and records as are appropriate, check all periodical reports, transaction advice and/or statements received from time to time from the Custodian and shall render to the Fund such periodic and special reports as the Fund may reasonably request from time to time;
(v) To deal with applications for shares of the Fund and cause for the issue of shares duly subscribed for;
(vi) To calculate the Net Asset Value of the Participating Shares; and
(vii) To perform (by itself or through other service providers) all administrative services required by the Fund and engage in any other lawful activities.

(b) Registrar

The Fund has appointed MCB Registry and Securities Ltd as its registrar (the "Registrar"). The Registrar is incorporated under the laws of Mauritius and is licensed by the FSC as a Registrar and Transfer Agent. The duties of the Registrar include:

(i) Maintaining, in relation to each class of shares, the register of shareholders of the Fund and generally performing all actions related to the issuance and transfer of Participating Shares and the safe-keeping of certificates, if any;
(ii) Recording in the register all redemption and/or issue of Participating Shares;
(iii) Dealing with and replying to all correspondence and other communications addressed to the Fund in relation to the replacement or transfer of Participating Shares; and
(iv) Performing all other incidental services necessary to its duties, which duties are set out in the registrar and transfer agent agreement.

(c) Corporate Secretary

Apex Fund & Corporate Services (Mauritius) Ltd has been appointed corporate secretary. The Corporate Secretary is incorporated under the laws of Mauritius and is licensed by the FSC as a Management Company to, inter alia, provide company management services to global business companies. The duties of the Corporate Secretary include:

(i) Providing guidance to the Board relating to their duties, responsibilities and powers;
(ii) Informing the Board of all legislation pertaining to meetings of the shareholders and the Board;
(iii) Ensuring that the minutes of all meetings of shareholders and Board are properly recorded, and that all statutory registers are properly maintained; and
(iv) Certifying in the annual financial statements, that the Fund has filed with the Registrar of Companies all such returns as are and may be required under Mauritian laws.

8.4 Shareholders holding more than 5% of the Fund

Holders of Management Shares as at June 30, 2024	
MCB Investment Management Co. Ltd	100.0%

Mr. Patrick Eric Ronald Lam Yan Foon is a director of the Fund, the Manager and MCBCM.

8.5 Share Option Plan

No such scheme currently exists within the Fund.

8.6 Timetable of important events

The Board aims to hold board meetings at least four times a year. Annual Meeting of Shareholders is usually held in November/ December.

8.7 Distribution Policy

The holder of Management Share does not have any rights to dividends whereas holders of Redeemable Participating Shares are entitled to distribution twice a year (subject to solvency requirements).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors collectively as a Board acknowledge their responsibilities for the following and state that:

(i) the financial statements fairly present the state of affairs of the Fund as at the end of the financial year and the result of operations and cash flows for the year:
(ii) adequate accounting records and effective internal control systems and risk management have been maintained;
(iii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
(iv) the financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standard (IAS), the Mauritius Companies Act 2001 and the Mauritius Financial Reporting Act 2004;
(v) the financial statements have been prepared on a going concern basis;
(vi) they are responsible for safeguarding the assets of the Fund;
(vii) they are responsible for leading and controlling the organization and meeting all legal and regulatory requirements;
(viii) they have taken reasonable steps for the prevention and detection of fraud and other irregularities.

The external auditor is responsible for reporting on whether the financial statements are fairly presented.

Having taken all the matters considered by the Board and brought to the attention of the Board during the year into account, we are satisfied that the annual report and financial statements taken as a whole are fair, balanced and understandable.

For and on behalf of the board of directors:

....
Ms Medina Sarah Torabally
Director

....
Mr Krishen Patten
Director

Date: September 26, 2024

AFRICAN DOMESTIC BOND FUND

STATEMENT OF COMPLIANCE
FOR THE YEAR ENDED JUNE 30, 2024

STATEMENT OF COMPLIANCE FOR THE YEAR ENDED JUNE 30, 2024

As per circular letter issued by the FSC on October 28, 2021.

Name of Fund	: African Domestic Bond Fund
Reporting Period	: July 01, 2023 to June 30, 2024

We, the directors of African Domestic Bond Fund, confirm to the best of our knowledge that the Fund has complied with all of its obligations and requirements under the Code of Corporate Governance except for certain sections as mentioned and explained in section 1.2 of the Corporate Governance Report.

Signed for and on behalf of the Board of Directors on September 26, 2024.

....	....
Ms Medina Sarah Toraballly	Mr Krishen Patten
Director	**Director**

AFRICAN DOMESTIC BOND FUND

MANAGER'S REPORT

FOR THE YEAR ENDED JUNE 30, 2024

Performance Review

As at June 30, 2024 , the Fund size stood at USD 32.3m. During the year, the Fund posted a return of -5.8%, while the benchmark returned -3.2% in USD. The Fund paid a dividend USD 0.57 during FY24, translating to a dividend yield of 9.44% as at June 2024.

Portfolio Review

The Fund invests in local currency government and quasi-government bonds of African countries and seeks to provide investment returns that corresponds closely to the return of the AfDB/AFMISM Bloomberg® African Bond Index 25% Capped ("Index"), before fees and expenses.

Portfolio characteristics as at the end of June 2024 are shown below:

Statistic	Fund	Benchmark
Modified duration (Years)	4.57	4.54
No. of bonds	71	497
Current Yield %	10.4%	13.2%

Country allocation in Fund as at June 2024:

Country	Fund allocation	Benchmark
Egypt	18.4%	16.3%
Nigeria	6.5%	10.0%
South Africa	26.2%	25.3%
Kenya	9.9%	12.4%
Ghana	1.5%	0.9%
Zambia	8.3%	3.2%
Morocco	23.2%	25.0%
Mauritius	3.0%	3.5%
Namibia	2.0%	2.3%
Botswana	0.8%	1.3%

The Fund invests in Pan-African local currency government and quasi-government bonds on an unhedged basis and as a result provides access to a growing asset class that has significant performance tail winds and remains relatively uncorrelated to major asset classes. The ETF structure allows the Fund to do this in a liquid, transparent and cost-efficient manner. The Fund is exposed to interest and exchange rate risks from within the markets it invests in. The underlying universe is inherently diverse, with commodity exporters such as Nigeria, to commodity importers such as Egypt and well diversified economies in Kenya and South Africa to name a few, while remaining relatively uncorrelated to global asset classes at the same time.

The negative performance for the year was mostly driven by the devaluation of two major currencies in the Fund, namely the Nigerian Naira and the Egyptian Pound. In February, Nigeria devalued its currency for the second time in eight months, by nearly 40% to the dollar. In terms of liquidity, all the FX backlogs were cleared. The Egyptian authorities also devalued the pound to depreciate more than 60%. This was coupled with a hike of 600 basis points by the Central Bank of Egypt, with a view to improve Egypt's investment attractiveness and support the currency by raising real interest rate towards positive levels.

Post these two devaluations, the macro environment (potentially stable to lower inflation, interest rates and the US dollar) globally and in Africa points towards one where the probability of this Fund doing better is higher than one where it underperforms global peers. As an example, from mid March 2024 to end of June 2024, the Fund delivered a return of 6.05%, outperforming its global peers.

The Fund will maintains its overweight in South Africa and Egypt, reduce overweight in Zambia, remain underweight in Morocco, reduce underweight in Kenya, Nigeria and be neutral in Mauritius, Ghana and Botswana.

A. Ibrahim

MANAGER
For and on behalf of
MCB INVESTMENT MANAGEMENT CO. LTD

AFRICAN DOMESTIC BOND FUND

SECRETARY'S CERTIFICATE

FOR THE YEAR ENDED JUNE 30, 2024

Pursuant to section 166(d) of the Mauritius Companies Act 2001, we certify that, to the best of our knowledge and belief, the Fund has filed with the Registrar of Companies all such returns as are required under the Mauritius Companies Act 2001.

R. Bajnath

For and on behalf of

Apex Fund & Corporate Services (Mauritius) Ltd

Date: September 26, 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of African Domestic Bond Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of African Domestic Bond Fund (the "Fund"), set out on pages 20 to 46 which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to holders of redeemable participating shares, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and comply with the Mauritian Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code")*. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
To the Shareholders of African Domestic Bond Fund (continued)

Key Audit Matters (continued)

Refer to the significant accounting policies note 3(e), note 5 (Critical Accounting Estimates and judgements) and note 6 (Financial Assets at Fair Value through Profit or Loss) of the financial statements.

Key audit matter	How our audit addressed the key audit matter
Valuation of Financial Assets at fair value through profit or loss As at June 30, 2024, the Fund had investments in financial assets amounting to USD 32,224,162. The financial assets are classified as financial assets at fair value through profit or loss (FVTPL) and comprise of quoted foreign investment in bonds. Financial assets at FVTPL are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. In accordance with IFRS 13 *Fair Value Measurement,* the financial assets are a Level 1 fair value hierarchy since they have quoted prices (unadjusted) in active markets for identical assets. The carrying value of the financial assets is a significant item on the statement of financial position and is considered as a key audit matter.	- We obtained an understanding of the Fund's key processes for valuation of the bonds. - We ensured the existence and completeness of the bonds through independent confirmation. - We agreed the bond prices to Bloomberg platform. - We checked the mathematical accuracy of the fair valuation. - We ensured that the measurement basis for the valuation and the valuation method used were in accordance with IFRS Accounting Standards. - We reviewed and assessed the completeness of the disclosures in the financial statements for compliance with IFRS Accounting Standards.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report including Management and Administration, the Corporate Governance Report, Statement of Compliance, Manager's Report and the Secretary's Certificate, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of African Domestic Bond Fund (continued)

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of African Domestic Bond Fund (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001
The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have no relationship with, or interests in, the Fund, other than in our capacity as auditor, and dealings in the ordinary course of business.
- We have obtained all information and explanations we have required.
- In our opinion, proper accounting records have been kept by the Fund as far as it appears from our examination of those records.

Mauritian Financial Services Act 2007
Our responsibility under the Mauritian Financial Services Act 2007 Circular Letter CL281021 is to report on the compliance with the Code of Corporate Governance ("Code") disclosed in the Annual Report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the Annual Report, the Fund has complied with the requirements of the Code.

Other Matter

This report is made solely to the Fund's shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Fund's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

BDO & Co

BDO & Co
Chartered Accountants

Pravesh Mogun, FCCA
Licensed by FRC

Port Louis,
Republic of Mauritius

September 27, 2024

AFRICAN DOMESTIC BOND FUND
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Notes	2024 USD	2023 USD
ASSETS			
Other receivables	7	**8,346**	8,202
Current tax asset	13	**3,196**	-
Financial assets at fair value through profit or loss	6	**32,224,162**	35,993,701
Cash and cash equivalents	12(c)	**140,261**	2,279,340
Total assets		**32,375,965**	38,281,243
EQUITY			
Management share	10	**10**	10
LIABILITIES			
Other payables	11	**22,160**	30,848
Current tax liabilities	13(a)	**-**	7,839
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		**22,160**	38,687
Net assets attributable to holders of redeemable participating shares	9(iv)	**32,353,795**	38,242,546
Total liabilities		**32,375,955**	38,281,233
Total equity and liabilities		**32,375,965**	38,281,243
Net asset value per share	9(iv)	**6.06**	7.02

These financial statements have been approved for issue by the Board of Directors on: September 26, 2024

Ms Medina Sarah Torabally
Director

Mr Krishen Patten
Director

The notes on pages 24 to 46 form an integral part of these financial statements.
Independent auditor's report on pages 19 to 19 (c).

AFRICAN DOMESTIC BOND FUND

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Notes	2024	2023
		USD	USD
Income			
Interest on fixed income securities	3(c)	**3,785,922**	3,916,471
Bank interest		**526**	-
		3,786,448	3,916,471
Expenses			
Manager's fees	14(a)	**(105,884)**	(121,305)
Custodian's fees		**(69,784)**	(64,718)
Licence fees		**(34,695)**	(34,863)
Registrar's fees	14(b)	**(24,904)**	(28,338)
Other direct expenses		**(21,913)**	(30,571)
Professional fees		**(6,032)**	(5,899)
		(263,212)	(285,694)
Net Income		**3,523,236**	3,630,777
Fair value losses on financial assets	6	**(3,612,644)**	(11,733,501)
Foreign exchange gains/(losses)		**84,289**	(202,401)
(Losses)/Gains on disposal of financial assets		**(1,622,488)**	773,433
		(5,150,843)	(11,162,469)
Loss before distribution		**(1,627,607)**	(7,531,692)
Distribution to holders of redeemable participating shares	8	**(3,048,019)**	(3,839,640)
Loss before taxation		**(4,675,626)**	(11,371,332)
Taxation	13(b)	**(391,945)**	(348,930)
Loss for the year		**(5,067,571)**	(11,720,262)
Equalisation			
Income received on units created		**12,986**	315,310
Income paid on units liquidated		**(51,460)**	(34,859)
		(38,474)	280,451
Decrease in net assets attributable to holders of redeemable participating shares		**(5,106,045)**	(11,439,811)

The notes on pages 24 to 46 form an integral part of these financial statements.

Independent auditor's report on pages 19 to 19 (c).

AFRICAN DOMESTIC BOND FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR THE YEAR ENDED JUNE 30, 2024

	Notes	Total
		USD
At July 01, 2023		**38,242,546**
Issue of redeemable participating shares	9 (ii)	**1,295,895**
Redemption of redeemable participating shares	9 (ii)	**(2,078,601)**
Decrease in net assets attributable to holders of redeemable participating shares		**(5,106,045)**
At June 30, 2024		**32,353,795**
At July 01, 2022		43,030,767
Issue of redeemable participating shares	9 (ii)	7,764,258
Redemption of redeemable participating shares	9 (ii)	(1,112,668)
Decrease in net assets attributable to holders of redeemable participating shares		(11,439,811)
At June 30, 2023		38,242,546

The notes on pages 24 to 46 form an integral part of these financial statements.

Independent auditor's report on pages 19 to 19 (c).

AFRICAN DOMESTIC BOND FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	Notes	2024	2023
		USD	USD
Cash flows from operating activities			
Cash used in operations	12 (a)	**(271,518)**	(283,800)
Tax paid	13 (a)	**(402,980)**	(353,622)
Interest received on fixed income securities		**3,963,922**	3,903,055
Purchase of financial assets*		**(12,621,970)**	(11,364,263)
Proceeds from disposal of financial assets*		**10,978,377**	3,309,106
Net cash from/(used in) operating activities		**1,645,831**	(4,789,524)
Cash flows from financing activities			
Issue of redeemable participating shares	9 (ii)	**13,460**	6,925,037
Redemption of redeemable participating shares	9 (ii)	**(2,078,601)**	(1,112,668)
Income received on redeemable participating shares created		**12,986**	315,310
Income paid on redeemable participating shares liquidated		**(51,460)**	(34,859)
Distribution paid to holders of redeemable participating shares	8	**(1,765,584)**	(3,000,419)
Net cash (used in)/ from financing activities		**(3,869,199)**	3,092,401
Decrease in cash and cash equivalents		**(2,223,368)**	(1,697,123)
Movement in cash and cash equivalents			
At July 01,		**2,279,340**	4,178,864
Decrease in cash and cash equivalents		**(2,223,368)**	(1,697,123)
Effect of Foreign exchange difference		**84,289**	(202,401)
At June 30,	12(c)	**140,261**	2,279,340

* Purchase of financial assets and proceeds from disposal of financial assets have been reclassified from investing activities to operating activities due to the nature of business of the Fund.

The notes on pages 24 to 46 form an integral part of these financial statements.

Independent auditor's report on pages 19 to 19 (c).

1 OBJECTIVE

The Fund's objective is to track the performance of the AfDB/ AFMI Bloomberg African Bond Index (Bloomberg ticker: BADBC Index) which is a rules-based market value weighted composite index. The Fund is a foreign debt securities collective investment scheme and invests its assets principally in the sovereign bonds of African countries.

2 BASIS OF PREPARATION

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated and where necessary, comparative figures have been amended to conform with changes in presentation in the current year.

The financial statements of the Fund comply with the Mauritius Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention, except for financial assets at fair value through profit or loss which are stated at fair value(note 6).

The financial statements are presented in US Dollars (USD) and all values are rounded to the nearest dollar, except when otherwise indicated.

Standards, Amendments to published Standards and Interpretations effective in the reporting period

IFRS 17 *Insurance contracts*

IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS Accounting Standards. IFRS 17 requires an entity to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and take into account any uncertainty relating to insurance contracts. The financial statements of an entity will reflect the time value of money in estimated payments required to settle incurred claims. Insurance contracts are required to be measured based only on the obligations created by the contracts. An entity will be required to recognise profits as an insurance service is delivered, rather than on receipt of premiums. This standard replaces IFRS 4 – Insurance Contracts. The amendments have no impact on the Fund's financial statements.

IAS 1 Presentation of Financial Statements & IFRS Practice Statement 2 Making Materiality Judgements

Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material. These amendments have no effect on the measurement or presentation of any items of the Fund's financial statements but affect the disclosure of accounting policies of the Fund. During the year, only material accounting policy information is disclosed in the Fund's financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged. The amendments have no impact on the Fund's financial statements.

2 BASIS OF PREPARATION (CONT'D)

Standards, Amendments to published Standards and Interpretations effective in the reporting period (cont'd)

IAS 12 *Income Taxes*

Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items. The amendments have no impact on the Fund's financial statements.

International Tax Reform — Pillar Two Model Rules: The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes. The amendments have no impact on the Fund's financial statements.

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2024 or later periods, but which the Fund has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Effective date January 1, 2024

IAS 1 Presentation of Financial Statements

Classification of Liabilities as Current or Noncurrent: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.

Non-current Liabilities with Covenants: Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

IFRS 16 Leases

Lease Liability in a Sale and Leaseback: The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

IAS 7 Statement of Cash Flows & IFRS 7 Financial Instruments: Disclosures

Supplier Finance Arrangements: The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

2 BASIS OF PREPARATION (CONT'D)

Standards, Amendments to published Standards and Interpretations issued but not yet effective (cont'd)

Effective date January 1, 2025

IAS 21 The Effects of Changes in Foreign Exchange Rates
Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Effective date January 1, 2026

IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures
Classification and Measurement of Financial Instruments: The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Also, additional disclosures have been introduced for financial instruments with contingent features and equity instruments designated at fair value through other comprehensive income.

Effective date January 1, 2027

IFRS 18 Presentation and Disclosure in Financial Statements
Presentation and disclosure in financial statements: IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals presented within the statement of profit or loss within one of the following five categories – operating, investing, financing, income taxes, and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, it brings about consequential amendments to other accounting standards. This standard replaces IAS 1 - Presentation of Financial Statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures
Subsidiaries without Public Accountability: Disclosures: IFRS 19 is a non-mandatory standard. It specifies the disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS accounting standards. It allows eligible entities to benefit from reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent, intermediate parent or ultimate parent company produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The effective date of this amendment has been deferred indefinitely until further notice

IFRS 10 Consolidated Financial Statements
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

2 BASIS OF PREPARATION (CONT'D)

The effective date of this amendment has been deferred indefinitely until further notice (cont'd)

IAS 28 Investments in Associates and Joint Ventures
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

Where relevant, the Fund is still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

3 ACCOUNTING POLICIES

The accounting policies set out below have been consistently applied to all the years presented in these financial statements, unless otherwise stated.

(a) ***Financial assets***
Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI), and fair value through profit or loss.

The classification depends on the Fund's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Manager determines the classification of investments at initial recognition.

The Fund classifies its financial assets into one of the categories discussed below, depending on the business model assessment and contractual cashflows of the assets. The Fund's accounting policy for each category is as follows:

(i) Fair value through profit or loss

The Fund classifies the following financial assets at fair value through profit or loss (FVTPL):
- investment in debt instruments which are held for trading and elected to be classified as FVTPL by the directors
- debt investments that do not qualify for measurement at either amortised cost or FVOCIT

Financial assets at FVTPL are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss.

(ii) Amortised cost

These assets arise principally where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Fund's financial assets measured at amortised cost comprise cash and cash equivalents and other receivables (excluding prepayments) in the statement of financial position. Cash and cash equivalents include bank balances.

3 ACCOUNTING POLICIES (CONT'D)

(b) *Financial liabilities*

The Fund classifies its financial liabilities as follows:
- Other payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(c) *Management Share*

Management share is classified as equity. Incremental costs directly attributable to the issue of management share is recognised as a deduction from equity, net of any tax effects.

(d) *Redeemable participating Shares*

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Redeemable Participating Shares are the most subordinate classes of financial instruments in the Fund and rank pari passu in all material respects and have the same terms and conditions. The Participating Shares provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at each redemption date being every business day and also in the event of the Fund's liquidation.

The Redeemable Participating Shares are classified as financial liabilities and are measured at the present value of the redemption amounts.

(e) *Foreign currencies*

(i) Functional and presentation currency

The financial statements are presented in US Dollars (USD), which is the Fund's functional and presentation currency. The Fund's business or other activity is carried out in a currency other than the Mauritian rupee, which is a requirement of the Mauritius Financial Services Act 2007. Subscriptions and redemptions of the redeemable participating shares in the Fund are denominated in US Dollar. The performance of the Fund is measured and reported to the investors in USD. The Board of Directors considers the USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency of the Fund using the mid-exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end mid-exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

Foreign exchange gains and losses that relate to cash and cash equivalents and all other foreign exchange gains and losses are presented in profit or loss within 'foreign exchange gains/(losses)'.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate prevailing at the date that their fair value are determined.

3 ACCOUNTING POLICIES (CONT'D)

(f) *Fees and other expenses*

Fees and other expenses are recognised in profit or loss on an accrual basis.

(g) *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the

Interest income is recognised in profit or loss as it accrues.

(h) Current and deferred income tax

Current tax
The current income tax is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using the tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable amount will be available against which deductible temporary differences and losses can be utilised.

4 FINANCIAL RISK MANAGEMENT

(a) Fair value estimation
Except where stated elsewhere, the carrying amounts of the Fund's financial assets and financial liabilities approximate their fair value.

(b) Financial risk factors
The Fund's activities expose it to a variety of financial risks, including:
- Foreign currency risk;
- Liquidity risk ;
- Price risk; and
- Credit risk

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Fund's returns, competitiveness and flexibility.

A description of the significant risk factors is given below together with the risk management policies applicable.

Foreign currency risk
The Fund operates internationally and is exposed to foreign exchange risks arising from various currency exposures. Appropriate diversification is ensured through the investment policy and guidelines approved by the Fund's Board of Directors. The currency profile is disclosed in note 16 (c).

Liquidity risk
Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

4 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk factors (cont'd)

Liquidity risk (cont'd)

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the ability to close out market positions. The Fund keeps a minimum cash ratio and invests primarily in easily marketable securities to meet any redemptions.

The following are the contractual maturities of financial assets and financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

As at June 30, 2024	On demand	Less than 1 year	Total
	USD	USD	USD
Financial assets			
Financial assets at fair value through profit or loss	**32,224,162**	**-**	**32,224,162**
Other receivables*	**10**	**-**	**10**
Cash and cash equivalents	**140,261**	**-**	**140,261**
	32,364,433	**-**	**32,364,433**
Financial liabilities			
Other payables	**22,160**	**-**	**22,160**
Net assets attributable to holders of redeemable participating shares	**32,353,795**	**-**	**32,353,795**
	32,375,955	**-**	**32,375,955**
Net position	**(11,522)**	**-**	**(11,522)**

As at June 30, 2023	On demand	Less than 1 year	Total
	USD	USD	USD
Financial assets			
Financial assets at fair value through profit or loss	35,993,701	-	35,993,701
Other receivables*	10	-	10
Cash and cash equivalents	2,279,340	-	2,279,340
	38,273,051	-	38,273,051
Financial liabilities			
Other payables	30,848	-	30,848
Net assets attributable to holders of redeemable participating shares	38,242,546	-	38,242,546
	38,273,394	-	38,273,394
Net position	(343)	-	(343)

*Expenses prepaid of USD 8,296 (2023: USD 8,192) and current tax asset of USD 3,196 (2023: USD Nil) have been excluded from other receivables.

4 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk factors (cont'd)

Price risk

The Fund is exposed to price risk, i.e., the risk that the value of the financial instruments will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded on the market. Appropriate diversification is ensured through the investment policy and guidelines approved by the Fund's Board of Directors.

To manage its price risk arising from investments in securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Fund. The sensitivity analysis is disclosed in note 16 (d).

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. It arises principally from debt securities held and cash and cash equivalents.

A significant amount of cash is held with the following institutions:

	Rating	2024	2023
		USD	USD
The Mauritius Commercial Bank Ltd.	Baa3	15,962	80,576
Standard Chartered Bank (Mauritius) Limited	A1	124,299	2,198,764
		140,261	2,279,340

A Fund could lose money if the issuer or guarantor of a fixed income security (including a security purchased with securities lending collateral), or the counterparty to a derivative contract, repurchase agreement or a loan of portfolio securities, is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to make timely principal and/or interest payments, or to otherwise honour its obligations. The downgrade of the credit of a security held by the Fund may decrease its value. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings.

The Fund invests in investment grade and unrated securities issued by corporates, governments and government-backed institutions.

At June 30, 2024 and 2023, the Fund has invested in debt securities with the following credit quality:

Rating	2024	2023
A1	0.18%	0.04%
Baa3	0.02%	1.16%
BBB	3.80%	3.40%
BB	51.40%	46.80%
B	34.80%	36.40%
CCC	9.80%	12.20%
Total	**100.00%**	100.00%

The Board and the manager monitors the credit ratings of counterparties regularly and at the reporting date does not expect any lossess from non-performance by the counterparties. For all financial assets to which the impairment requirements have not been applied, the carrying amount represents the maximum exposure to credit loss.

4 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk factors (cont'd)

Interest rate risk

The Fund is exposed to the risk that the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates.

Duration is a measure used to determine the sensitivity of a security's price to changes in interest rates. The longer a security's duration, the more sensitive it will be to changes in interest rates. Duration is proportional to the time to maturity of a security and inversely proportional to the magnitude of the coupon. The duration of securities whose cash flows fluctuate, such as inflation linked bonds, will change as the cash flow profile changes. The board and the manager mitigate interest rate risk by investing in instrument with fixed interest rate.

(c) *Capital management*

The capital of the Fund is represented by the net assets attributable to holders of redeemable participating shares.

The Redeemable Participating Shares issued by the Fund provide an investor with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at each redemption date being every business day and are classified as liabilities. See note 9 for a description of the terms of the Redeemable Participating Shares issued by the Fund.

The Fund's objectives in managing the Participating Shares are to ensure a stable base to maximise returns to all investors, and to manage liquidity risk arising from redemptions.

The Fund is not subject to any externally imposed capital requirements.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and the other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Election of debt instrument classified as FVTPL

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVTPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises.

6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	USD	USD
At July 01,	**34,624,047**	39,244,856
Additions during the year	**12,621,970**	9,648,365
Disposal during the year	**(15,101,061)**	(3,562,517)
Fair value losses on financial assets	**(3,612,644)**	(11,733,501)
Fair value release on disposal	**2,500,196**	1,026,844
	31,032,508	34,624,047
Interest receivable	**1,191,654**	1,369,654
At June 30,	**32,224,162**	35,993,701

(i) Fair value for the above investments was determined by reference to published price quotations in an active market (classified as level 1 in the fair value hierarchy) as disclosed in note 16(a).

(ii) The maximum exposure to credit risk is USD 32,224,162 (2023: USD 35,993,701)

(iii) Credit risk from government bonds is low and as such all changes in fair value are attributable to changes in markets conditions.

7 OTHER RECEIVABLES

	2024	2023
	USD	USD
Share capital receivable (note 10)	**10**	10
Other receivable	**40**	-
Prepayments	**8,296**	8,192
	8,346	8,202

The carrying amounts of other receivables (prepayments) approximate their fair values and do not contain impaired balances. The Fund does not hold any collateral as security.

8 DISTRIBUTION TO REDEEMABLE PARTICIPATING SHAREHOLDERS

	2024	2023
	USD	USD
Distribution declared during the year	**3,048,019**	3,839,640
Distribution paid during the year	**1,765,584**	3,000,419
Distribution re-invested during the year (note 9 (ii))	**1,282,435**	839,221
	3,048,019	3,839,640
Interim per unit	**0.28**	0.44
Final per unit	**0.29**	0.30
	0.57	0.74

On April 06, 2021, the Board approved and implemented a dividend reinvestment plan, whereby investors have the option to reinvest their dividends in the Fund automatically by completing an Election Form available online at www.mcbcapitalmarkets.mu and returning it by e-mail to contact.rs@mcbcm.mu or to MCB Registry & Securities Ltd, Sir William Newton Street, Port Louis, Mauritius.

9 MOVEMENT IN REDEEMABLE PARTICIPATING SHARES

Issued and fully paid

		2024	2023
		No. of Shares	No. of Shares
(i)	At July 01,	**5,444,956**	4,611,648
	Issue of shares during the year	**211,237**	970,163
	Redemption of shares during the year	**(319,029)**	(136,855)
	At June 30,	**5,337,164**	5,444,956

		2024	2023
		USD	USD
(ii)	At July 01,	**53,945,119**	47,293,529
	Issue of shares during the year - Cash consideration	**13,460**	6,925,037
	Issue of shares during the year - Non cash (note 8)	**1,282,435**	839,221
	Redemption of shares during the year	**(2,078,601)**	(1,112,668)
	At June 30,	**53,162,413**	53,945,119

The share capital of the Fund is denominated in USD and is made up of no par value shares. The Board may issue redeemable participating shares at any time and there is no limit on the number of shares to be issued.

(iii) Class Rights

Rights of Redeemable Participating Shares

(a) Voting rights
The holders of Redeemable Participating Shares shall not have the right to receive notice of meeting of shareholders of the Fund and shall have no right to vote at any such meetings and/or to approve any resolution of the Fund except in the circumstances permitted by the Constitution or required under Mauritian Law.

(b) Dividends
The holders of Redeemable Participating Shares shall have rights to dividends.

(c) Distribution of surplus assets
Upon winding up of the Fund, the holders of Redeemable Participating Shares shall have the right to a pro-rata share of any surplus assets of the Fund but in priority to the holder of Management Share in accordance with the Constitution.

(iv) Reconciliation of Net Assets and Net Asset Value per Share

In accordance with the Fund's Prospectus, the formation cost of the Fund is amortised over a period of five years for the purpose of calculating the issue and redemption prices of the participating shares.

	2024	2023
	USD	USD
Net Assets calculated as per Prospectus	**32,272,342**	38,228,488
Adjustments:		
Formation costs	**(1,021)**	(1,021)
Other receivable	**78,996**	15,004
Other payables	**11**	-
Tax liabilities	**3,467**	75
Net Assets as per Financial Reporting	**32,353,795**	38,242,546

9 MOVEMENT IN PARTICIPATING SHARES (CONT'D)

(iv) Reconciliation of Net Assets and Net Asset Value per Share (cont'd)

	Per Share	Per Share
	USD	USD
Net Assets per share calculated as per Prospectus	**6.05**	7.02
Adjustments:		
Formation costs	**(0.00)**	(0.00)
Other receivable	**0.01**	0.00
Other payables	**0.00**	-
Tax liabilities	**0.00**	0.000
Net Assets per share as per Financial Reporting	**6.06**	7.02

10 MANAGEMENT SHARE

One Management Share of USD 10 was issued by the Fund to MCB Investment Management Co. Ltd on incorporation. The management share is receivable at as June 30, 2024 as disclosed in note 7 to the annual report. The Board has issued Management Share only to the Manager at no par value.

The Board may issue management shares at any time and there is no limit on number of shares to be issued

Rights of Management Share

(a) Voting rights:
The holder of the Management Share shall have the right to receive notice of meeting of any meeting of the shareholders of the Fund and shall have all the voting rights of the Fund requiring shareholders' approval under the Act.

(b) Dividends:
The holder of the Management Share shall not have any rights to dividends.

(c) Distribution of surplus assets:
Upon winding up of the Fund, the holder of the Management Share shall have the right to receive an amount equal to the sums paid up on such Management Share but after payment to the holders of Participating Shares in accordance with the Constitution.

The Management Share shall be non-redeemable.

11 OTHER PAYABLES

	2024	2023
	USD	USD
Manager's fees payable	**7,817**	9,373
Registrar's fees payable	**1,798**	2,156
Custodian's fees payable	**4,290**	4,808
Index provider fee payable	**3,126**	9,382
Professional fees payable	**5,129**	5,129
	22,160	30,848

12 NOTES TO THE STATEMENT OF CASH FLOWS

	Notes	2024	2023
		USD	USD
(a) Cash used in operations			
Loss before taxation		**(4,675,626)**	(11,371,332)
Adjustments for:			
Distribution to holders of redeemable participating shares	8	**3,048,019**	3,839,640
Fair value losses on financial assets	6	**3,612,644**	11,733,501
Foreign exchange (gains)/losses		**(84,289)**	202,401
Losses/(Gains) on disposal of financial assets		**1,622,488**	(773,433)
Interest income on fixed income securities		**(3,785,922)**	(3,916,471)
		(262,686)	(285,694)
Changes in working capital:			
Other receivables		**(144)**	(59)
Other payables		**(8,688)**	1,953
Cash used in operations		**(271,518)**	(283,800)

	2024	2023
(c) Cash and cash equivalents	USD	USD
Cash at bank	**140,261**	2,279,340

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, no impairment loss was recognised during the year.

13 INCOME TAX

The Fund is a tax resident company in Mauritius and under current laws and regulations is liable to pay tax on its net income at a rate of 15%. The Fund is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Fund's tax liability computed at 15% on such income, or (b) an 80% exemption on its income other than interest which qualifies for an 95% exemption as per the Second Schedule of the Income Tax Act 1995.

(a) In the Statement of Financial Position

	2024	2023
	USD	USD
At July 01,	**7,839**	12,531
Charge for the year	**391,945**	348,930
Paid during the year	**(402,980)**	(353,622)
At June 30,	**(3,196)**	7,839

(b) In the Statement of Profit or Loss and other Comprehensive Income

The tax on the Fund's loss before tax differs from the theoretical amount that would arise using the basic tax rate of the Fund as follows:

	2024	2023
	USD	USD
Loss after distribution and before taxation	**(4,675,626)**	(11,371,332)
Tax calculated at a rate of 15% (2023 : 15%)	**(701,344)**	(1,705,700)
Tax effect on:		
Expenses not deductible for tax purposes	**1,262,367**	2,252,890
Income not subject to tax	**(292,562)**	(264,261)
Relief on foreign tax suffered	**(252,251)**	(225,097)
Withholding tax suffered	**375,735**	291,098
Tax charge	**391,945**	348,930

Expenses not deductible for tax purposes relates to fair value loss on financial assets, distribution to holders of redeemable participating shares and expenses relating to exempt income.

Income not subject to tax relates to exempt income as per the Second Schedule of the Income Tax Act 1995. The withholding tax suffered was incurred on the interest received.

14 RELATED PARTY TRANSACTIONS

The transactions of the Fund with parties related to the Manager during the years 2024 and 2023 are as follows:

(a) Manager's Fees

The Fund appointed MCB Investment Management Co. Ltd to implement the investment strategy as specified in the Prospectus. MCB Group Limited is the ultimate holding company of the Manager. The investment management fees are detailed below:

14 RELATED PARTY TRANSACTIONS (CONT'D)

(a) Manager's Fees (cont'd)

	2024	2023
	USD	USD
MCB Investment Management Co. Ltd	**105,884**	121,305

(b) Registrar Fees

MCB Registry & Securities Ltd, which is an entity under common control, acts as the Registrar and Transfer Agent of the Fund. MCB Group Limited is the ultimate holding company of the Registrar. The Registrar fees are detailed below:

	2024	2023
	USD	USD
MCB Registry & Securities Ltd	**24,904**	28,338

(c) Key Management Personnel (including Directors' Remuneration)

	2024	2023
	USD	USD
Directors fees	**903**	654

There is no personnel compensation for short-term employee benefits, post-employment benefits, long term benefits, termination benefits and share-based payment.

(d) Outstanding balances as at June 30,

	2024	2023
	USD	USD
Payables to related parties:		
-MCB Investment Management Co. Ltd	**7,817**	9,373
-MCB Registry & Securities Ltd	**1,798**	2,156
	9,615	11,529
Receivable from related party:		
-MCB Investment Management Co. Ltd	**10**	10

-The above transactions reflect the commercial objective of the Fund and occurred in the normal course of business.

-There has been no guarantees provided or received for any related party receivables or payables.

-The outstanding balances as at year end are unsecured, interest free and repayable on demand.

-Settlement for the above balances occurs in cash.

14 RELATED PARTY TRANSACTIONS (CONT'D)

(e) Bank balances

	2024	2023
	USD	USD
The Mauritius Commercial Bank Ltd	**15,962**	80,576

15 EVENTS AFTER THE REPORTING PERIOD

In July 2024, the Finance (Miscellaneous Provisions) Act 2024 was promulgated into law and requires the Fund to pay a Corporate Climate responsibility ("CCR") Levy equivalent to 2 per cent of its chargeable income. The levy will be paid in respect of the year of assessment commencing on 1 July 2024. This has been deemed to be a non-adjusting event. The CCR levy to be paid for year of assessment commencing July 2024 is USD 2,161 (2023: Nil).

AFRICAN DOMESTIC BOND FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

16 (a) Schedule of investments as at

June 30, 2023 Market Value (USD)	Security Description	June 30, 2024 Market Value (USD)	% of Net Assets
	Quoted Foreign Fixed Income Securities		
231,049	Botswana Government Bond - 7.75% - 10-Sep-31	247,264	0.76%
-	Egypt Government Bond - 13.564% - 14-Jan-2030	33,672	0.10%
1,766,790	Egypt Government Bond - 13.973% - 04-Feb-2023	-	-
173,822	Egypt Government Bond - 14.06% - 12-Jan-2026	1,172,027	3.62%
851,135	Egypt Government Bond - 14.217% - 15-Oct-2026	112,503	0.35%
105,950	Egypt Government Bond - 14.313% - 13-Oct-2023	-	-
798,492	Egypt Government Bond - 14.382% - 12-Jan-2031	64,795	0.20%
109,542	Egypt Government Bond - 14.35%- 10-Sep-2024	601,377	1.86%
271,850	Egypt Government Bond - 14.40% - 10-Sep-2029	68,000	0.21%
488,672	Egypt Government Bond - 14.50% - 20-Feb-2025	183,870	0.57%
733,042	Egypt Government Bond - 14.522% - 04-Jan-2025	333,249	1.03%
50,981	Egypt Government Bond - 14.531% - 14-Sep-2024	178,653	0.55%
63,715	Egypt Government Bond - 14.556% - 13-Oct-2027	468,266	1.45%
357,672	Egypt Government Bond - 15.70% - 07-Nov-2027	33,074	0.10%
256,253	Egypt Government Bond - 16.10% - 07-May-2029	39,447	0.12%
345,548	Egypt Government Bond - 16.50% - 02-Apr-2026	232,870	0.72%
159,634	Egypt Government Bond - 17.18% - 09-May-2027	161,119	0.50%
54,292	Egypt Treasury Bill - 04-Mar-2025	2,072,592	6.41%
862,547	Egypt Treasury Bill - 16-Jan-2024	-	-
73,955	Ghana Government Bond - 8.35% - 16-Feb-2027	54,449	0.17%
73,955	Ghana Government Bond - 8.5% - 15-Feb-2028	47,311	0.15%
73,955	Ghana Government Bond - 8.65% - 13-Feb-2029	42,016	0.13%
73,955	Ghana Government Bond - 8.8% - 12-Feb-2030	38,116	0.12%
65,738	Ghana Government Bond - 8.95% - 11-Feb-2031	31,353	0.10%
65,738	Ghana Government Bond - 9.10% - 10-Feb-2032	29,535	0.09%
65,738	Ghana Government Bond - 9.25% - 08-Feb-2033	28,256	0.09%
65,738	Ghana Government Bond - 9.40% - 07-Feb-2034	27,384	0.08%
65,738	Ghana Government Bond - 9.55% - 06-Feb-2035	26,820	0.08%
65,738	Ghana Government Bond - 9.7% - 05-Feb-2036	26,490	0.08%
65,738	Ghana Government Bond - 9.85% - 03-Feb-2037	26,338	0.08%
65,738	Ghana Government Bond - 10% - 02-Feb-2038	26,320	0.08%
778,227	Kenya Government Bond - 11.75% - 08-Oct-2035	804,770	2.49%
599,184	Kenya Infrastructure Bond - 11.95% - 25-Oct-2038	623,481	1.93%
166,948	Kenya Infrastructure Bond - 12.20% - 22-Feb-2044	169,588	0.52%
769,644	Kenya Infrastructure Bond - 12.667% - 21-Mar-2039	790,049	2.44%
90,519	Kenya Infrastructure Bond - 12.737% - 18-Aug-2042	287,452	0.89%
147,391	Kenya Infrastructure Bond - 13.742% - 21-May-2040	150,018	0.46%
-	Kenya Infrastructure Bond - 18.4607% - 09-Aug-2032	251,578	0.78%
424,905	Mauritius Government Bond - 4.79% - 05-Aug-2032	419,250	1.30%
514,180	Mauritius Government Bond - 5.24% - 30-Sep-2042	498,924	1.54%
-	Mauritius Government Bond - 5.50% - 30-May-2044	20,893	0.06%
965,170	Morocco Government Bond - 2.05% - 20-Apr-2026	2,415,337	7.47%
2,121,684	Morocco Government Bond - 2.30% - 16-Jun-2031	2,218,087	6.86%

16 (a) Schedule of investments as at (cont'd)

June 30, 2023 Market Value (USD)	Security Description	June 30, 2024 Market Value (USD)	% of Net Assets
641,804	Morocco Government Bond - 2.70% - 17-Jun-2030	673,475	2.08%
1,795,510	Morocco Government Bond - 2.85% - 15-Apr-2024	-	-
880,191	Morocco Government Bond - 3.00% - 16-Jul-2035	945,487	2.92%
365,404	Morocco Government Bond - 4.00% - 14-Feb-2050	406,364	1.26%
-	Morocco Government Bond - 4.75% - 14-Mar-2039	563,417	1.74%
584,922	Namibia Government Bond - 9% - 15-Apr-2032	638,677	1.97%
492,178	Nigeria Government Bond - 12.1493% - 18-Jul-2034	192,762	0.60%
400,454	Nigeria Government Bond - 12.40% - 18-Mar-2036	161,330	0.50%
292,356	Nigeria Government Bond - 12.50% - 22-Jan-2026	127,660	0.39%
302,088	Nigeria Government Bond - 12.98% - 27-Mar-2050	133,498	0.41%
-	Nigeria Government Bond - 13% - 21-Jan-2042	81,973	0.25%
397,213	Nigeria Government Bond - 13.98% - 23-Feb-2028	165,064	0.51%
203,548	Nigeria Government Bond - 14.20% - 14-Mar-2024	-	-
204,252	Nigeria Government Bond - 14.80% - 26-Apr-2049	129,000	0.40%
-	Nigeria Government Bond - 16.25% - 18-Apr-2037	125,225	0.39%
122,586	Nigeria Government Bond - 16.2884% - 17-Mar-2027	50,373	0.16%
-	Nigeria Government Bond - 19.0% - 21-Feb-2034	52,791	0.16%
-	Nigeria Government Bond - 19.89% - 15-May-2033	627,425	1.94%
-	NIGERIA Treasury Bill - 0.001% - 06-Feb-2025	165,757	0.51%
306,291	Republic Of South Africa - 6.25% - 31-Mar-2036	331,214	1.02%
293,679	Republic Of South Africa - 6.50% - 28-Feb-2041	202,070	0.62%
594,821	Republic Of South Africa - 7.00% - 28-Feb-2031	645,676	2.00%
1,793,805	Republic Of South Africa - 8.00% - 31-Jan-2030	1,172,560	3.62%
1,076,446	Republic Of South Africa - 8.25% -31-Mar-2032	1,156,820	3.58%
918,695	Republic Of South Africa - 8.50% - 31-Jan-2037	979,693	3.03%
728,184	Republic Of South Africa - 8.75% -31-Jan-2044	668,150	2.07%
1,144,690	Republic Of South Africa - 8.75% -28-Feb-2048	1,114,716	3.45%
900,189	Republic Of South Africa - 8.875% -28-Feb-2035	962,752	2.98%
616,281	Republic Of South Africa - 9.00% -31-Jan-2040	841,310	2.60%
1,635,538	Republic Of South Africa - 10.50% -21-Dec-2026	-	-
-	Republic of South Africa -11.625% - 31-Mar-2053	85,281	0.26%
2,657,408	Zambia Government Bond - 13.00% - 25-Jan-2031	2,189,395	6.77%
194,952	Zambia Government Bond - 13.00% - 03-Apr-2033	386,000	1.19%
34,624,047	**TOTAL QUOTED FOREIGN FIXED INCOME SECURITIES**	**31,032,508**	**95.92%**
1,369,654	**TOTAL INTEREST RECEIVABLE**	1,191,654	3.68%
35,993,701	**TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**	**32,224,162**	99.60%
2,248,855	OTHER ASSETS AND LIABILITIES	129,643	0.40%
38,242,556	**NET ASSETS**	**32,353,805**	**100.00%**

16 (b) Categories of financial instruments

Assets and liabilities classified by currencies

	BWP USD	EGP USD	GHS USD	KES USD	MAD USD	MUR USD	NAD USD	NGN USD	ZAR USD	ZMW USD	USD USD	Total USD
At June 30, 2024												
At Amortised Cost												
Other receivables	-	-	-	-	-	-	-	-	-	-	8,346	8,346
Current tax asset	-	-	-	-	-	-	-	-	-	-	3,196	3,196
Cash and cash equivalents	-	-	48,707	12,510	-	2,524	-	108	41	-	76,371	140,261
At Fair Value Through Profit or Loss												
Financial assets at fair value through profit or loss	253,055	6,100,736	437,199	3,176,516	7,293,891	954,183	651,409	2,110,066	8,463,433	2,783,674	-	32,224,162
Total assets	**253,055**	**6,100,736**	**485,906**	**3,189,026**	**7,293,891**	**956,707**	**651,409**	**2,110,174**	**8,463,474**	**2,783,674**	**87,913**	**32,375,965**
At Amortised Cost												
Other payables	-	-	-	-	-	-	-	-	-	-	22,160	22,160
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	-	-	-	-	-	32,353,795	32,353,795
Total liabilities	-	-	-	-	-	-	-	-	-	-	**32,375,955**	**32,375,955**
At June 30, 2023												
At Amortised Cost												
Other receivables	-	-	-	-	-	-	-	-	-	-	8,202	8,202
Cash and cash equivalents	17,136	244,458	-	53,807	130,069	25,652	1,897	513,641	83,194	735,625	473,861	2,279,340
At Fair Value Through Profit or Loss												
Financial assets at fair value through profit or loss	236,864	7,904,762	864,395	2,620,217	6,841,889	954,510	597,211	2,524,622	10,334,210	3,115,021	-	35,993,701
Total assets	254,000	8,149,220	864,395	2,674,024	6,971,958	980,162	599,108	3,038,263	10,417,404	3,850,646	482,063	38,281,243
At Amortised Cost												
Other payables	-	-	-	-	-	-	-	-	-	-	38,687	38,687
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	-	-	-	-	-	38,242,546	38,242,546
Total liabilities	-	-	-	-	-	-	-	-	-	-	38,281,233	38,281,233

16 (c) Currency profile sensitivity analysis

June 30, 2023 Market Value (USD)	Currency Profile	June 30, 2024 Market Value (USD)	% of Net Assets
254,000	BWP	253,055	0.78%
8,149,220	EGP	6,100,736	18.86%
864,395	GHS	485,906	1.50%
2,674,024	KES	3,189,026	9.86%
6,971,958	MAD	7,293,891	22.54%
980,162	MUR	956,707	2.96%
599,108	NAD	651,409	2.01%
3,038,263	NGN	2,110,174	6.52%
10,417,404	ZAR	8,463,474	26.16%
3,850,646	ZMW	2,783,674	8.60%
443,376	USD	65,753	0.20%
38,242,556	**NET ASSETS**	**32,353,805**	**100.0%**
	Fair Value Hierarchy		
35,993,701	Level 1	32,224,162	99.60%
35,993,701	**TOTAL MARKET VALUE OF INVESTMENTS**	**32,224,162**	**99.60%**

A reasonably possible strengthening/ weakening of the USD against BWP, EGP, GHS, KES, MAD, MUR, NAD, NGN, ZAR and ZMW at June 30, 2024 would have affected the measurement of financial instruments denominated in a foreign currency and affected loss by the amounts shown below.

The analysis is based on the assumption that the USD strengthened/weakened against the above currencies by 5% (2023: 5%) based on historical observation and its corresponding impact on loss/profit.

	Currency sensitivity	**June 30, 2024 Impact on Loss before taxation**	June 30, 2023 Impact on Loss before taxation
BWP	USD Weakened by 5%	lower by USD13k	lower by USD13k
BWP	USD Strengthened by 5%	higher by USD13k	higher by USD13k
EGP	USD Weakened by 5%	lower by USD305k	lower by USD408k
EGP	USD Strengthened by 5%	higher by USD305k	higher by USD408k
GHS	USD Weakened by 5%	lower by USD24k	lower by USD43k
GHS	USD Strengthened by 5%	higher by USD24k	higher by USD43k
KES	USD Weakened by 5%	lower by USD160k	lower by USD134k
KES	USD Strengthened by 5%	higher by USD160k	higher by USD134k
MAD	USD Weakened by 5%	lower by USD365k	lower by USD349k
MAD	USD Strengthened by 5%	higher by USD365k	higher by USD349k

16 (c) Currency profile sensitivity analysis (cont'd)

		June 30, 2024	June 30, 2023
		Impact on Loss before taxation	Impact on Loss before taxation
	Currency sensitivity (cont'd)		
MUR	USD Weakened by 5%	lower by USD48k	lower by USD49k
MUR	USD Strengthened by 5%	higher by USD48k	higher by USD49k
NAD	USD Weakened by 5%	lower by USD33k	lower by USD30k
NAD	USD Strengthened by 5%	higher by USD33k	higher by USD30k
NGN	USD Weakened by 5%	lower by USD106k	lower by USD152k
NGN	USD Strengthened by 5%	higher by USD106k	higher by USD152k
ZAR	USD Weakened by 5%	lower by USD423k	lower by USD521k
ZAR	USD Strengthened by 5%	higher by USD423k	higher by USD521k
ZMW	USD Weakened by 5%	lower by USD139k	lower by USD193k
ZMW	USD Strengthened by 5%	higher by USD139k	higher by USD193k

The above reflects the impact on changes in USD against other currencies, with all other variables held constant, mainly as a result of retranslation of foreign currency denominated bank balances and financial assets on profit or loss before taxation.

16 (d) Price risk sensitivity analysis

The Fund is also exposed to price risk with the incidence of the market price of debt instrument held. The table below summarises the impact of increases/(decreases) in the debt instrument price of the Fund. The analysis is based on the assumption that the price increases/decreases by 10% (2023: 10%) based on historical observation and its corresponding impact on loss/profit.

	June 30, 2024	June 30, 2023
	Impact on Loss before taxation	Impact on Loss before taxation
Market price sensitivity		
Increase in fair value by 10%	lower by USD3,103k	lower by USD3,462k
Decrease in fair value by 10%	higher by USD3,103k	higher by USD3,462k

The above reflects the impact of changes in market price, with all other variables held constant, on profit or loss before taxation.

AFRICAN DOMESTIC BOND FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

THREE YEARS SUMMARY OF PUBLISHED RESULTS OF ASSETS AND LIABILITIES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	June 30, 2024 USD	June 30, 2023 USD	June 30, 2022 USD
Income	**3,786,448**	3,916,471	3,685,522
Expenses	**(263,212)**	(285,694)	(276,657)
Net Income	**3,523,236**	3,630,777	3,408,865
Fair value losses on financial assets	**(3,612,644)**	(11,733,501)	(5,920,931)
Foreign exchange gains/(losses)	**84,289**	(202,401)	(185,955)
(Losses)/Gains on disposal of financial assets	**(1,622,488)**	773,433	(118,079)
	(5,150,843)	(11,162,469)	(6,224,965)
Loss before distribution	**(1,627,607)**	(7,531,692)	(2,816,100)
Distribution to holders of redeemable participating shares	**(3,048,019)**	(3,839,640)	(3,133,423)
Loss before taxation	**(4,675,626)**	(11,371,332)	(5,949,523)
Taxation	**(391,945)**	(348,930)	(351,314)
Loss for the year	**(5,067,571)**	(11,720,262)	(6,300,837)
Equalisation			
Income received on units created	**12,986**	315,310	454,180
Income paid on units liquidated	**(51,460)**	(34,859)	(63,002)
	(38,474)	280,451	391,178
Decrease in net assets attributable to holders of redeemable participating shares	**(5,106,045)**	(11,439,811)	(5,909,659)

STATEMENT OF FINANCIAL POSITION

	June 30, 2024 USD	June 30, 2023 USD	June 30, 2022 USD
Total assets	**32,375,965**	38,281,243	44,788,101
Management share	**10**	10	10
Current liabilities	**22,160**	38,687	1,757,324
Net assets attributable to holders of redeemable participating shares	**32,353,795**	38,242,546	43,030,767
Total equity and liabilities	**32,375,965**	38,281,243	44,788,101
Net asset value per share	**6.06**	7.02	9.33

AFRICAN DOMESTIC BOND FUND

APPENDIX: STATEMENT OF FINANCIAL HIGHLIGHTS
FOR THE YEAR ENDED JUNE 30, 2024

Closing exchange rate:	**USD**
EGP	0.04950815
NGN	0.05496529
GHS	0.06545916
ZMW	0.04145078
KES	0.00773694
ZAR	0.05496529
MAD	0.10037339
BWP	0.07370011

Calculation notes:

$$\text{Management Expense Ratio (Total Expense Ratio)} = \frac{\text{Management \& Administration Expenses}}{\text{Daily Average Net Assets}}$$

$$\text{Portfolio Turnover Rate} = \frac{\text{(Purchases - Subscriptions) + (Disposals - Redemptions)}}{\text{Daily Average Net Assets}}$$

	Year ended June 30, 2024	Year ended June 30, 2023	Year ended June 30, 2022	Year ended June 30, 2021
	USD	USD	USD	USD
Opening net asset value	38,242,556	43,030,777	36,348,708	25,130,801
Total revenue	3,786,448	3,916,471	3,685,522	3,544,066
Total expenses	(655,157)	(634,624)	(627,971)	(513,526)
Realised (losses)/gains for the year	(1,622,488)	773,433	(118,079)	518,779
Unrealised (losses)/gains for the year	(3,528,355)	(11,935,902)	(6,106,886)	91,371
Distribution declared from net income	(3,048,019)	(3,839,640)	(3,133,423)	(3,419,965)
Income received on issue of shares	12,986	315,310	454,180	531,056
Income paid on disposal of shares	(51,460)	(34,859)	(63,002)	(38,749)
Total (decrease)/increase from operations	(5,106,045)	(11,439,811)	(5,909,659)	713,032
Net subscriptions	(782,706)	6,651,590	12,591,728	10,504,875
Closing net asset value	32,353,805	38,242,556	43,030,777	36,348,708
Portfolio Turnover Rate	60.78%	12.09%	5.09%	38.13%
Redeemable Participating Shares				
Number of shares outstanding	5,337,164	5,444,956	4,611,648	3,312,795
Management Expense Ratio (Total Expense Ratio)	0.74%	0.70%	0.74%	0.72%
Closing market price per share	6.06	7.02	9.33	10.97