FEATURE: MAURITIUS

# DealMakers AFRICA

Vol 9: No 2

TRANSACTION TABLE BY COUNTRY INCLUDING ADVISORS | BUSINESS IN AFRICA

# from the editor's desk

Investor sentiment towards the continent continues to be cautious, influenced by the fall in commodity prices and drought-slowed economic expansion, with the type of the investor interested now different from that of just a few years ago. Although returns on investments on the continent are still relatively high compared with other regions, they are, for some, not high enough to counter the perception of high risk. Low liquidity levels are also a problem for the larger private equity funds with specific mandates.

Growth in sub-Saharan Africa, according to the International Monetary Fund, is forecast to slow to 3,2% this year from 3,6% in 2015 and an average of 5,6% over the five year period. The difference, however, between growth of developed and developing economies is that growth of developing economies is likely to be double that of developed markets. In the past, strong GDP growth statistics were the motivation for investment decisions but this is no longer the case. Rather, careful consideration is given to the fundamentals of individual sectors and project opportunities. Areas that have garnered interest are infrastructure and energy. Nigeria, for example, reported in July that it had signed oil and gas infrastructure agreements worth $80bn with Chinese companies.

External risks have increased, with some countries' current balances having deteriorated amid falling revenues from commodity exports causing negative shocks in trade. Strong downward pressure on exchange rates against the dollar accompanied this, causing a mark increase in inflationary pressure. Angola, Ghana, SA, Nigeria, Mauritius, Mozambique and Zambia have all been victims of this outcome.

Nigeria is a prime example. For Nigeria, oil accounted for 90% of its foreign revenue. In June, its central bank finally buckled to market pressure to devalue the naira. The decision immediately triggered a collapse in the value of the naira against the dollar on the non-deliverable futures market. Government rationing of foreign currency to so-called strategic industries, has brought other businesses to a standstill, forcing some to a flourishing black market.

Interestingly, in early 2016 Renaissance Capital released a report on the effect of a naira devaluation on banks in Nigeria. It saw the impact as three-fold: capital, foreign exchange income and asset quality. It said that some banks' capital adequacy ratios (CARs) were sensitive to a weaker naira, given that they did not have sufficient foreign exchange tier 2 capital buffers to shield them from the impact of devaluation. It said that FBNH, Skye, Ecobank Nigeria and FCMB would probably be quickest to breach minimum CAR requirements and feel the pressure to raise capital. The report stated that the prolonged decline in oil prices would leave the sector facing unprecedented risks, including foreign exchange scarcity, which no bank or the regulator appeared to have factored in as a plausible scenario. How right the report was. In July, the Central Bank of Nigeria was forced to intervene with the ousting of top management at Skye Bank after the lender consistently breached cash and liquidity ratios. Will this trigger a wave of bank mergers? Nigeria has no fewer than 21 banks.

This quarter's feature takes a look at Mauritius; its population is said to be the richest in Africa with an average wealth of $21,700 per person. Unsurprisingly, this is the result of a conducive environment affording secure property rights, a thriving financial sector, low crime rates, low taxes and a low level of government regulation in the business sector. •

**MARYLOU GREIG**

# contents




Advertising rates are available on request from Vanessa Aitken +27 (0)83 775 2995

The magazine may be purchased on subscription. These rates are available on request from: reception@gleason.co.za

**Editor:**
Marylou Greig

**Sub-editor:**
Gail Schimmel

**Assistant to the Editor:**
Vanessa Aitken

**Design & Layout:**
Janine Harms,
Gleason Design Studio

DealMakers AFRICA is published by the proprietor Gleason Publications (Pty) Ltd, reg no: 1996/010505/07 from its offices at 30 Tudor Park, 61 Hillcrest Avenue, Blairgowrie, Randburg 2194.
Tel: +27 (0)11 886 6446,
e-mail: marylou@gleason.co.za
www.dealmakers.co.za

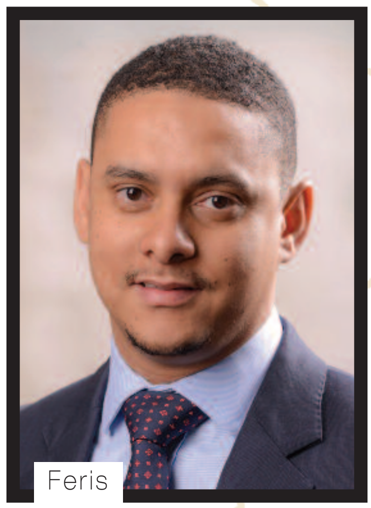
DealMakers AFRICA is printed by Typo Colour Printing, 19 Beaufort Street Troyeville, Johannesburg.

# The investor protection landscape in Southern Africa

JACKWELL FERIS

The economic community in Southern Africa is known as the Southern African Development Community (SADC) formed in terms of the SADC Treaty. The purpose of SADC is to promote trade and investment intra-SADC and encourage foreign direct investment from outside the SADC region. The principle instrument which intends to encourage finance and investment in SADC is the Southern African Development Community Protocol on Finance and Investment (SADC Protocol).

Annex 1 to the SADC Protocol provides more or less similar investment protection to investors as found in certain Bilateral Investment Treaties (BITs). The benefit of the SADC Protocol is, however, that it intends to ensure uniform protection to foreign investors (including intra-SADC investors) in any of the 15 member states.


Feris

In terms of the SADC Protocol the following protection measures are, among others, guaranteed for investors to any SADC member state:

- in the event of expropriation, a right to prompt, adequate and effective compensation. Investments shall not be nationalised or expropriated in the territory of any member state except for public purpose, under due process of law, on a non-discriminatory basis and subject to payment of prompt, adequate and effective compensation;

- right to fair and equitable treatment. Investments and investors shall enjoy fair and equitable treatment in the territory of any state party, which shall not be less favourable than granted to investors of the third state with the exception that state parties may (in accordance with their respective domestic legislation) grant preferential treatment to qualifying investments and investors in order to achieve national development objectives;

- right to repatriation of investment and returns in accordance with the rules and regulations stipulated by the host state; and

- right to international arbitration for the investor state.

> There is pressure from South Africa and other SADC countries (such as Botswana and Namibia) to align the level of protection currently afforded by the SADC Protocol with domestic approaches to ensure that SADC as a region has a harmonised approach to the protection of investments.

Despite any domestic legislation adopted or BITs concluded by member states, the SADC Protocol provides any investor with qualifying investments in the territory of any member state within the SADC region (depending on when such country acceded to the SADC Treaty) with uniform protection. Such investors will be able to demand the protection afforded in terms of the SADC Protocol relating to, among others, property rights, transfer of funds/returns and investor-state international arbitrations. This protection may be relied on despite the investor protection in terms of the domestic law of a member state being less than that provided in terms of the SADC Protocol. The SADC Protocol grants all qualifying investors (whether from a SADC state or from any other state outside SADC) in the region the right to bring any claim against a SADC member state in an international arbitration for breach of the SADC Protocol.

There is pressure from South Africa and other SADC countries (such as Botswana and Namibia) to align the level of protection currently afforded by the SADC Protocol with domestic approaches to ensure that SADC as a region has a harmonised approach to the protection of investments. These changes will align it with domestic legislation, such as the Protection of Investment Act, No 22 of 2015 (Act) of South Africa (not yet in operation). The changes will also provide scope for member states to adopt the Model SADC BITs.

The SADC Subcommittee on Investment has proposed an amendment to Annex 1 of the SADC Protocol to specifically amend article 5 (expropriation), article 6 (national treatment) and article 28 (right to investor-state arbitration). Once the amendments are adopted the rights of foreign investors in terms of the SADC Protocol will, to some extent, align with the position proposed in terms of the Act.

It is important for an investor to understand under what circumstances its rights as an investor are not only protected in terms of domestic laws, but also in terms of BITs or other multilateral treaties such as the SADC Protocol. Knowing and understanding the domestic and international limits of a state's right to regulate in the public interest, and whether any specific legislative or executive measure by the state complies with any bilateral or multilateral obligations, will allow an investor to better navigate a potential impasse with a host state flowing from its investment decisions. •

***Feris is a director in Cliffe Dekker Hofmeyr's Dispute Resolution Practice.***

# Is technology the key disruptor of financial services across Africa?

**ED HIGENBOTTAM**

In many markets on the African continent, significant growth in the number and breadth of financial services providers can be seen. This is in terms of the number of non-bank financial services providers who have reached critical mass in terms of size and scale, as well as the number of *"non-traditional banks"* (ie non-bank financial services providers) who have climbed the regulatory hierarchy and become deposit-taking banks (for example, Trustco in Namibia, and before them Capitec in South Africa). A number of critical factors have contributed to this trend including technology and innovation changing the shape of asset origination, as well as (especially outside South Africa) new channels of funding being available.


Higenbottam

Significant hype has been generated globally regarding *"Fintech"* and the new asset class has been grabbing attention from a variety of investor groups, from traditional tech investors on the West Coast of the US, to *"bricks and mortar"* banks, like Santander which has just announced a new financial inclusion fund, called InnoVentures, to development-types fund with *"dual bottom lines"*. Africa, as a continent with the lowest penetration of traditional banking services, and the lowest GDP per capital of any continent in the world (lower incomes imply smaller transactions sizes and the greatest scaling benefits) is perhaps ideally suited as a breeding ground for Fintech.

To date mobile money has been the most high profile innovation, with companies such as M-Pesa in Kenya having successfully created mobile money ecosystems. The markets where mobile money has been most successful have been those where the regulators have permitted mobile network operators ("MNOs") the most flexibility to operate, for example Kenya and Tanzania have mobile money penetration of 58% and 34% respectively *(source: CGAP),* significantly higher than Nigeria where the regulatory environment has restricted the scope of involvement by MNOs. Companies such as Jumo World and Trustco Mobile have gone a step further and have used the mobile ecosystem to provide more complex products - micro loans and micro insurance respectively.

> To date mobile money has been the most high profile innovation, with companies such as M-Pesa in Kenya having successfully created mobile money ecosystems.

However, it is not just technology which is disrupting financial services, but also innovative ways of conducting business and new routes to market. Twelve months ago, First Allied Savings & Loans, one of the largest savings and loans institutions in Ghana, initiated an agency business model branded *"AlliedAgent".* Each "AlliedAgent" is a kiosk in a corner shop or fuel station. So far, First Allied has 150 agents; in comparison First Allied has 25 branches, so the agency model has multiplied the total number of "outlets" their customers can utilise by a factor of seven. All agents are carefully screened prior to appointment. When compared with an ATM, each agent provides a much broader range of services, and has a significantly lower fixed cost. The range of services provided by each AlliedAgent, include: deposits and withdrawals, instant money transfers, airtime top-ups, bill payment, Ezwich transactions, mini statement and account opening.

Similarly, RenMoney, a leading Nigerian inclusive lender, is launching a new education loan product, specifically tailored to fund school fees payments by their customers. RenMoney, like many unsecured lenders in Africa, is aware that a significant part of its customer base use their loans for purposes of school fees, such is the importance placed on education by parents across the continent. The tailored school fees product will go one step further: the loans will be repayable by parents but will be disbursed directly to the schools who have signed up to the scheme. The overall initiative has a number of benefits including: (i) schools will direct parents who need credit to RenMoney, (ii) it will provide an additional channel for collections, and (iii) the designated use of the proceeds is expected to help RenMoney raise the additional funding for this purpose.

Replication of successful business models from outside Africa is also an increasing theme. For example merchant credit advances - the lending of money to small businesses secured against credit card receivables - has become a major asset class in the US. This business model has been successfully replicated in South Africa by Cape Town-based Retail Capital.

Innovation on the asset side of the balance sheet has been supported by developments relevant to the funding side of the balance sheet. Outside South Africa, the domestic institutional markets are significantly shallower. The last five years have witnessed the parallel growth of (1) hedging markets providing multi-year currency swaps across a range of African currencies; and (2) the growth of financial inclusion funds as an asset class. Together these developments have permitted local currency funding from the institutional market, whereas in the past borrowers have funded themselves with deposits (where regulations permit), local banks (appetite permitting) and retained earnings. The financial inclusion funds as an asset class is tiny by global standards, perhaps $10bn managed by 50-60 funds targeting non-bank financial institutions and non-traditional banks in emerging and frontier markets. Of this amount, around $2bn is earmarked for Africa: not insignificant given most of the investee institutions have balance sheets smaller than $100m. Such funds have traditionally been referred to as *"Micro Finance"* funds, but their mandates are much broader than investments which are typically associated which this label.

A final disrupting force is M&A, both horizontally across different segments and cross-border. Horizontal consolidation provides for a number of critical benefits, diversification of asset exposure and funding sources, and shared channels to be leveraged across different products. Successful examples of such consolidation include Trustco Group's acquisition of Fides Bank in Namibia in 2014 and Pan Africa Building Society's acquisition of the Industrial Credit Company in Zambia in 2011. Letshego, one of the largest pan-African consumer finance operations, has been particularly active on the cross-border M&A trail, having acquired Micro Africa in Kenya in 2011 and FBN Microfinance Bank in Nigeria in 2016. •

***Ed Higenbottam is the managing director of Verdant Capital.***

# Opportunities for growth in Tanzania

**HAWA JUMA AND STELLA NDIKIMI**

The economy of Tanzania is projected to grow by 7,2% this year and 7,4% in 2017, according to a statement by the Bank of Tanzania (BoT) in March 2016. As such, there are good opportunities for investors, especially within the oil and gas, energy, telecommunication, real estate, agriculture, livestock and fisheries, agro processing and manufacturing sectors. There are also opportunities to invest in social infrastructure.

The key drivers of growth in Tanzania include its moderate and stable inflation rate and the accumulation of international reserve in the country. The favourable foreign exchange rate is an attractive plus for foreign investors. The growth of technology and a relatively accessible infrastructure also make it easier for investors to consider doing business in Tanzania. In addition, the increased life expectancy of its citizens with decreasing poverty rates, thanks to a higher *per capita* income, are creating opportunities for investors.

The key drivers of growth in Tanzania include its moderate and stable inflation rate and the accumulation of international reserve in the country.

To spur growth, the country needs better corporate governance guidelines and more financial accessibility for small and medium entrepreneurs. The balancing of public interest with investment interest requires policy action such as investor protection, increased transparency and improved regulation of investment funds. This will go a long way towards ensuring that investments are sustainable and positive for the country. Foreign investors want a stable legal and regulatory framework, with strong business policies and competition law in countries in which they do business.

Sectors seeing the most M&A deals and direct foreign investment in Tanzania are tourism, construction, banking, telecoms, mining, energy, oil and gas, transportation and agriculture. PPPs are on the increase and are regulated by law.

The risks for investors include food price inflation and the rising costs of doing business. The country's infrastructure deficit, which may also present an opportunity, is another risk. Other investments risks include trade barriers and the possible competition with public sector firms.

The mechanisms needed to manage corporate risks include ensuring that corporates have active boards with senior management oversight and accountability. The implementation of adequate policies, procedures and limits to mitigate risk is also important for all businesses in Tanzania. The use of adequate risk measurement, monitoring and management information systems and comprehensive internal controls is also essential to reduce investment risks. Building the right infrastructure, creating institutional arrangements and disseminating the right investment information can spur growth and reduce obstacles to investment.

Investments are governed by the Tanzania Investment Act, No. 26 of 1997, which is the general law cutting across all types of investments. However, there are sectoral laws that govern every sector of investment. Depending on the sector of investment, an investor is required to fulfil all the requirements specified by the respective authority. To create a conducive environment for investors, the Government established The Tanzania Investment Centre (TIC), which is the focal point for all investors' inquiries and facilitates project start-ups. It further provides for joint venture opportunities between local and foreign investors and disseminates investment information. •

***Juma is an advocate and Ndikimi, managing partner, East African Law Chambers office in Tanzania.***

Juma

Ndikimi

# Withholding tax in Tanzania

**CELIA BECKER**

In terms of section 69(i) of the Tanzanian Income Tax Act ("the Act"), service fees paid by a Tanzanian resident to a non-resident in respect of *services rendered in Tanzania* are deemed to be from a source in Tanzania and subject to withholding tax. Where the payer is the Tanzanian Government, withholding tax is levied on any service fee payment to non-residents, regardless of where the service is rendered.

These provisions came under scrutiny in the recent Appeal Court case of *Commissioner General, Tanzania Revenue Authority (TRA) v. Pan African Energy Tanzania Limited (PAE)* (Civil Appeal No. 146 of 2015).

PAE, a Tanzanian-registered company engaged in the exploration, production, distribution and marketing of natural gas at the Songo Songo gas fields in Tanzania, contracted various technical service providers, both resident and non-resident, to provide services. In the case at hand, PAE did not withhold tax on payments for the analysis of drilling samples and the preparation and issuing of a report by service providers in the United Kingdom, on the basis that the services were not rendered in Tanzania as required by section 69(i).

The TRA demanded payment of withholding tax that should have been withheld on the payments after conducting a tax audit on PAE. PAE disputed the demand and appealed to the Tax Revenue Appeals Board ("the Board"), which decided against it. PAE then appealed to the Tax Appeals Revenue Tribunal ("the Tribunal"), which reversed the Board's decision and confirmed that PAE had no obligation to withhold tax on the payment of the service fees in terms of s69 of the Act.


Becker

The TRA appealed to the Court of Appeal and argued that the payment was made from, and the samples were drilled in, Tanzania by a resident of Tanzania and, accordingly, were subject to withholding tax.

PAE argued that, in terms of s69(i) of the Act, such payments are subject to withholding tax only if the services are actually rendered in Tanzania. The Tax Act makes a clear distinction between payments made by the Tanzanian Government (which are subject to withholding tax regardless of where the service is rendered) and payments by anyone else, which is only subject to withholding tax if the services are rendered in Tanzania.

On May 16 2016, the Court of Appeal dismissed the TRA's TZS3,5bn appeal and held that s69(i), read with s83(1)(c) of the Act, does not impose a liability to withhold tax where the payment is made by a person (other than the Government) in relation to services rendered outside Tanzania. In addition, as the payments were not liable to withholding tax, PAE could not assume liability for payment of tax not so withheld.

The court directed that until the Government amends the law to cater for the charging of withholding tax on payments for services rendered outside of Tanzania, the TRA is to abide by the current provisions of the Act, in terms of which no withholding tax is due on payments by non-government entities for services rendered outside of Tanzania, regardless of whether it is made by a company registered in, and doing business in, Tanzania. •

***Becker is an executive, Africa regulatory and business intelligence with ENSafrica.***

---

# DEALMAKERS AFRICA CRITERIA

**This section has been added to expand DealMakers' coverage to include transactions worked on by South African industry service providers across the continent. It has been introduced in response to numerous requests made by various companies over a long period. In order to ensure its effectiveness, all firms involved in transactions of this nature are urged to provide appropriate details.**

1. Entities that seek credit for involvement in M&A work and other financial transactions must demonstrate the involvement, if necessary by reference to one or several of the principals
2. The full value of each deal is credited to each entity providing a service in respect of that deal
3. Rankings are recorded in respect of South African:
   - Investment Advisers (includes Financial Advisers and others claiming this category)
   - Sponsors
   - Legal Advisers
   - Reporting Accountants
4. So as to achieve fairness, rankings are to be recorded in two fields
   - Deal Value US$
   - Deal Flow (number of deals)
5. All deals and transactions are dated for record purposes on the 1st announcement date (except for listings, for which the record date is the date of the actual listing)
6. M&A deals that are subsequently cancelled, withdrawn or which are deemed to have failed will nevertheless be included for ranking purposed and companies/units that have worked on these will be credited with them for ranking purposes provided they are able to demonstrate the work was undertaken and effected
7. Where advisers make use of other advisers (second advisers), and provided the work was undertaken and this can be verified, secondary advisers will be credited for ranking purposes
8. Schemes of arrangement, rights issues and share repurchases are valued for record purposes at the maximum number of shares and value that can be purchased or issued until such time as the results are announced
9. All deals and transactions are checked by **DealMakers**; any discrepancies that arise will be queried
10. Entities that claim involvement in a deal or transaction on which their name and/or company logo does not appear on the published announcement recording their specific role will be asked to provide confirmation from the principals regarding their role
11. All entities involved in deal-making and/or corporate finance transactions will be asked to sign off a summary document prepared by **DealMakers** to ensure that no clerical errors have occurred
12. DealMakers does not accept responsibility for any errors or omissions

# DealMakers Africa

**MARYLOU GREIG**

## Overview

Since independence in 1968, Mauritius has developed from a low-income, agriculture-based economy to a middle-income diversified economy, attracting substantial investment from both local and foreign investors.

Mauritius is divided into nine districts. These districts are called Grand Port, Savanne, Moka, Plaines Wilhems, Pamplemousses, Black River, Port Louis, Flacq and Riviere du Rempart. Other islands that belong to Mauritius are Rodrigues and Agalega.

The small island economy benefits greatly from a sound and transparent legal framework that institutionalises and supports the rule of law. A stable business climate, with inflationary pressures under control, provides a fertile ground for dynamic entrepreneurial activity, with regulations in place that support open-market policies.

## Political

Mauritius is a stable, multiparty parliamentary democracy, and changing coalitions are a feature of politics in the country. The president of the Republic is the head of state and is a non-executive official. The prime minister has full executive powers and heads the government which is elected every five years.

## Economy

The economy is based on tourism, textiles, sugar and financial services. In recent years, information and communication technology, seafood, hospitality and property development, healthcare, renewable energy, and education and training have emerged as important sectors, though services and tourism remain the main economic drivers.

According to the World Bank, despite external headwinds, especially sluggish growth in the Euro zone on which Mauritius is highly dependent for tourism, trade and foreign direct investment (FDI), the economy grew by 3,5% in 2015, similar to the 3,4% pace in 2014. The current account deficit narrowed from 8,8% of gross domestic product (GDP) in 2014 to 7% of GDP in 2015, driven by a smaller trade deficit and lower net income outflows. The bulk of the current account deficit is structural, reflecting weaker private saving and reliance on capital goods imports, compounded by the slow recent growth of Mauritius' main trading partners.

Monetary policy is cautiously accommodative, consistent with macro stability, but with the Bank of Mauritius also attempting to support stronger growth and a closing of the output gap. The benchmark rate was reduced by 40 basis points in July, the Central Bank citing Brexit as having damaged its growth outlook for the economy. Annual inflation in Mauritius eased to 1% in July after reaching a 6-month high of 1,1% in June.

Prime Minister, Sir Anerood Jugnauth, recently stressed that Mauritius would continue with the diversification of its exports and export markets to move from being a Euro-centric exporter to a more diversified export and tourism-based economy.

Fiscal policy has recently been more expansionary than planned but the overall deficit and public debt remain manageable, with deficits in 2014 and 2015 at 0,4% and 1,6% of GDP.

Mauritius's main challenges include: increasing competitiveness through greater regional integration, creating a stronger environment for innovation,

### QUICK FACTS

**Land Area**: 2040 km$^2$ and 330 km of coastline. The island is situated in the Indian Ocean, approximately 1,491 miles off the southeast coast of Africa, and lies to the east of Madagascar

**Population**: 1.3 million

**Climate**: Tropical

**Capital**: Port Louis

**Time**: Four hours ahead of GMT

**Languages**: Although the official language of Mauritius is English, most people speak French and Creole

**Religion**: approx. Hinduism (52%), Christianity (31%), Islam (17%)

**Currency**: Mauritian Rupee denoted by the ISO 4217 code MUR, one Rupee = 100 cents

**Politics**: Gained independence from the rule of the United Kingdom on March 12, 1968. On the same date in 1992, it was declared a Republic.

**Legal System**: Laws governing the Mauritian penal system are derived partly from French civil law and British common law

**Stock Exchange**: The SEM was incorporated on March 30, 1989 and operates two markets: the Official Market and the Development & Enterprise Market. Currently, there are 51 companies listed making growth more inclusive by addressing a scarcity of skilled human resources, and bolstering resilience to natural disasters and climate change.

## Outlook

Mauritius, according to the World Bank, needs to accelerate reforms aimed at diversifying the economy, both in terms of deepening value chains in, and reorienting exports toward emerging markets. The acceleration of fiscal consolidation is essential to achieving substantial efficiency gains in the budget and ensuring effective expenditure in priority areas such as the social safety net system, in order to cope with the impacts of a potential economic downturn.

In a recent report, The Economist's Intelligence Unit forecast that economic growth in 2016-17 will be affected by rising uncertainty in global financial markets following UK's vote to leave the EU. With growth slowing in China and the US expected to experience a recession in 2019, the GDP growth rate will stay below 4% in 2016-20. ◆

# The Mauritius Story

**ROBERT PECHE**

Mauritius is a country with a story to tell. With a 2016 ranking of 1st in Africa and 32nd in the World for "Ease of Doing Business" by the World Bank, there is undoubtedly a significant amount of progress that has been made in positioning the country as an International Financial Centre ("**IFC**") of repute and a gateway to African business.

Mauritius is a member of the Southern African Development Community ("**SADC**"), the Common Market for Eastern and Southern Africa ("**COMESA**") and the Indian Ocean Commission ("**IOC**"). Mauritius has also been recognised on the Organisation for Economic Cooperation and Development's ("**OECD**") white list of cooperative jurisdictions, a testament to high standards of corporate governance on the island.

It offers a business-friendly environment that includes no exchange control, low overall taxation, a considerable suite of double tax treaties and investment promotion and protection agreements, political stability, a well-developed legal system and a significant number of professional advisors. Ease of travel for Board meetings, a manageable time zone difference to most African countries and growing connectivity infrastructure makes Mauritius a practical and safe business destination.

*"Mauritius as an International Financial Centre has throughout the years created a well-balanced regulatory environment for investors to operate from. Our commitment to governance and transparency, combined with a proven equity and debt capital market, does make us the centre of choice for investments in and out of Africa" - Deva Marianen, Chairman of Safyr Utilis.*

Peche

The Stock Exchange of Mauritius ("**SEM**") has contributed to and benefited from this growth story. Market capitalisation as a percentage of Mauritian GDP has grown from c.4.3% in 1989 to c.60% in 2016. The SEM is a well-regulated exchange and enjoys accreditation with various international bodies, most notably the World Federation of Exchanges ("**WFE**"). The SEM is the only exchange in Africa to offer a multi-currency listing, trading and settlement platform (USD, EUR, GBP, ZAR and MUR) and is a designated Stock Exchange by the United Kingdom's Her Majesty's Revenue and Customs ("**HMRC**").

Created in 1989, the SEM has grown from 6 listings to c.150 listings in 2016 and operates two distinct boards, including the Official Market where some of the largest companies in Mauritius as well as global companies are listed. The

Development and Enterprise Market, on the other hand, offers opportunities for start-ups and other companies looking for a viable alternative platform to raise capital and pursue their development objectives.

Whilst a listing on the Official Market requires a minimum market capitalisation of MUR 20m (c.$600 000), certain other Listing Rules (e.g. shareholder spread) may be waived at the discretion of the SEM's Listing Executive Committee e.g. in the case where a new investment holding company with a global business company license ("**GBC 1**") issued by the FSC is seeking a listing. This creates a welcoming and flexible listing environment for companies seeking a growth platform.

A GBC 1 company listing under Chapter 18 of the SEM Listing Rules does, however, require a detailed business plan with at least 3 years of financial forecasts, demonstrating the viability of the business. The plan is required to be certified by an Independent Financial Advisor accredited with the SEM.

Value creation by companies listed on the SEM is evidenced by a number of listed companies achieving annualised total USD returns of over 12% over an extended period of more than 20 years.

Although there is a limited pool of domestic capital in Mauritius, the presence of global investors and the suitability of the SEM for a primary listing assists in mitigating the impact on capital raising activities. A secondary listing within the Common Monetary Area ("**CMA**"), known as an Inward Listing for CMA Exchange Control purposes, enables the company to benefit from the substantial capital pool found primarily in South Africa, providing investors within the CMA with an attractive Rand hedge and global exposure. A number of SEM-listed investment holding companies and property companies have successfully tapped into the deep pool of capital in the CMA, with Inward Listed GBC 1 companies having raised a total of c.$1.5bn from 2012 to 2015.

Whilst a secondary listing on the Johannesburg Stock Exchange ("**JSE**") would enable access to the largest pool of capital, a secondary listing on the Namibian Stock Exchange ("**NSX**") would be a more cost efficient manner to obtain a secondary listing within the CMA with less onerous requirements than the JSE, including requirements relating to shareholder spread.

*"The internationalisation of the SEM that started in 2010 has made it one of the leading and most innovative exchanges in Africa which offers a listing, trading and capital-raising platform of choice for a multitude of companies wishing to use the platform in order to fuel their growth initiatives. The flexibility of its rules, while at the same time respecting international norms, has contributed significantly to an influx of companies (mainly in the real estate sector) operating in the global business in Mauritius to select SEM as a primary listing destination." - Shamin A.Sookia, Managing Director of Perigeum Capital and previous Head of Listing at SEM.*

A company with a global investment strategy and a desire to take advantage of the benefits of highly developed financial market infrastructure would therefore do well to seriously consider Mauritius as its business jurisdiction, and the SEM as its primary listing market. The benefits of doing business in Mauritius coupled with a secondary listing within the CMA provide an excellent growth platform. ◆

***Peche is an associate with Bravura Corporate Finance, Cape Town.***

# The emergence of Mauritius into an intelligent City of opportunities

NICOLAS VAUDIN

The Government of Mauritius' vision is to consolidate the island into a full-fledged international business and financial hub, with ideal conditions for working, living and spurring investment. In line with this vision, Government is putting in place an ambitious economic development programme to encourage the creation of Smart Cities across the island. The objective is to transform Mauritius into a global smart country, a centre of excellence for international business and knowledge development, that will create sustainable economic growth and high quality of life.

With a dynamic and stable economy, modern port and airport infrastructures, an educated bilingual workforce and an established banking system, Mauritius is an ideal stepping stone for investments targeting Africa.

The Smart City Scheme set up by the Board of Investment (the “BOI”) in 2015 provides an attractive package of fiscal and non-fiscal incentives to investors, promoters and developers. The development of Smart City projects is meant to be a mixed use of commercial, industrial, residential and leisure components integrated into coherent master plans that focus on innovation, sustainability, efficiency and quality of life.

The incentives provided by Government for the development of Smart City projects include the following tax exemptions:

- Income tax for a period of 8 years;
- Morcellement (parceling out of land) Tax;
- Land Transfer Tax and Registration Duty on transfer of land into the Smart City Company for the development of the Smart City project;
- Land Transfer Tax and Registration Duty on the transfer of land from a Smart City Company to a Special Purpose Vehicle (SPV) to develop a specific component of the Smart City project;
- Land Conversion Tax in respect of the land earmarked for the development of non-residential components;
- Value Added Tax on the cost of construction and professional fees;
- Customs duty on the importation of materials and equipment (excluding furniture) towards the construction of the Smart Cities.

Vaudin

At this stage, a few projects have qualified and are well on their way to obtaining the ‘Smart City’ status. Some of them have already obtained their Letter of Intent (“LOI”) which allows for marketing and pre-selling (including deposit taking) of their developments. The application for permits and clearances is facilitated by a set of Guidelines provided by the BOI, which also acts as a “one stop shop” for all parties on matters relating to the Smart City Scheme.

With a dynamic and stable economy, modern port and airport infrastructures, an educated bilingual workforce and an established banking system, Mauritius is an ideal stepping stone for investments targeting Africa. With the Smart City Scheme, Mauritius hopes to attract foreign and local investors to establish a (physical) footprint on the island with a view to export goods, services and investment capital to Africa. These investors would also benefit from the numerous international tax treaties applicable to Mauritius domiciled investments as well as the numerous advantages Mauritius offers in terms of its ease of doing business.

PwC Mauritius is actively involved in the development of Smart City projects on the island from an Advisory perspective, providing support and insight not only on matters of real estate development strategy, financial feasibility, debt and tax, but also on matters of dealing with regulatory and compliance issues, as well as IT strategy (including IT security). ◆

***Vaudin is a director, Real Estate Advisory with PwC Mauritius.***

# The Build Operate Transfer Projects Act

**AMMAR OOZEER**

**On March 29 2016, the National Assembly of Mauritius passed the Build Operate Transfer Projects Act. With BOT, the private sector designs, finances, constructs and operates the facility and eventually, after a specified period, known as the 'concession period', the ownership is transferred to the government.**

Oozeer

## What is BOT?

Build Operate Transfer ("BOT") is a developing technique for infrastructure projects by using private funding. Such infrastructure projects include a wide array of public facilities with the main function to serve public needs, to provide social services and promote economic activity in the private sector. The most common examples of facilities are roads, bridges, water and sewer systems, airports, ports and public buildings. A very recent project under the BOT model is the 357km railway project which has been announced by the Indian Railway Ministry this year. In Mauritius, the BOT approach can be used to develop smart cities and toll-road projects.

## BOT, a form of privatisation

BOT is based on the principle of privatisation. Privatisation can be divided into primarily three areas: the selling of governmental holdings (e.g. British Telecom in the U.K), the subcontracting of government services to private undertakers (e.g. US Postal Service in the U.S.), and the subcontracting of financing and developing public facilities (e.g. Channel Tunnel). BOT belongs to the last category. BOT is just one of the many different project delivery schemes within the context of privatisation or public-private-partnerships. The two other schemes that appear most similar to BOT are Build Own Operate (BOO) and Build Transfer Operate (BTO). In all three cases, the private party retains revenues from operating the facility. In a BTO, the private party transfers the ownership of the facility directly after the delivery and operates the facility on behalf of the principal. In a BOO, the private party retains ownership of the facility, makes returns on investment by operating it for its useful life, and may sell it at any point at market value. A comprehensive definition of a "BOT Project" is given in the Build Operate Transfer Projects Act ("Act").

## Why BOT?

In recent years, a growing trend emerged among governments in many countries to solicit investments for public projects from the private sector. The main reasons for this trend are a shortage of public funds and a hands-off approach of government agencies. When introducing the Build Operate Transfer Projects Bill in the National Assembly, the Hon. Prime Minister (who is also the Minister responsible for finance) stated that the aim of the BOT law is to judiciously manage public expenditure, and propose new avenues to encourage the active participation of the private sector in the financing of infrastructural needs.

## PPP vs BOT

Under a Public-Private Partnership ("PPP") approach, cooperation between government and private parties is achieved where the government works "together" with the private sector to provide for public requirements. The Mauritius Road Decongestion PPP Programme (2013) is an example of co-operation between the public and private sectors. The differences between privatisation and PPP are, however, difficult to detect, depending on the level of government participation.

## *Private financing is key*

Private financing is a key characteristic of BOT. In BOT, the government subcontracts the entire development process, including the associated risks, to the private party. One of these risks is financing, which must be obtained by the concessionaire, who is ultimately responsible for all aspects of the project. A prerequisite for private financing is a need for the facility to be developed. If there is no obvious requirement for the facility, private parties will refuse to participate and provide financial support. Only after market analysis justifies a need will private parties be willing to financially participate and become involved in developing the facility.

## *Selection*

One of the stages of the BOT project is the selection process. The selection process depends on who initiates the project. In a public selection process, where the initiative is coming from the public sector (government), a request for qualification ("RfQ") is distributed. After receiving responses to the RfQ, the government selects a few bidders to submit proposals (Request for Proposals - RfP) and from these a preferred bidder is selected. During this process, the bidders will group interested parties as required for the efficient and adequate execution of the project. Alternatively, in a speculative selection process, the private sector initiates the project and contacts the appropriate government agency for approval. The project is granted after proper negotiations. The Act does not, however, provide for a speculative selection process.

Under the Act, the selection process is done by the Central Procurement Board ("CPB"), which is vested with the powers to make recommendations to the contracting authority for entering into negotiations and eventually entering into an agreement with a private party (i.e., the preferred bidder).

## *Transparency*

An interesting feature of the Act is the obligation imposed on the contracting authority to lay a copy of the BOT agreement it had entered into, as soon as practicable, before the National Assembly. This will ensure transparency on the terms and conditions of the BOT agreement.

> In recent years, a growing trend emerged among governments in many countries to solicit investments for public projects from the private sector. The main reasons for this trend are a shortage of public funds and a hands-off approach of government agencies.

Unlike the Public Procurement Act and arguably the Public-Private Partnership Act, it is a moot point as regards the extent to which the Act ensures transparency of the BOT procurement proceedings. The Act does not provide any avenue for a bidder who is dissatisfied with the decision of the CPB. Under the Public Procurement Act, a dissatisfied bidder can challenge the decision of the public body and if the bidder is still dissatisfied, it can apply for the review of the decision before the Independent Review Panel. Under the Public-Private Partnership Act it is a moot point whether a review lies before the Independent Review Panel. This grey area can, however, satisfactorily be dealt with in the RfP documentation. In the absence of such provision, it would be left to a dissatisfied bidder to apply for the judicial review of the recommendation of the CPB and if it is not too late, to apply for an injunctive relief until the determination of the review. However, the compelling public interest against the granting of an injunctive order which will have for effect to jeopardise the implementation of a major project of significant public importance would be a hurdle for an applicant for injunctive relief.

## G2G projects

In the event that there is an agreement or arrangement between Mauritius and a foreign State for a BOT project which allows Mauritius to benefit from the expertise and development experience of that foreign State in a particular field, it will be incumbent on the contracting Ministry to perform due diligence on the BOT proposal to ensure that the procurement constitutes value for money. The Ministry must then submit a report on the due diligence, together with supporting documents and its recommendations, to a high-powered committee through the Prime Minister. After examinations of the documents and recommendations, the committee will forward its report to the Cabinet and thereafter notify the Ministry of its recommendations to enable it to take a decision on the procurement.

The above serves as an introduction to the complex subject of BOT. Financial contracts, construction contracts and operation contract are but a few contracts which will have to address complex issues, such as financial guarantees, construction process, construction completion time and method of operation. The BOT Projects Unit, which is established under the Act, will need proper training in these areas and, if necessary, the Unit may have to enlist the services of experts to assist it. ◆

***Oozeer is a barrister and senior partner with Juristconsult Chambers Mauritius, a member of DLA Piper Africa.***

# Mauritius – M&A "friendly" competition law regime

**TAMARA DINI AND KIRSTY DEAN-MHLONGO**

The current competition law regime in Mauritius has been in place since 2008 when the Competition Act, 25 of 2007 ("Act") became effective and the Competition Commission of Mauritius ("Commission") was established.

Internationally, competition legislation typically deals with merger control and anti-competitive conduct. While many of the merger control regimes in Africa have been criticised for being deal "unfriendly", with low thresholds for notification, lengthy or uncertain review periods and high filing fees, in Mauritius there is no mandatory pre-notification obligation.  As such, the merger notification regime in Mauritius is effectively voluntary.  Merging parties can "self-assess" the effect of their transaction in Mauritius (if any) and may approach the Commission if they want comfort that the transaction will not substantially prevent or lessen competition in Mauritius.

In circumstances where the Commission considers that a transaction will have the effect of substantially preventing or lessening competition in a market, the Commission may initiate a review pre- or post-implementation of the transaction, depending on when the Commission becomes aware of the merger.  Where the parties proactively approach the Commission regarding their prospective transaction, the Commission may give directions to the parties, including directions of a behavioural or structural nature, to mitigate adverse effects on competition in specific cases.

Dini

Dean-Mhlongo

Under the current Act, the Commission only has jurisdiction to initiate the review of a merger if it has grounds to believe that the transaction will impede, restrict or otherwise lessen competition *and* if the merging parties supply or purchase 30% or more of the goods or services in a market.  This threshold, which functions as a "safe harbour" for merging parties, can be met by the parties on a combined basis or by only one of the parties to the transaction. While the Commission's review powers appear to raise a degree of uncertainty, transactions will not attract scrutiny if the merging parties supply or purchase less than

30% of the goods or services in a market. In the ordinary course, transactions are not notified to the Commission and Mauritius does not add to the many regulatory hurdles that international acquisitions need to cross.

Mauritius is also a member of the Common Market for Eastern and Southern Africa (COMESA) and, as such, mergers notified to the COMESA Competition Commission, insofar as they may have an impact on competition in Mauritius, may also be considered by the COMESA Competition Commission as part of its review.

While few transactions attract merger scrutiny, the Act nevertheless prohibits restrictive business practices (including, price-fixing, market allocation, bid-rigging and abuse of dominance) and the Commission has been very active in its enforcement activities.

As at the time of writing, the Commission reports that it is investigating 10 cases of restrictive business practices, five of which relate to cartel conduct (being unlawful anti-competitive conduct between competitors). The Commission has completed investigations into a number of different business areas. In terms of the regulator's current areas of focus, the Commission is in the process of investigating restrictive business practices in cross-border money transfer services and the pricing of mobile telephone services. In terms of the Act, for cartel conduct the Commission may impose a penalty of 10% of a company's turnover in Mauritius for each year of the contravention up to a period of five years. ◆

***Dini is a partner and Dean-Mhlongo an associate, Competition Practice, Bowman Gilfillan Africa Group.***

# Platform into Africa for Multinationals

**TONY LEUNG SHING**

Mauritius is often known for its low tax rates and its beaches, but the country offers a great deal more, in particular to those multinationals which are looking to establish or grow their operations in Africa, or those businesses which are looking for an efficient way to manage their African operations across the continent.

Over the years, the island has established itself as the preferred business hub into Africa. Multinational companies are using Mauritius because of its strategic position (being at the crossroads of Africa, Asia and Australia) to locate their operations and to take advantage of the country's business-friendly and stable environment, strong rule of law and bi-lingual workforce.

Africa is a risky place; political stability is low, there are strict foreign exchange controls as well as a lack of qualified professionals. As a result, multinational companies, with operations in Africa, look to locate their head-quarters in a safe, reliable and accessible jurisdiction. Many of them have selected Mauritius as their jurisdiction of choice and run their back office, procurement, or treasury functions in Mauritius, as it is quicker, cheaper and more efficient to manage their pan African operations from a single location. More and more multinationals are looking at centralising their financial operations in Africa, just as they do in Europe or North America.

Leung Shing

Mauritius' strong trade links with Africa as a member of the COMESA (Common Market for Eastern and Southern Africa) and SADC (Southern Africa Development Community), coupled with its network of bilateral investment and tax treaties, also makes it an attractive place. Today, 60% of all new companies being incorporated in the global business sector in Mauritius have an Africa focus.

Mauritius' multifaceted appeal makes it the ideal investment and business hub for Africa. ◆

***Leung Shing is a tax partner with PwC Maurtitius.***

# Mauritius Directory

## INVESTMENT ADVISERS

**AfrAsia Bank**
Tel : + 230 208 5500
Email : afrasia@afrasiabank.com
Website : www.afrasiabank.com

**Bravura**
Tel : + 230 212 7803
Website : www.bravura.net

**Deutsche Bank Mauritius**
Tel : + 230 202 7878
Website : www.db.com/mauritius

**Parker Randall Mauritius**
Tel : + 230 405 7777
Email : smoollan@parkerrandall.com
Website : www.mu.parkerrandall.com

**PricewaterhouseCoopers Mauritius**
Tel No : +230 404 5000
Address : 18 CyberCity, Ebène, Réduit 72201
Contact : André Bonieux
Designation : Partner
Email : Andre.bonieux@mu.pwc.com
Website : www.pwc.com/mu

**Verdant Capital Mauritius**
Tel No : +230 (464) 1300
Fax No : +230 (467) 0155
Address : 3rd Floor, Tower A,
1 Cybercity, Ebene 72201
Contact : Edmund Higenbottam
Designation : Managing Director
Email : ed.higenbottam@verdant-cap.com
Website : www.verdant-cap.com

## INVESTMENT DEALERS / MEMBERS

**Anglo-Mauritius Stockbrokers**
Tel : + 230 208 7029
Website : www.anglostockbrokers.mu

**Associated Brokers**
Tel : + 230 212 3038
Email : abl@intnet.mu
Website : www.abrl.et

**AXYS Stockbrokering**
Tel : + 230 213 3475
Website : www.axys-group.com

**Capital Markets Brokers**
Tel : + 230 467 9655
Email : traders@cmb.mu
Website : www.cmb.mu

**IPRO Stockbroking**
Tel : + 230 403 6700
Email : sh@ipro.mu
Website : www.ipro.mu

**MCB Stockbrokers**
Tel : + 230 202 5427
Email : mcbsb@mcbcm.mu
Website : www.mcbstockbrokers.mu

**Prime Securities**
Tel : + 230 212 3500
Email : psl@primepartnersltd.com
Website : www.primesecuritieslrd.com

## LEGAL ADVISERS

**BLC Chambers**
Tel : + 230 213 7920
Email : chambers@blc.mu
Website : www.africalegalnetwork.com

**C & A Law**
Tel : + 230 466 0500
Email : info@calaw.mu
Website : www.calaw.mu

**ENSafrica : Mauritius**
Tel : + 230 212 2215
Website : www.ensafrica.com

**Jean Pierre Montocchio**
Tel : + 230 212 2871

**Juristconsult Chambers**
***Member of DLA Piper Africa***
Tel : + 230 208 5526
Contact : Marc Hein, Head of Practice
Email : mhein@juristconsult.com
Website : www.juristconsult.com

**Mardemootoo Solicitors**
Tel : + 230 212 1150
Website : www.mardemootoo.com

# Transactions – 2014 to H1 2016

| NATURE OF DEAL | DETAILS | TOMBSTONE PARTIES | | | | ESTIMATED DEAL VALUE | ANNOUNCEMENT DATE |
|---|---|---|---|---|---|---|---|
| | | INVESTMENT ADVISER | SPONSOR | LEGAL ADVISER | REPORTING ACCOUNTANT | | |
| **2014** | | | | | | | |
| Acquisition by | Compagnie des Magasins Populaires through 2 subsidiaries (CMPL (Bagatelle) and CMPL (Cascavelle)) of the stock, plant and equipment of Red Apple (Bagatelle) and Red Apple (Cascavelle) | BDO | | André Robert | | MUR127m | Jan 15 2014 |
| Listing of | Cargohub Capital : 1 128 000 shares @ EUR30.00 per share | M&S Capital Partners | Anglo-Mauritius Stockbrokers | Thierry Chellen | BDO | €33,84m | Jan 23 2014 |
| Private Placement | CIEL Limited : 344 827 586 shares @ MUR5.80 per share | BDO | | ENSmauritius; me Jean-Pierre Montocchio, ME Bernard d'Hotman de Villiers | BDO | MUR2bn | Mar 13 2014 |
| Listing of | Atlantic Leaf Properties : 2 000 000 new shares were placed with invited investors and on March 25, 2 001 000 shares began trading on the Stock Exchange of Mauritius | C&A Law; Java Capital | Intercontinental Trust | C&A Law | Mazars | MUR20m | Mar 25 2014 |
| Bonds | State Bank of Mauritius : issue of listing of Class A 1 Series Floating Interest Rate Senior Unsecured Bonds, due 2024 | | | | | MUR1,5bn | Mar 25 2014 |
| Acquisition by | CIEL of GML Investissement's 10% participation in Sun Resorts (total stake increased to 39.32%) | | | | | MUR41 per share | Mar 25 2014 |
| Acquisition by | CIEL : Mandatory offer to Sun Resorts shareholders @ MUR41.00 per share | | | | | to be advised | Mar 25 2014 |
| Acquisition by | DPI International (Distribution and Warehousing Network) from Aureos Southern Africa Fund of a stake in Plastic Investment International | | | Werksmans | | $2,3m | not announced Q1 2014 |
| Listing of | MCB Group : 237 835 837 shares @ MUR215 | MCB Capital Markets; PricewaterhouseCoopers | | ENSmauritius; Jean-Pierre Montocchio; Bernard d'Hotman de Villiers | BDO | MUR51bn | Apr 3 2014 |
| Private Placement | Rockcastle Global Real Estate : 3 269 700 new shares @ $1.41 per share | Java Capital | Java Capital | | | $4,6m | May 15 2014 |
| Acquisition by | Adenia Partners of a majority stake Mauvilac from the Maurel family and other shareholders | | | | | undisclosed | Sep 29 2014 |
| Listing | New Frontier Properties : 938 736 shares listed @ $1.00 per share | RSM Margéot | LCF Securities | Mardenootoo Solicitors | BDO | $938 736 | Nov 28 2014 |
| Acquisition by | National Bank of Canada of a 9.5% stake in AfrAsia Bank | | | | | undisclosed | Dec 15 2014 |
| **2015** | | | | | | | |
| Acquisition by | LeapFrog Investments of a minority stake in AFB Mauritius | | | ENSafrica | | $25m | Feb 26 2015 |
| Acquisition by | Amethis Finance of a 17% stake in CIEL Finance | | | | | undisclosed | Feb 26 2015 |
| Acquisition by | Gemcorp Capital of an equity stake in AFB | | | ENSafrica | | $7,5m | Jun 4 2015 |
| Disposal by | Gem Diamonds Investments of a stake in Gem Diamond Trading (Mauritius) | | | Webber Wentzel | | undisclosed | not announced Q2 2015 |
| Acquisition by | Santova Administration Services(Santova) of Jet-Freight Services | River Group | River Group | | | undisclosed | Aug 21 2015 |
| Acquisition by | PSG Konsult of a 70% stake in DMH Associates | | | Cliffe Dekker Hofmeyr | | undisclosed | Oct 8 2015 |
| Acquisition by | CMB International of 100% of the shares in Extell Capital (Australia) | Bravura Capital | | BLC Chambers; Webber Wentzel | BDO | $1,3m | Oct 9 2015 |
| Acquisition by | Vostok Emerging Finance of an equity stake in AFB | | | ENSafrica | | $4m | Oct 22 2015 |
| Listing of | CMB International : 115 098 380 shares @ $0.10 | BDO; BLC Chambers | Intercontinental Trust | BLC Chambers | KPMG | $11,5m | Oct 23 2015 |
| Acquisition by | Delta Africa Property from Jade Towers of Barclays House, Ebene, Mauritius | PSG Capital | PSG Capital; Capital Markets Brokers | | | $13,1m | Nov 10 2015 |
| Amalgamation of | ENL Investment with and into ENL Land | | | ENSafrica (Mauritius) | | undisclosed | Nov 19 2015 |
| Listing of | Tvreo Capital : 600 000 prefs @ R13.00 per share | KPMG Advisory Services | Capital Markets Brokers | C&A Law | KPMG | ZAR7,8m | Dec 8 2015 |
| Acquisition by | Mozaza Logistics of newly formed GBGC2 | | | Webber Wentzel | | not publicly disclosed | not announced Q4 2015 |
| **2016** | | | | | | | |
| Acquisition by | Tadvest from Matrix NSX of a 45.32% of Tadvest SA | Bravura; BDO | LCF Securities; PSG Namibia | Hogan Lovells (SA); Shameer Mohuddy; Ian Chambers Consulting | | NAD195,9m | Jan 19 2016 |
| Acquisition by | Tadvest from CRH Investments of a 40.02% of Tadvest SA | Bravura; BDO | LCF Securities; PSG Namibia | Hogan Lovells (SA); Shameer Mohuddy; Ian Chambers Consulting | | NAD173m | Jan 19 2016 |
| Listing of | Tadvest : 15 196 030 shares @ $0.90 per share | Bravura; BDO | LCF Securities; PSG Namibia | Hogan Lovells (SA); Shameer Mohuddy; Ian Chambers Consulting | | $13,7m | Feb 3 2016 |
| Acquisition by | CMB International of the remaining 65.9% of Concise Group | Bravura | Intercontinental Trust | | | $2m | Mar 17 2016 |
| Private Placement | CMB International : 20,306,455 shares | Bravura | Intercontinental Trust | | | $2m | Mar 17 2016 |
| Acquisition by | Vantage Mezzanine Fund III USD of a 4.33% stake in Worldwide Landmark Holding Company | | Investment One Financial Services | Werksmans; Adepetun Caxton-Martins Agbor & Segun | | undisclosed | Apr 12 2016 |
| Private Placement | CMB International : 7 586 401 new shares @ $0.10 per share iro the Multiplex Finance rights | Bravura | Intercontinental Trust | | | $758 640 | Apr 29 2016 |
| Acquisition by | CMB International of rights to 5m Multiplex Finance shares | Bravura | Intercontinental Trust | | | $758 640 | Apr 29 2016 |
| Disposal by | MCB Equity Fund of 100% of Speedy France to Bridgestone EMEA | MCB Capital Markets | | | | undisclosed | May 30 2016 |
| Disposal by | Torre International (Torre Industries) to African Agriculture Fund and a management consortium of a 45% stake in Torre Equipment Africa (40%:5%)Rand Merchant Bank | | | Bowman Gilfillan | | $15,7m | Jun 20 2016 |

# TRANSACTION ACTIVITY IN AFRICA (See ranking criteria)

## RANKING THE TOMBSTONE PARTIES Q2 2016

### INVESTMENT ADVISERS*

**RANKINGS BY VALUE**

| No | Company | Values $'m | Market Share % |
|---|---|---|---|
| 1 | Standard Bank Group | 3 747 | 29,73% |
| 2 | KPMG | 3 300 | 26,18% |
| 3 | Citigroup Global Markets | 2 560 | 20,31% |
| 4 | UBS | 585 | 4,64% |
| 5 | Standard Chartered Bank | 442 | 3,50% |
| 6 | Morgan Stanley | 419 | 3,33% |
| 7 | Perella Weinberg Partners | 340 | 2,70% |
| 8 | Rand Merchant Bank | 275 | 2,18% |
| 9 | Haywood Securities | 143 | 1,14% |
| | National Bank Financial | 143 | 1,14% |
| 11 | Tradeways | 140 | 1,11% |
| 12 | Chapel Hill Advisory Partners | 79 | 0,63% |
| 13 | Cormark Securities | 63 | 0,50% |
| | Maxit Capital | 63 | 0,50% |
| | Nabo Capital | 63 | 0,50% |

**RANKINGS BY FLOW (ACTIVITY)**

| No | Company | No | Market Share % | Values $'m |
|---|---|---|---|---|
| 1 | Standard Bank Group | 4 | 8,70% | 3 747 |
| 2 | PSG | 3 | 6,52% | 50 |
| | BDO | 3 | 6,52% | 27 |
| | Bravura | 3 | 6,52% | 24 |
| 5 | KPMG | 2 | 4,35% | 3 300 |
| | UBS | 2 | 4,35% | 585 |
| | Standard Chartered Bank | 2 | 4,35% | 442 |
| | Morgan Stanley | 2 | 4,35% | 419 |
| 9 | Citigroup Global Markets | 1 | 2,17% | 2 560 |
| | Perella Weinberg Partners | 1 | 2,17% | 340 |
| | Rand Merchant Bank | 1 | 2,17% | 275 |
| | Haywood Securities | 1 | 2,17% | 143 |
| | National Bank Financial | 1 | 2,17% | 143 |
| | Tradeways | 1 | 2,17% | 140 |
| | Chapel Hill Advisory Partners | 1 | 2,17% | 79 |

### LEGAL ADVISERS

**RANKINGS BY VALUE**

| No | Company | Values $'m | Market Share % |
|---|---|---|---|
| 1 | Allen & Overy | 3 742 | 20,71% |
| 2 | King & Wood Mallesons | 2 623 | 14,52% |
| 3 | Covington & Burling | 2 560 | 14,17% |
| | Herbert Smith Freehills | 2 560 | 14,17% |
| | Osler Hoskin & Harcourt | 2 560 | 14,17% |
| 6 | Baker & McKenzie | 970 | 5,37% |
| 7 | Bowman Gilfillan Africa Group | 647 | 3,58% |
| 8 | Cliffe Dekker Hofmeyr | 472 | 2,61% |
| 9 | Clifford Chance | 340 | 1,88% |
| 10 | Freshfields Bruckhaus Deringer | 340 | 1,88% |
| | Webber Wentzel | 340 | 1,88% |
| 12 | Stikeman Elliott | 206 | 1,14% |
| 13 | Blake Cassels & Graydon | 143 | 0,79% |
| | Norton Rose Fulbright | 143 | 0,79% |
| 15 | Dentons | 100 | 0,55% |

**RANKINGS BY FLOW (ACTIVITY)**

| No | Company | No | Market Share % | Values $'m |
|---|---|---|---|---|
| 1 | Bowman Gilfillan Africa Group | 20 | 31,75% | 647 |
| 2 | Cliffe Dekker Hofmeyr | 5 | 7,94% | 472 |
| 3 | Baker & McKenzie | 3 | 4,76% | 970 |
| | Clifford Chance | 3 | 4,76% | 340 |
| | Norton Rose Fulbright | 3 | 4,76% | 143 |
| 6 | Allen & Overy | 2 | 3,17% | 3 742 |
| | King & Wood Mallesons | 2 | 3,17% | 2 623 |
| | Stikeman Elliott | 2 | 3,17% | 206 |
| | Hogan Lovells | 2 | 3,17% | 22 |
| | Ian Chambers Consulting | 2 | 3,17% | 22 |
| | Shameer Mohuddy | 2 | 3,17% | 22 |
| 12 | Covington & Burling | 1 | 1,59% | 2 560 |
| | Herbert Smith Freehills | 1 | 1,59% | 2 560 |
| | Osler Hoskin & Harcourt | 1 | 1,59% | 2 560 |
| | Webber Wentzel | 1 | 1,59% | 340 |

## AFRICA RANKING CRITERIA

- For a transaction to qualify for the Africa tables and rankings, one of the parties or the asset has to be based in an African country other than SA.
- The Africa tables include all transactions, from mergers and acquisitions to listings and project financing.
- Only M&A and JV activity (including SA company deals involving African assets) have been used for ranking purposes.
- Proof of the firm's involvement must be provided to claim the deal.
- As many global organisations operate under specific names in certain countries, we have grouped each company under the global brand name and not under the country specific name.
- All transaction values have been converted into US$ (using the exchange rate at th date of announcement) for ranking purposes.

**Should you wish to submit your firm's advisory transactions within Africa, please contact Vanessa on reception@gleason.co.za.**

* Investment Advisers incorporate Financial Advisers and others claiming this category

# DEALMAKERS AFRICA H1 2016 (excl SA)

TOMBSTONE PARTIES



| TRANSACTION TYPE | DETAILS | INVESTMENT ADVISER | SPONSOR | ATTORNEY/ LEGAL ADVISER | REPORTING ACCOUNTANT | ESTIMATED DEAL VALUE | ANNOUNCEMENT DATE |
|---|---|---|---|---|---|---|---|
| **Africa** | | | | | | | |
| Acquisition by | EOH from shareholders of a 50% stake or more in Consol Systems (Morocco), BC Skills (Morocco), Acron (Turkey), Acron (Iran), Cazumevi (Turkey) and EBS (Mozambique) | | Merchantec Capital | | | undisclosed | Jan 12 |
| Strategic Partnership | Denham Capital and GreenWish Partners : to develop, build and finance a 600MW renewable-energy portfolio across Sub-Saharan Africa by 2020 | | | | | undisclosed | Feb 22 |
| Acquisition by | Bitfury of a stake in BitPesa | | | | | undisclosed | Feb 29 |
| Disposal by | Actis of Emerging Markets Payments to Network International | Morgan Stanley; Perella Weinberg Partners | | Clifford Chance; Webber Wentzel; Freshfields Bruckhaus Deringer | | $340m | Mar 2 |
| Acquisition by | Abraaj Group of Themis | | | | | undisclosed | Mar 16 |
| Acquisition by | Extraordinary Journeys of Game Plan Africa | | | | | undisclosed | Mar 25 |
| Acquisition by | GoviEx Uranium from Denison Mines of Rockgate Capital (which houses all of Denisons Africa-based uranium assets) | | | | | C$5m | Mar 30 |
| Acquisition by | Potential Group of Starta | | | | | undisclosed | Apr 18 |
| Disposal by | Sun International to Minor International of minority interests in various entites in Botswana, Lesotho, Swaziland and Zambia | | Rand Merchant Bank | Cliffe Dekker Hofmeyr; Baker & McKenzie | | R394m | May 9 |
| Joint Venture | Ringier Africa and One Africa Media : Ringier One Africa Media (merged pan-African classified assets) | | | | | undisclosed | May 10 |
| Acquisition by | Old Mutual Investment of a 49% stake in UFF African Agri Investments | | | | | undisclosed | May 25 |
| Acquisition by | Trace TV of Buni.tv | | | | | undisclosed | Jun 20 |
| Joint Venture | Africa Finance Corporation's interests in Cenpower and Harith General Partners' assets in the Pan Africa Infrastructure Development Fund(PAIDF) : new energy entity | Standard Bank; KPMG | | Allen & Overy | | $3,3bn | Jun 22 |
| Acquisition by | Wendel of a 40% stake in SGI Africa | | | | | undisclosed | Jun 28 |
| **East Africa** | | | | | | | |
| Acquisition by | Atkins of Howard Humphreys East Africa | | | | | undisclosed | Mar 3 |
| Acquisition by | Exim Bank of Imperial Bank's (in receivership) shares in Imperial Bank (Uganda) | | | | | $6,788m | Mar 7 |
| Acquisition by | AfricInvest of a stake in Silafrica Plastics and Packaging International | | | Clyde; Bowman Gilfillan Africa Group | | undisclosed | Mar 11 |
| Acquisition by | Wilderness from Monitor International of a 51% stake Governors' Camp Group in Kenya and Rwanda | | Rand Merchant Bank | Bowman Gilfillan Africa Group | | $6,2m | Apr 6 |
| Acquisition by | Total of Gulf Africa Petroleum from Reliance Industries (76%) and minority shareholders (24%) | Standard Chartered Bank | | | | undisclosed | May 31 |
| Acquisition by | Olam International of the 50% stake in Acacia Investments not already held | | | | | $24m | Jun 1 |
| **North Africa** | | | | | | | |
| Acquisition by | Mediterrania Capital Partners and Euromena III of a minority stake in BS Invest (Tunisia), CAP Retail (Morocco) and Investex Alegérie (Algeria) | | | | | undisclosed | Apr 7 |
| **West Africa** | | | | | | | |
| Acquisition by | Orange of Airtel's operations in Burkina Faso and Sierra Leone | Lazard; Société Générale; Arma Partners | | | | undisclosed | Jan 13 |
| Acquisition by | Niledutch of the Europe to West Africa services and operations from Safmarine MPV | | | | | undisclosed | Mar 16 |
| Acquisition by | Kodal Minerals fron Taruga Gold of its 100% stake in International Goldfields (bermu8da) - which holds various gold exploration properties in Mali and Cote d'Ivoire | | | | | £410 000 | Apr 7 |
| Merger of | Hummingbird Resources non-core gold permits in Mali with Kola Gold's permits in Mali and Senegal to create Cora Gold | RFC Ambrian | RFC Ambrian; Beaufort Securities | | | undisclosed | Jun 29 |
| **Algeria** | | | | | | | |
| Disposal by | Mediterrania Capital Partners of its stake in Cellulose Processing to The Abraaj Group | | | | | undisclosed | Jan 11 |
| Acquisition by | Mediterrania Capital Partners of a 43% stake in Cieptal Cars | | | | | undisclosed | Apr 4 |
| Acquisition by | Issad Rebrab (Cevital) of the El Khabar Group | | | | | $45m | Apr 12 |
| **Angola** | | | | | | | |
| Joint Venture | Harkand and ESOPEG Lda : Harkand Angola | | | | | undisclosed | Feb 24 |
| **Botswana** | | | | | | | |
| Acquisition by | Metrofile of Document Bank Botswana | | | | | undisclosed | Jan 13 |
| Acquisition by | Equatorial Oil & Gas (Karoo Energy) of the remaining 15% stake in Tamboran Botswana not already owned, from Tamboran Resources | Peterhouse Corporate Finance | | | | £400 000 | Jan 18 |
| Acquisition by | Metrofile of a 40% stake in Litigator | | | | | undisclosed | Mar 3 |
| IPO | The Far Property Group : 20 000 000 linked units at P2.57 each | PSG Capital | African Alliance Capital Markets | Collins Newman | PwC | BWP51,4m | Mar 24 |
| Listing of | The Far Property Group : 380 000 000 linked units at P2.57 each | PSG Capital | African Alliance Capital Markets | Collins Newman | PwC | BWP976,6m | May 4 |
| Acquisition by | Pamstad of an additional 12% of Smithshine Enterprises | | | Cliffe Dekker Hofmeyr | | undisclosed | May 23 |
| Acquisition by | Management from Afena Capital of a 51% of Afena Capital Botswana | | | | | undisclosed | Jun 17 |
| **Burkina Faso** | | | | | | | |
| Disposal by | Endeavour Mining of the Youga Mine to MNG Gold | | | | | $25,3m | Feb 29 |
| Acquisition by | Endeavour Mining of True Gold which holds a 90% stake in the Karma gold mine | UBS Investment Bank; National Bank Financial; Haywood Securities | | Stikeman Elliott; Blake Cassels & Graydon; Norton Rose Fulbright | | C$191m | Mar 4 |
| Acquisition by | Roxgold Exploration (Roxgold) of the Houko Permit from Daritos SARL | | | | | €100 000 | Mar 21 |
| Acquisition by | Samara Resources of the Bondi gold deposit from Orezone Gold | | | | | shares velaued at A$1,44m plus 5 million warrants | May 24 |
| Acquisition by | Teranga Gold of Gryphon Minerals (which holds 90% of the Banfora Gold Project) | Cormark Securities; Maxit Capital | | Stikeman Elliott; DLA Piper (Australia); King & Wood Mallesons; Blake, Cassels & Graydon | | $63m | Jun 19 |
| **Cameroon** | | | | | | | |
| Acquisition by | Victoria Oil & Gas of a 75% interest in Matanda Block (hydrocarbon licence) from Glencore Exploration Cameroon and Afex Global | | | | | undisclosed | Feb 18 |

— Failed deal

| TRANSACTION TYPE | DETAILS | INVESTMENT ADVISER | SPONSOR | ATTORNEY/ LEGAL ADVISER | REPORTING ACCOUNTANT | ESTIMATED DEAL VALUE | ANNOUNCEMENT DATE |
|---|---|---|---|---|---|---|---|
| **Cape Verde** | | | | | | | |
| Acquisition by | Africa Finance Corporation of InfraCo Africa's remaining stake in the CabeÓlice Wind Farm | | | | | undisclosed | Feb 19 |
| **Cote d'Ivoire** | | | | | | | |
| Acquisition by | Amethis Finance and West Africa Emerging Markets Growth Fund of an additional stake in Pétro Ivoire | | | | | undisclosed | Feb 28 |
| Disposal by | Cape Lambert Resources of its tenements in Cote d'Ivoire to Newcrest Mining | | | | | $332 500 | Mar 23 |
| Acquisition by | DekelOil Public Ltd of an additional 30.5% stake in CS DekelOil Siva from Biopalm Energy | Cantor Fitzgerald Europe | Kerman; Gowling WLG (UK) | | | €13,1m | May 24 |
| **DRC** | | | | | | | |
| Joint Venture | Randgold Resources and Loncor Resources Congo : Ngayu Project | | | | | undisclosed | Jan 19 |
| Joint Venture | Randgold Resources and Kilo Goldmines : Somituri licenses | | | | | undisclosed | Jan 19 |
| Joint Venture | Randgold Resources and Devon Resources : Ngayu belt permit package | | | | | undisclosed | Jan 19 |
| Acquisition by | Orange of Tigo DRC from Millicom | | | | | undisclosed | Feb 8 |
| Disposal by | KenolKobil of its interest in KenolKobil Congo SPRL | | | | | undisclosed | Feb 24 |
| Joint Venture | Randgold Resources, Société Miniére de Kilo-Moto and Moku Goldmines : Moku-Beverendi gold exploration project | | | | | undisclosed | Apr 19 |
| Acquisition by | Helios Towers Africa of approximately 950 telecoms towers from Bharti Airtel | | | | | undisclosed | May 5 |
| Disposal by | Freeport-McMoRan of its 70% stake in TF Holdings (which indirectly owns an 80% stake in Tenke Fungurume Mining) to China Molybdenum | Citigroup Global Markets | | Osler Hoskin & Harcourt; Herbert Smith Freehills; King & Wood Mallesons; Covington & Burling | | $2,65bn | May 9 |
| Investment by | XSML in Institut Aurora | | | | | undisclosed | May 9 |
| Investment by | XSML in Laboratoire BIS | | | | | undisclosed | May 9 |
| **Egypt** | | | | | | | |
| Disposal by | Abraaj Group of its remaining stake in Integrated Diagnostics Group | | | | | undisclosed | Jan 17 |
| Disposal by | Amwal AlKhaleej of its investment in Sarwa Capital to the Egyptian-American Enterprise Fund | | | | | undisclosed | Feb 1 |
| Acquisition by | EFG Hermes of a 76.7% stake in Tanmeyah Microenterprise Services from Qalaa (70%) and Tanmeyah management (6.7%) | EFG Hermes Investment Banking | | Arab Legal Consultants | KPMG | EGP345m | Feb 24 |
| IPO | Arabian Food Industries Company Domty : 122 500 000 shares @ EGP9.20 each | EFG Hermes | | Baker & McKenzie; Matouk Bassiouny | | EGP1,127bn | Mar 1 |
| Disposal by | MENA Infrastructure of its 30.33% stake in Alexandria International Container Terminals to Hutchison Port | | | | | undisclosed | Mar 7 |
| Acquisition by | Arqaam Capital of Akanar Partners | | | Baker & McKenzie | | undisclosed | Mar 21 |
| Acquisition by | European Bank for Reconstruction and Development of an equity stake in United Sugar Company (debt conversion and new capital) | | | Dentons | | $100m | Mar 29 |
| Acquisition by | Rockhopper Exploration of Beach Petroleum (Egypt) - which holds a 22% stake in the Abu Sennan concession and a 25% stake the El Qa'a Plain concession - from Beach Energy (Amended agreement) | | Canaccord Genuity; Liberum Capital | | | $11,9m | Apr 18 |
| IPO | Cleopatra Hospital Company : 40m shares @ EGP9 per share | EFG Hermes | | Freshfields Bruckhaus Deringer; Zulficar & Partners; Shearman & Sterling (London); Matouk Bassiouny | | EGP360m | May 5 |
| Acquisition by | Egyptian Media Company of ONTV from Naguib Sawiris | | | | | undisclosed | May 16 |
| Merger of | Al-Nahar and CBC (includes Future Company, Future Advertising, Trinta Company, Media Nine and 2 other media services companies) | | | | | undisclosed | May 24 |
| Acquisition by | Dentsu Aegis Network of a 51% stake in Digital Republic SAE | | | | | undisclosed | May 31 |
| Disposal by | Actis of a 7% stake in Edita Food Industries | | | | | EGP905,8m | May 31 |
| Acquisition by | Beltone Financial of a 51% stake in Auerbach Grayson | | | | | undisclosed | Jun 1 |
| Acquisition by | Egyptian Media Company of a 51% stake in Presentation Advertising Agency | | | | | undisclosed | Jun 2 |
| Listing of | Cleopatra Hospital Company : shares @ EGP9 per share | EFG Hermes | | Freshfields Bruckhaus Deringer; Zulficar & Partners; Shearman & Sterling (London); Matouk Bassiouny | | EGP,144bn | Jun 2 |
| Acquisition by | Egyptian Media Company of a 50% stake in Egypt for Cinema | | | | | undisclosed | Jun 6 |
| Acquisition by | The Dangote Group of stake in Afrexim Bank | | | | | undisclosed | Jun 8 |
| Disposal by | Tiger Brands to EAG of a 51% stake in EATBI | | JPMorgan | | | undisclosed | Jun 9 |
| Acquisition by | Emerging Investment Partners of General Cable Egypt | | | | | undisclosed | Jun 22 |
| **Ethiopia** | | | | | | | |
| Acquisition by | 54 Capital of an undisclosed stake in Addis Pharmaceutical Factory | | | | | $30m | Jan 6 |
| Acquisition by | Schulze Global Investments of a 45% stake in MB Plc, the producer of Family Milk | | | | | undisclosed | Jan 22 |
| Acquisition by | 8 Miles of a significant minority stake in Verde Beef Processing | KPMG | | Clifford Chance; Armbrust & Brown; Harbottle & Lewis | | undisclosed | Apr 26 |
| **Ghana** | | | | | | | |
| Acquisition by | Goldcrest Resources of the entire issued shares capital of Taoudeni Resources (owner of 100% of the Asheba Gold Project) | | | | | an initial pmnt of 599 177 916 new Goldcrest shares | Jan 19 |
| Acquisition by | NEAH GES Dubai affiliates of a controlling stake in Quemic Ghana | | | | | undisclosed | Feb 29 |
| Acquisition by | Puma Energy of UBI | | | | | undisclosed | Mar 1 |
| Joint Venture | MR JP Osbourne and RMB Westport Real Estate Development Fund : to acquire and develop plot No 87, Independence Road, Greater Accra Region, Ghana | Cliffe Dekker Hofmeyr | | | | undisclosed | not announced Q1 |
| Acquisition by | PCM Capital Partners of a stake in Surfline Communications | | | | | €5m | Apr 12 |
| Acquisition by | Azumah Resouces of teh Julie West Prospecting Licence from Bunda Resources | | | | | A$329 000 (7m Azumah shares) | Apr 27 |
| Joint Venture | SES Platform Services and K-NET : offer a unified bouquet of high quality free-to-air and free-to-view channels for West Africa | | | | | undisclosed | May 24 |
| Investment by | Injaro Agricultural Capital in Gold Coast Fruits | | | | | undisclosed | Jun 22 |

# DEALMAKERS AFRICA H1 2016 (excl SA)



| TRANSACTION TYPE | DETAILS | INVESTMENT ADVISER | SPONSOR | ATTORNEY/ LEGAL ADVISER | REPORTING ACCOUNTANT | ESTIMATED DEAL VALUE | ANNOUNCEMENT DATE |
|---|---|---|---|---|---|---|---|
| **Kenya** | | | | | | | |
| Acquisition by | Old Mutual Property (Old Mutual) from Centum Investments of a 10% stake in Two Rivers Lifestyle Centre | Nabo Capital | | | | KES6,4bn | Jan 14 |
| Acquisition by | Flame Tree Group of SuzieBeauty | | | | | undisclosed | Jan 25 |
| Acquisition by | Godrej Consumer products of a majority stake in Canon Chemicals | | | Bowman Gilfillan Africa Group | | undisclosed | Feb 3 |
| Acquisition by | Strides Shasun of a 51% stake in Universal Corporation | | | Bowman Gilfillan Africa Group | | $14m | Feb 8 |
| Acquisition by | The Norwegian Investment Fund for Developing Countries (Norfund) of a minority stake in Freight-in-Time | | | | | $10m | Feb 12 |
| Acquisition by | The Pivotal Fund from Abland and Carlisle Property of a 50% stake in Buffalo Mall Naivasha | BDO | Java Capital | Cliffe Dekker Hofmeyr | | $4,43m | Feb 15 |
| Acquisition by | The Standard Group of a stake in Bamba TV | | | | | KHS300m | Feb 19 |
| Acquisition by | Kenyan Government of a 10% stake in Telkom Kenya (ceded by France Telecom in exchange for the Govt. not excercising its pre-emptive rights - Helios Deal) | | | | | 0 | Mar 6 |
| Acquisition by | Kuramo Capital Management of a stake in TransCentury | | | | | $20m | Mar 14 |
| Acquisition by | Duet East African Financial (Duet Group) of a stake in Fidelity Commercial Bank | | | | | KSh1,9bn | Mar 22 |
| Acquisition by | Andreessen Horowitz of a stake in Branch International (Branch.co) | | | | | $9,2m | Mar 30 |
| Acquisition by | Equator Capital Partners and Progression Capital Africa on a stake in Jamii Bora Bank | | | Bowman Gilfillan Africa Group | | Ksh1,2bn | Apr 11 |
| Investment by | Kibo Capital Partners in partnership with Velogic in General Cargo Services | | | | | undisclosed | Apr 18 |
| Acquisition by | CDC Group of a 10.68% stake in I&M Holdings from DEG and Proparco | | | Bowman Gilfillan Africa Group | | undisclosed | Apr 19 |
| Acquisition by | KCB Group of a majority stake in Chase Bank | | | | | undisclosed | Apr 20 |
| Investment by | Catalyst Principal Partners in Orbit Chemical Industries | | | Bowman Gilfillan Africa Group | | undisclosed | Apr 25 |
| Acquisition by | Tarlochan of the assets of Pan African Paper Mills | | | Bowman Gilfillan Africa Group | | KES900m | Apr 28 |
| Investment by | CDC group in ARM Cement | Tradeways | | Bowman Gilfillan Africa Group | | $140m | Apr 30 |
| Acquisition by | Longhorn Publishers of a 74% stake in Law Africa | | | | | undisclosed | Jun 13 |
| Acquisition by | Plum LLP of an additional 23.34% stake in Britam Holdings (total stake controlled now 38.54%) | | | Bowman Gilfillan Africa Group | | undisclosed | Jun 13 |
| Acquisition by | Pidilite International Pte and Pidilite Middle East of Nebula East Africa Private Ltd | | | | | undisclosed | Jun 16 |
| Acquisition by | NIC Bank of certain deposits and assets of Imperial bank from the kenya Depositors Insurance Corp | | | | | undisclosed | Jun 21 |
| Disposal by | Essar Energy Overseas of its 50% stake in Kenya Petroleum Refineries to the Government of Kenya | | | | | $5m | Jun 24 |
| Financing by | Standard Chartered Bank and the International Development Association of new commercial financing for Kenya Power & Lighting Company | Standard Chartered Bank | | Bowman Gilfillan Africa Group | | $500m | Jun 27 |
| Acquisition by | Metair Investments of Associated Battery Manufacturers East Africa | | | | | $7,3m | Jun 27 |
| Acquisition by | IMCD of Chemicals and Solvents | | | Bowman Gilfillan Africa Group | | undisclosed | Jun 30 |
| Acquisition by | Mara EPZ of the business assets of Indu Farm Export Processing Zone | | | Bowman Gilfillan Africa Group | | undisclosed | not announced Q2 |
| Acquisition by | PH Business Solutions of the development management business of Mentor Management | | | Bowman Gilfillan Africa Group | | undisclosed | not announced Q2 |
| Acquisition by | Chandaria Industries of a parcel of land within Tatu City Industrial Park | | | Bowman Gilfillan Africa Group | | undisclosed | not announced Q2 |
| **Liberia** | | | | | | | |
| Acquisition by | Orange Côte d'Ivoire (Orange) from Cellcom Telecommunications 100% of Cellcom's Liberia subsidiary | Standard Bank | | | | undisclosed | Jan 12 |
| Acquisition by | MNG Gold Jersey of a 22.3% stake in Aureus Mining (equity investment to fund the restart of operations at New Liberty) | Numis Securities; RBC Capital Markets | Numis Securities | | | $30m | Jun 15 |
| **Madagascar** | | | | | | | |
| Acquisition by | Party City of Festival S.A. | | | Bowman Gilfillan Africa Group | | $5m | Mar 14 |
| Acquisition by | Bass Metals of the Graphmada Large Flake Graphite Mine from StratMin Global Resources | Strand Hanson | | | | A$2,25m | Apr 1 |
| Investment by | Adenia Partners in Opham | | | | | undisclosed | May 3 |
| Acquisition by | ISR Capital of 19.9% of Tantalum Holdings (which hold 100% of Tantalum Rare Earth Malagasy - holds a rare earth elements concession in the Ampasindava Peninsula) | | | | | S$13,3m | Jun 10 |
| **Mali** | | | | | | | |
| Joint Venture | Caracal Gold Mali (Alecto Minerals) and Randgold Reources (Mali) : to develop and explore the Kossanto West Gold Project (35%:65%) | | | | | undisclosed | Feb 8 |
| Acquisition by | Komet Mali (Komet Resources) of the Moussala exploration permit located in the Kenieba gold mining camp | | | | | undisclosed | Jun 21 |
| **Mauritania** | | | | | | | |
| Acquisition by | Algold resources of Gryphon Minerals 100% interest in the Tijirit Gold and Akjoujt Copper /Gold Projects (excercise of option) | | | | | A$4,5m | Mar 14 |
| Acquisition by | Aura Energy of 2 exploration permits on the Archean Greenstone belts | | | | | $100 000 | Jun 27 |
| **Mauritius** | | | | | | | |
| Acquisition by | Tadvest from Matrix NSX of a 45.32% of Tadvest SA | Bravura; BDO | LCF Securities; PSG Namibia | Hogan Lovells (SA); Shameer Mohuddy; Ian Chambers Consulting | | NAD195,9m | Jan 19 |
| Acquisition by | Tadvest from CRH Investments of a 40.02% of Tadvest SA | Bravura; BDO | LCF Securities; PSG Namibia | Hogan Lovells (SA); Shameer Mohuddy; Ian Chambers Consulting | | NAD173m | Jan 19 |
| Listing of | Tadvest : 15 196 030 shares @ $0.90 per share | Bravura; BDO | LCF Securities; PSG Namibia | Hogan Lovells (SA); Shameer Mohuddy; Ian Chambers Consulting | | $13,7m | Feb 3 |
| Acquisition by | CMB International of the remaining 65.9% of Concise Group | Bravura | Intercontinental Trust | | | $2m | Mar 17 |
| Acquisition by | Vantage Mezzanine Fund III USD of a 4.33% stake in Worldwide Landmark Holding Company | | Investment One Financial Services | Werksmans; Adepetun Caxton-Martins Agbor & Segun | | undisclosed | Apr 12 |
| Disposal by | MCB Equity Fund of 100% of Speedy France to Bridgestone EMEA | MCB Capital Markets | | | | undisclosed | May 30 |
| Disposal by | Torre International (Torre Industries) to African Agriculture Fund and a management consortium of a 45% stake in Torre Equipment Africa (40%:5%) | Rand Merchant Bank | | Bowman Gilfillan Africa Group | | $15,7m | Jun 20 |
| Private Placement | CMB International : 20,306,455 shares | Bravura | Intercontinental Trust | | | $2m | Mar 17 |

| TRANSACTION TYPE | DETAILS | INVESTMENT ADVISER | SPONSOR | ATTORNEY/ LEGAL ADVISER | REPORTING ACCOUNTANT | ESTIMATED DEAL VALUE | ANNOUNCEMENT DATE |
|---|---|---|---|---|---|---|---|
| **Mauritius (cont.)** | | | | | | | |
| Private Placement | CMB International : 7 586 401 new shares @ $0.10 per share iro the Multiplex Finance rights | Bravura | Intercontinental Trust | | | $758 640 | Apr 29 |
| Acquisition by | CMB International of rights to 5m Multiplex Finance shares | Bravura | Intercontinental Trust | | | $758 640 | Apr 29 |
| **Morocco** | | | | | | | |
| Merger of | Lafarge Ciments Maroc and Holcim Maroc : LafargeHolcim Maroc (LafargeHolcim and SNI will own 64.7%) | | | Baker & McKenzie | | undisclosed | Mar 17 |
| Acquisition by | AfricInvest of a stake in Outsourcia Group | | | | | undisclosed | Mar 29 |
| Investment by | Actis in Mundiapolis University | | | | | undisclosed | May 22 |
| Acquisition by | Mediterrania Capitl Partners of a stake in MedTech Group | | | | | undisclosed | Jun 7 |
| Acquisition by | Allianz Group of Zurich Assurances Maroc from Zurich Insurance Company | | | | | €244m | Jun 17 |
| IPO | Marsa Maroc : 29 358 240 shares @ MAD65,00 each | | | Baker & McKenzie | | MAD1,9bn | Jun 17 |
| Acquisition by | Sarouty.ma (Propertyfinder) of Selektimmo | | | | | undisclosed | Jun 23 |
| **Mozambique** | | | | | | | |
| Acquisition by | S2 Africa (Satya Capital and Sonae Distribuicão) of Extra supermarket chain from Africom Delta Corporation | | | | | undisclosed | Feb 7 |
| Acquisition by | Delta Africa Property from Great Lakes Property (Mozambique), Sonar Foundation, Hodarihold, CD Properties, NPF Earlman and FA Grobien of Gateway Properties of which CD Properties holds a 98% stake | PSG Capital | PSG Capital; Capital Markets Brokers | | | $8,5m | Feb 16 |
| Acquisition by | Delta International Mauritius (Delta Africa Property) from major shareholders of Transformers Holdings Mauritius which holds Delta Tete | PSG Capital | PSG Capital | | | $17,35m | Feb 17 |
| Disposal by | Tata Chemicals of it's 95% stake in Grown Energy Zambeze to Rademan Janse van Rensburg | | | | | $6m | Feb 23 |
| Acquisition by | Nedbank of an additional 13,6% stake plus one share in Banco Unico, Mozambique | | | | | R178,4m | Mar 3 |
| Acquisition by | Mustang Resources of a 90% interest in exploration license 6363L and a 95% interest in 7560L from Regius Resources (exercise of option) | | | | | $50 000 | Mar 8 |
| Acquisition by | Quantum Foods Mozambique (Quantum Foods) of Galovos | | PSG Capital | | | R31,1m | Apr 26 |
| Disposal by | Xtract Resources of 100% of the Manica Gold project to Nexus Capital and Mineral Technologies International | | | | | $17,5m | May 26 |
| **Namibia** | | | | | | | |
| Specific Issue | CMB International : 81,728,317 shares to Alistra, Seistra and Titan Rand | Bravura | PSG Namibia | | | R116m | Jan 25 |
| Listing of | Tadvest : 15 196 030 shares @ $0.90 per share | Bravura; BDO | LCF Securities; PSG Namibia | Hogan Lovells SA; Shameer Mohuddy; Ian Chambers Consulting | | $13,7m | Feb 3 |
| Acquisition by | Enertronica of 70% of sertum Energy Namibia | | | Norton Rose Fulbright | | undisclosed | Mar 9 |
| Acquisition by | Jet Gold Corp of a 30% stake in the Haib copper project (by acquiring 100% of 1054137 BC, which holds 100% of Deep-South Mining Company, which holds 30% of Haib Minerals) | | | | | 45m Jet Gold shares | Mar 21 |
| Debenture Financing by | Vantage Capital to United Africa Group | | | | | N$80m | Apr 25 |
| Acquisition by | Eos Capital of a mjority stake in Elso Holdings | | | | | undisclosed | May 24 |
| Acquisition by | Samba Luxco (Helios Investors) of a 34% stake in Mobile Telecommunications | | | | | undisclosed | Jun 20 |
| **Nigeria** | | | | | | | |
| Acquisition by | MTN of Visafone Communicatons | | Deutsche Securities | | | R3,43bn | Jan 7 |
| Acquisition by | Olam International of Amber Foods (owns Quinessential Foods Nigeria) | Rand Merchant Bank | | | | $275m | Jan 11 |
| Acquisition by | WhoGoHost of iHost Africa | | | | | undisclosed | Jan 12 |
| Acquisition by | Swiber Offshore Construction (Swiber) of a 38% stake in Deltatek Offshore | | | | | NGN9,5m | Jan 19 |
| Acquisition by | The Coca-Cola Company from Tropical General Investments (TGI) of an initial 40% equity stake in Chi Ltd | | | | | undisclosed | Jan 30 |
| Acquisition by | Interswitch of Vanso | | | | | N15bn | Feb 9 |
| Acquisition by | Synergy Capital of a stake in Africa Terminals | | | | | undisclosed | Feb 18 |
| Disposal by | MX Oil of its interest in the Aje Fieldto GEC Petroleum Development Company | Cairn Financial Advisers | Cornhill Capital | | | $18m | Feb 26 |
| Investment by | Goldman Sachs, AXA, Rocket Internet and MTN in Africa Internet Group | | | | | €300m | Mar 3 |
| Acquisition by | I H S of Helios Towers Nigeria (HTN) from HTN Towers | | | | | undisclosed | Mar 10 |
| Acquisition by | Ringier Africa Deals of DealDay | | | | | undisclosed | Mar 23 |
| Acquisition by | Synergy Capital of a stake in Suburban Fiber Company | | | | | undisclosed | Mar 24 |
| Acquisition by | Fan Milk International of 52,843,094 shares from minority shareholders of Fan Milk Nigeria | Stanbic IBTC Capital | | | | NGN1bn | not announced Q1 |
| Acquisition by | Orange of a stake in Africa Internet Group | | | | | €75m | Apr 5 |
| Financing by | Vantage Mezzanine Fund III USD to Worldwide Landmark Holding Company : iro Landmark Village | | Investment One Financial Services | Werksmans; Adepetun Caxton-Martins Agbor & Segun | | $20m | Apr 12 |
| Acquisition by | Lafarge Africa of the outstanding shares in Ashaka Cement not held (17.54%) | | | | | to be advised | Apr 14 |
| Joint Venture | Pick n Pay Stores and AG Leventis : roll out of both large and smaller formats through out Nigeria (51%:49%) | | | | | undisclosed | Apr 28 |
| Acquisition by | Lafarge Africa of an additional 50% stake in United Cement Company of Nigeria (UNICEM) from Egyptian Cement Holdings | | | | | NGN28bn (413 175 709 Lafarge shares) | May 12 |
| Investment by | Singularity Investments in Sliide Airtime | | | | | undisclosed | May 13 |
| Acquisition by | Metropolitan International (MMI) of the remaining 50% stake in United Metropolitan, Nigeria | | | | | undisclosed | May 26 |
| Acquisition by | Trade Union Congress of Nigeria of a 57% stake in Unity Bank | | | | | NGN80bn | Jun 3 |
| Acquisition by | Suntory Beverage & Food of the drinks business (Lucozade and Ribena brands) of GlaxoSmithKline Consumer Nigeria | Morgan Stanley; Chapel Hill Advisory Partners | | Banwo & Ighodalo | | $79,2m | Jun 3 |

| TRANSACTION TYPE | DETAILS | INVESTMENT ADVISER | SPONSOR | ATTORNEY/ LEGAL ADVISER | REPORTING ACCOUNTANT | ESTIMATED DEAL VALUE | ANNOUNCEMENT DATE |
|---|---|---|---|---|---|---|---|
| **Nigeria (cont.)** | | | | | | | |
| Acquisition by | Africa Finance Corporation of South African Toll Road Company (SATRC) | | | | | undisclosed | Jun 10 |
| Acquisition by | Pulse Nigeria of the My Africa brand and assets | | | | | undisclosed | Jun 21 |
| Acquisition by | WhoGoHost of TheExpertHost | | | | | undisclosed | Jun 21 |
| Acquisition by | Thor Explorations of Segilola Resources Operating and JV partner, Segilola Gold(together hold 100% of the Segilola Gold Project) | | | | | $5,345m cash plus shares (equal to 40.68% of Thor) plus royalties | Jun 27 |
| **Senegal** | | | | | | | |
| Acquisition by | Mimran Natural Resources of a 45% stake in AFRIG S.A. | | | | | undisclosed | Feb 18 |
| Acquisition by | Woodside Energy (Senegal) from Impact Oil & Gas AGC of a 65% participating interest a Production Sharing Contract and associated joint operating agreement in the AGC Profond Block | | | | | undisclosed | Feb 18 |
| Acquisition by | Lekela Power of codevelopment rights and sole rights to invest in the 158MW Taiba Ndiaye Wind Project | | | Clifford Chance | | undisclosed | Jun 22 |
| **Sierra Leone** | | | | | | | |
| Acquisition by | Citigate Commodities Trading of a Kimberlite Diamond Concession | | | | | undisclosed | Mar 14 |
| **Tanzania** | | | | | | | |
| Disposal by | KenolKobil of its interest in Kobil Tanzania | | | | | undisclosed | Feb 24 |
| Acquisition by | Graphex Mining of the IMX Resources graphite assets (including the Chilalo Graphite Project) | | | | | A$1m plus16,5m Graphex shares | Mar 16 |
| Acquisition by | American Tower Corporation of 1,350 communication towers in Tanzania from Airtel Tanzania ) Bharti Airtel | | | | | undisclosed | Mar 21 |
| Acquisition by | Abhay Cotex of a minority stake in a greenfield project to be developed by the Afrisian Group | | | | | undisclosed | May 12 |
| Acquisition by | Auroch Minerals of the Hombolo Lithium Project | | | | | A$150 000 plus 3m Auroch shares and 3m options | May 24 |
| IPO | DSE Plc : 15 000 000 shares offered @ TZS500 per share | Orbit Securities | Orbit Securities | Crest Attorneys | NEXIA SJ Tanzania | TZS 7,5bn | May 30 |
| Acquisition by | Armadale of the Graphite Advancement Tanzania which holds the right to 100% of the Mahenge Liandu Graphite Project | | FinnCap; Beaufort Securities | | | 57,5m Armadale shares plus £450 000 loan notes | Jun 2 |
| Acquisition by | MV Upstream Tanzania of a 25% participating interest in the Kilosa-Kilombero License | First Energy Capital | | | | $2,3m | Jun 21 |
| Acquisition by | Manas Resources of the Victoria Gold Project | | | | | $4m | Jun 27 |
| **Tunisia** | | | | | | | |
| Acquisition by | The Abraaj Group of a 49% stake in JM Holding, the majority shareholder of Société d'Articles Hygiéniques | | | | | undisclosed | Jan 18 |
| Disposal by | Abraaj Group of its stake in Unité de fabrication de médicaments (Unimed) via IPO | | | | | undisclosed | May 4 |
| Investment by | The Carlyle Group in Mazarine Energy | | | | | undisclosed | May 16 |
| Acquisition by | Tunisie Telecom of a stake in Go Plc (Malta) - offer priced at €2.87 per share | | | Camilleri Preziosi | | to be advised | Jun 1 |
| **Uganda** | | | | | | | |
| Acquisition by | Liberty from Madhvani Group of a 51% stake in East African Underwriters | | | | | undisclosed | Feb 1 |
| Acquisition by | Black Mountain Resources of Namekara Mining Company from African Phosphate | Verdant Capital; Sanlam Private Wealth | | | | 400m Black Mountain shares | Feb 5 |
| Financing by | SunFunder provided a Structured Asset Finance Instrument for SolarNow | | | Bowman Gilfillan Africa Group | | $2m | May 19 |
| Acquisition by | Libya Oil Kenya of a majority stake in Libya Oil Uganda | | | Bowman Gilfillan Africa Group | | $2,3m | not announced Q2 |
| Acquisition by | Vegol of the business and assets of Mukono Industries Uganda | | | Bowman Gilfillan Africa Group | | $1,8m | not announced Q2 |
| **Zambia** | | | | | | | |
| Acquisition by | Reunert of Metal Fabricators of Zambia | | Stockbrokers Zambia | Bowman Gilfillan Africa Group; Norton Rose Fulbright (SA) | | undisclosed | Feb 4 |
| Acquisition by | Tradehold from minority shareholders of a minimum 51% stake of Real Estate Investments Zambia | Bravura Capital | | | | ZWA120,9m | Feb 17 |
| Disposal by | Rainbow Farms Investments (RCL Foods) to Zambeef Products of a 49% stake in Zam Chick and 51% stake in Zamhatch (exercise of put options) | Rand Merchant Bank | | | | $18,25m | Mar 24 |
| Acquisition by | QG Africa Hotel (QG Investments Africa Management) of 100% of the Intercontinental Hotel Lusaka from Kingdom Hotel Investments | | | | | $35,9m | Apr 12 |
| Acquisition by | PrimeTime Property Holdings (Zambia) of the PwC Office Park in Lusaka from Rumpuns Trading | | | | | $8,8m | May 4 |
| Acquisition by | Inqo Investments of a stake in Bee Sweet Honey | | | | | $60 000 | May 24 |
| Loan to | Zambia's Electricity Supply Corporation (ZESCO) by Standard Chartered Bank and United States Agency for International Development (USAID) | | | | | $60m | May 30 |
| Acquisition by | Delta International Mauritius (Mara Delta Property) from Rockcastle Global Real Estate of Lusaka Cosmopolitan Investments which holds a 50% stake in Cosmopolitan Shopping Centre, Lusaka | PSG Capital | PSG Capital | | | $24,17m | Jun 27 |
| **Zimbabwe** | | | | | | | |
| Listing of | GetBucks Financial Services : 1 093 567 251 shares @ $0.0342 | KPMG Advisory | Lynton Edwards Stockbrokers | Atherstone & Cook | PricewaterhouseCoopers | $37,4m | Jan 15 |
| Acquisition by | Dawn Properties of Makasa Sun from Barclays Bank of Zimbabwe and Barclays Bank Pension Fund | | | | | undisclosed | Feb 29 |
| Acquisition by | National Social Security Authority (NSSA) of a 40% stake in Telecel Zimbabwe | | | | | $40m | Apr 8 |
| Acquisition by | Brainworks Capital of Nettcash | | | | | undisclosed | Jun 3 |
| Acquisition by | Liquid telecom and Royal Bafokeng Holdings from Tata communications and minority shareholders led by Nexus Connexion of Neotel | Standard Bank; UBS; Standard Chartered Bank | | Cliffe Dekker Hofmeyr; Allen & Overy; Bowman Gilfillan Africa Group | | R6,55bn | Jun 29 |

— Failed deal