

**CONDENSED STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2020**

|  | Sep 30, 2020   | June 30, 2020 |
|--|----------------|---------------|
|  | USD            | USD           |
| <b>ASSETS</b>  |                |               |
| <b>Non-Current Asset</b>   |                |               |
| Financial assets at fair value through profit or loss  | 29,828,269     | 25,082,116    |
| <b>Current Assets</b>  |                |               |
| Other receivables  | 8,800          | 8,272         |
| Cash and cash equivalents  | 314,952        | 81,560        |
| <b>Total current assets</b>  | 323,752        | 89,832        |
| <b>Total Assets</b>  | USD 30,152,021 | 25,171,948    |
| <b>REPRESENTED BY:</b>   |                |               |
| Net assets attributable to holders of redeemable participating shares                              | 30,093,966     | 25,130,791    |
| Management Share   | 10             | 10            |
|  | 30,093,976     | 25,130,801    |
| <b>Current Liabilities</b>   |                |               |
| Other payables   | 47,267         | 36,423        |
| Current tax liability  | 10,778         | 4,724         |
| <b>Total Liabilities</b>   | 58,045         | 41,147        |
| <b>Total net assets attributable to holders of redeemable participating shares and liabilities</b> | USD 30,152,021 | 25,171,948    |
| <b>Net asset value per share</b>   | USD 11.30      | 10.68         |

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

|  | Period ended September 30, 2020 | Period ended September 30, 2019 |
|--|---------------------------------|---------------------------------|
|  | USD                             | USD                             |
| <b>Income</b>                                    |                                 |                                 |
| Interest income                                  | 789,743                         | 661,502                         |
|  | 789,743                         | 661,502                         |
| <b>Expenses</b>                                  |                                 |                                 |
| Manager's fees                                   | 20,606                          | 15,419                          |
| Licence fees                                     | 8,771                           | 7,657                           |
| Registrar's fees                                 | 4,739                           | 3,546                           |
| Custodian's fees                                 | 12,423                          | 8,041                           |
| Other direct expenses                            | 2,892                           | 4,356                           |
|  | 49,431                          | 39,019                          |
| Fair value gains/(losses) on financial assets    | 877,646                         | (152,503)                       |
| Foreign exchange (losses)/gains                  | (38,224)                        | 11,129                          |
| (Losses)/gains on disposal of financial assets   | (491)                           | 6,349                           |
|  | 838,931                         | (135,025)                       |
| Profit before taxation                           | 1,579,243                       | 487,458                         |
| Taxation   | (56,068)                        | (73,439)                        |
| Profit for the period                            | 1,523,175                       | 414,019                         |
| <b>Equalisation</b>                              |                                 |                                 |
| Income received on units created                 | 163,126                         | 21,391                          |
| <b>Total comprehensive income for the period</b> | 1,686,301                       | 435,410                         |

**CONDENSED STATEMENT OF NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

|   | USD        | USD        |
|---|------------|------------|
| <b>Net Assets Attributable to holders of redeemable participating shares:</b> |            |            |
| <b>Balance at July 01, 2020/ 2019</b>   | 25,130,791 | 20,105,091 |
| Issue of redeemable participating shares                                      | 3,276,874  | 528,609    |
| Total comprehensive income for the period                                     | 1,686,301  | 435,410    |
| <b>Balance at September 30, 2020/ 2019</b>                                    | 30,093,966 | 21,069,110 |

**CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

|   | Period ended September 30, 2020 | Period ended September 30, 2019 |
|---|---------------------------------|---------------------------------|
|   | USD                             | USD                             |
| <b>Cash flows from operations</b>                     |                                 |                                 |
| Cash (used in) / generated from operations            | (39,115)                        | 281,118                         |
| Tax paid  | (50,014)                        | (53,952)                        |
| <b>Net cash (used in) / generated from operations</b> | (89,129)                        | 227,166                         |
| <b>Cash flow from investing activities</b>            |                                 |                                 |
| Interest received                                     | 979,081                         | 909,178                         |
| Purchase of financial assets                          | (4,238,244)                     | (2,424,268)                     |
| Proceeds from disposal financial assets               | 179,908                         | 1,243,555                       |
| <b>Net cash used in investing activities</b>          | (3,079,255)                     | (271,535)                       |
| <b>Cash flows from financing activities</b>           |                                 |                                 |
| Issue of participating shares                         | 3,276,874                       | 528,609                         |
| Income received on participating shares created       | 163,126                         | 21,391                          |
| <b>Net cash generated from financing activities</b>   | 3,440,000                       | 550,000                         |
| <b>Net increase in cash and cash equivalents</b>      | 271,616                         | 505,631                         |
| <b>Movement in Cash and Cash Equivalents</b>          |                                 |                                 |
| Opening balance                                       | 81,560                          | 47,798                          |
| Increase in cash and cash equivalents                 | 271,616                         | 505,631                         |
| Foreign exchange difference                           | (38,224)                        | 11,129                          |
| <b>Closing balance</b>                                | 314,952                         | 564,558                         |

**Background**

African Domestic Bond Fund (the "Fund") was incorporated in Mauritius under the Companies Act 2001 on May 04, 2017 as a public company with liability limited by shares and holds a Category 1 Global Business Licence issued by the Financial Services Commission (the "FSC") to operate as a Collective Investment Scheme, categorised as a Global Scheme. The Fund was listed on the Stock Exchange of Mauritius on September 18, 2018.

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 promoted by MCB Investment Management Co. Ltd (the "Fund Manager"), which is a company duly licensed by the FSC to promote funds and offer management, administration, distribution and other services to collective investment schemes and closed-end funds.

The interim financial statements are unaudited and have been prepared in compliance with the requirements of the Securities Act 2005, the Securities Regulations 2008 and International Financial Reporting Standards (IFRS). The unaudited interim financial statements are prepared under the historical cost convention, except that financial assets at fair value through profit or loss are stated at fair value.

Copies of the abridged audited financial statements can be viewed on our website: [www.mbcapitalmarkets.mu](http://www.mbcapitalmarkets.mu). Investors may also obtain a hard copy of the Annual Reports by request to the CIS Manager, either by emailing on [mbim@mbcm.mu](mailto:mbim@mbcm.mu) or writing to MCB Investment Management, Sir William Newton Street, Port Louis, Republic of Mauritius.

This communiqué is issued pursuant to Listing Rule 12.20 and Securities Act 2005.

The Board of Directors of African Domestic Bond Fund accepts full responsibility for the accuracy of the information contained in this communiqué.

**By order of the Board**

November 10, 2020