



London
Stock Exchange Group

COMPANIES TO INSPIRE
AFRICA 2017

One year on Companies to Inspire Africa, 2017



www.pwc.co.za

One year on – Companies to Inspire Africa, 2017

This report is a follow up to London Stock Exchange Group's 'Companies to Inspire Africa' 2017 report and seeks to highlight key activities of the nominated companies from 31 March 2017 to 29 December 2017. All market data and information was obtained from publicly available sources such as the companies' respective websites, and has not been independently verified by PwC or London Stock Exchange Group.





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UK Government Foreword



Africa's entrepreneurs are the lifeblood of their countries' futures. Their vitality, resourcefulness and resilience are clearly evident in the successful growth of their companies, often despite challenging local conditions. The expansion of these businesses unlocks economic growth, creating the jobs and livelihoods needed to bring people sustainably out of poverty and to build a prosperous future.

Harriett Baldwin MP

Minister of State at the Department for International Development and Foreign and Commonwealth Office

One year on, Companies to Inspire Africa report provides an update on just 75 of the 343 companies profiled in the 2017 inaugural edition. There is clear evidence that the enterprises profiled are enjoying significant investment and growth, having collectively raised an additional \$1.9 billion in new finance in the past year alone. They're introducing different products, expanding into new markets and moving supply chains, goods and services across borders. It is exciting to see companies investing in their own growth, working with new partners and creating synergies which open up new opportunities.

Expanding markets and creating new ones builds and diversifies economies, supporting the growth and economic stability that are the essential foundations for countries to move away from reliance on aid and stand firmly on their own two feet. A dynamic private sector underpinned by strong entrepreneurial talent is essential for ensuring that such moves are sustained. That's why the UK's development budget has increased its funding for CDC – the UK's development finance institution.

I congratulate the successes enjoyed by the entrepreneurs and companies profiled here. I also thank London Stock Exchange Group for taking a leading role in telling their stories to a global audience.

However, access to finance remains a significant challenge for many African companies. The bulk of business funding across the continent's economies comes from traditional bank financing, which is often expensive and short-term. What's more, the finance available does not come near to meeting the continent's investment needs. In order to invest in long-term growth, companies need access to affordable long-term financing – to achieve

this, it is vital that we mobilise alternative capital sources, including through capital markets. As the world's leading financial centre, the City of London, has a key role to play in this story.

There are significant growth opportunities in markets across Africa, but the investment needed to fully unlock these opportunities cannot – and should not – be met by development organisations alone. It is by working with and expanding private sector investment that we can begin to really address the financing gap – an agenda encapsulated by the World Bank as “Billions to Trillions”. ‘Companies to Inspire Africa’ is an excellent example of what can be done to increase investor awareness of the strong entrepreneurial talent which is driving forward growth across the continent. I trust that it will inform and inspire investors to take a closer look at Africa's diverse set of vibrant and dynamic companies.

PwC Foreword



The release of London Stock Exchange Group's inaugural edition of 'Companies to Inspire Africa' in March 2017 marked an important moment for the African continent as we continue to raise the profile, and celebrate the success, of companies that are driving economic growth, employment, and innovation in the continent. This was a particularly critical time in the continent as some countries were experiencing political turmoil or economic instability, or were just recovering from an economic downturn as a result of the drop in commodity prices.

Hein Boegman
PwC Africa CEO and Senior Partner

By showcasing resilience and adaptability in spite of challenging environments, the story of the potential that lies within many African economies and companies demonstrates the strong fundamentals that continue to exist in the continent.

We at PwC were honoured to host the Lagos and Johannesburg launches of the 2017 inaugural edition of 'Companies to Inspire Africa'. The positive sentiment and optimism was evident as key stakeholders such as policy makers, investors, business leaders, and the nominated companies, showed their commitment to building capacity and creating an enabling environment for sustained growth and investment.

In the past year, since the release of the 2017 report, several of the nominated companies, as highlighted in this update, have gone on to achieve landmark milestones critical to their continued growth – a key consideration in their selection for inclusion in the inaugural report.

- Fifteen companies secured over \$1.9 billion in financing either through completing an Initial Public Offering (IPO) on an African exchange, issuing a bond on their domestic or international debt capital markets, or securing an investment from private equity players or development financial institutions, among others. Funds raised were used to refinance existing debt, and expand operations and capacity. For example, we saw Brainworks Capital Management complete an IPO on the Johannesburg Stock Exchange, raising \$23.1 million. It was the first Zimbabwean company to complete a primary listing on the JSE. We also saw continued significant strides around "lighting up" Africa with companies such as Viathan Engineering in Nigeria, and PEG Ghana, raising over \$13 million to bring independent power and off-grid solar solutions, respectively, to their communities.

- Twenty-eight companies completed a product, geographic, or capacity expansion. These expansions consisted of introducing new and innovative products, expanding into other African countries, or increasing production capacity. For example, Fan Milk International, together with its majority shareholder Danone, and Abraaj Group, introduced three new product lines at its plant in Ghana.
- Sixteen companies completed an M&A transaction. For example, Mediclinic, one of the largest medical providers in Africa, in August 2017, invested in Intercare, a transaction that is still awaiting regulatory approval.
- Twenty-one companies entered into an alliance or joint venture, which are both critical in reducing the risk associated with executing on significant strategic initiatives such as market entry.

We continue to be supportive of and are proud to partner with London Stock Exchange Group on the 'Companies to Inspire Africa' programme. It tells an important story, to the wider global environment, of not only the potential that continues to exist within the continent, but the success stories and the growth that is experienced. While it is evident that the continued growth of African companies depends on strong support by governments in creating enabling environments, combined with access to funding, among others, we are also certain that by continuously raising the profile of the nominated companies, we are also encouraging transparency and accountability, which are both essential ingredients to bringing a global and wider audience, including international investors, to continue to fuel the growth of African companies.

LSEG Foreword



One year ago, London Stock Exchange Group published the inaugural edition of ‘Companies to Inspire Africa’. It was the first time that a report had been issued, identifying hundreds of Africa’s most inspiring and fast-growing private companies. I congratulate PwC on producing this subsequent report, which charts how those firms have progressed since March 2017.

Nikhil Rathi

CEO of London Stock Exchange plc
and Head of International Development,
London Stock Exchange Group

It is well-documented that SMEs are of vital importance to economic growth, prosperity and jobs. ‘Companies to Inspire Africa’ demonstrated that these high-growth businesses are the real engine for growth in Africa’s economies. And it is no surprise that, given their impressive growth rates, many of the companies listed in the report have gone on to make significant progress and achievements over the course of the year.

Progress comes in a variety of forms, and many of these companies are seeking out capital to finance their continued growth. Several of these firms have pursued IPOs, partnerships, and have issued bonds in order to expand. We have seen that expansion cross borders, not just within the African continent, but often on a global scale, with companies forming alliances and joint ventures with like-minded businesses across the world.

This progress echoes our own broad and deep experience in the African capital markets. In 2017 alone, there were 61 African IPOs and follow-on equity deals on London Stock Exchange and we also saw the pan-African bank Ecobank become the first African issuer to raise debt on our landmark new International Securities Market. In 2018 to date, \$8.5 billion has been raised on UK debt capital markets by the governments of Kenya, Nigeria and Egypt. And our business support and capital-raising programme, ELITE, has expanded its partnerships and reach to foster SME growth across West Africa.

Whilst we look forward to discovering the next cohort of inspiring African businesses when we publish the next edition of ‘Companies to Inspire Africa’, it is extremely encouraging to look back on the standout performance of those businesses profiled in the original report. Many congratulations to all of them.

We hope you continue to be inspired.

61

In 2017 alone, there were 61 African IPOs and follow-on equity deals on London Stock Exchange and we also saw the pan-African bank Ecobank become the first African issuer to raise debt on our landmark new International Securities Market.

\$8.5bn

has been raised on UK debt capital markets by the governments of Kenya, Nigeria and Egypt.

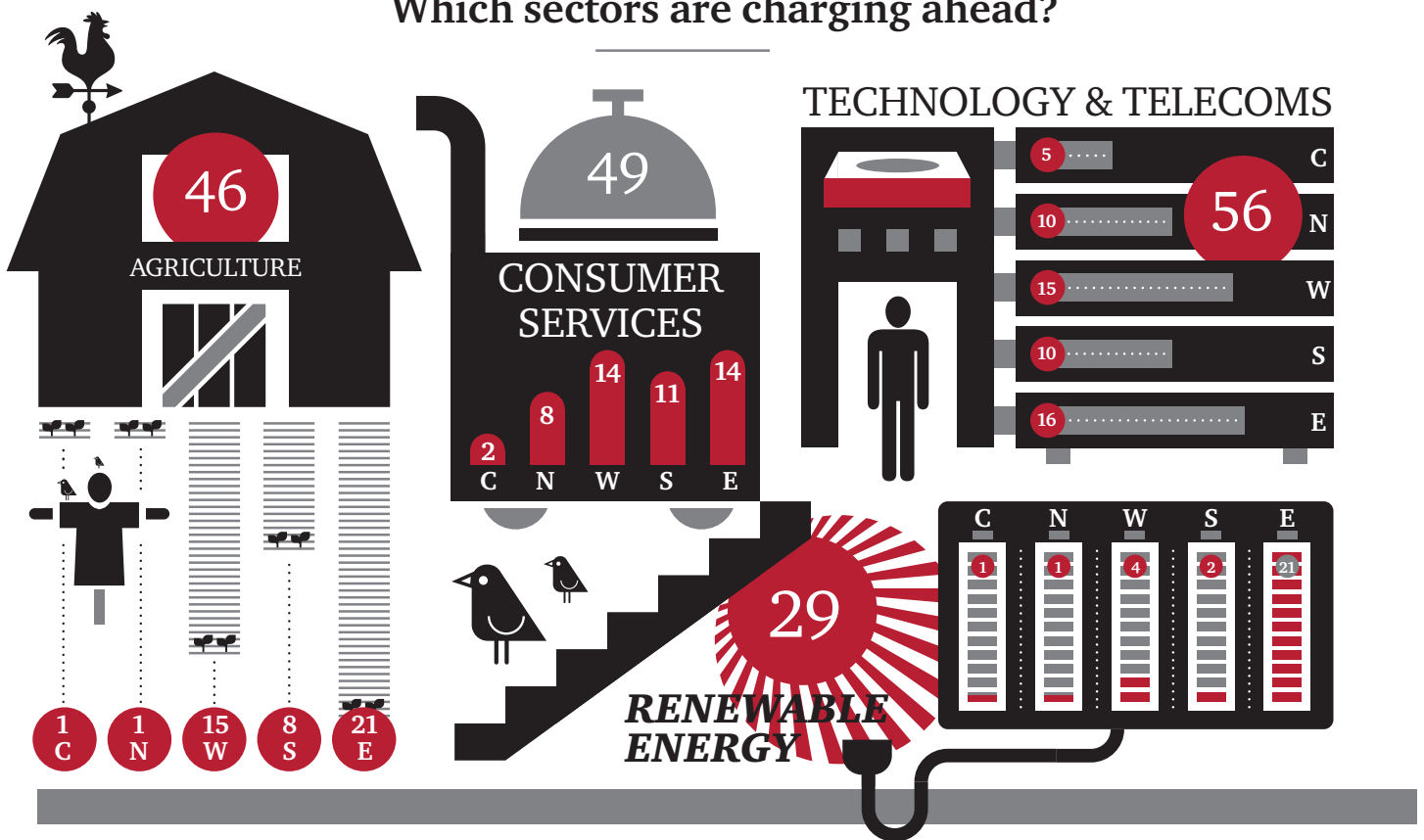
Snapshot of 343 companies profiled in 'Companies to Inspire Africa' 2017 report

The companies profiled in the inaugural edition of the 'Companies to Inspire Africa' report come from all corners of the continent – our map is shaded to show the regions where the nominated companies operate.



The companies nominated in the 'Companies to Inspire Africa' 2017 report represent a variety of sectors

Which sectors are charging ahead?

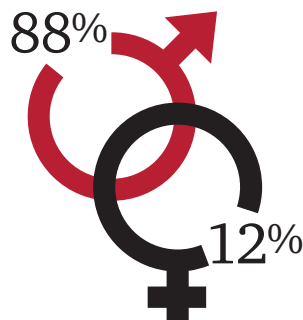


TALENT SPOTTING

THE COMPANIES IN THIS REPORT ARE CREATING JOB OPPORTUNITIES ACROSS AFRICA



GENDER BREAKDOWN OF CHIEF EXECUTIVES

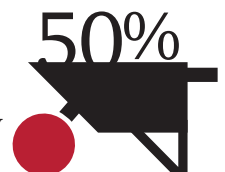


GROWING INFLUENCE

SOME OF THE SECTORS DRIVING AFRICA'S GROWTH*

HIGH RISE

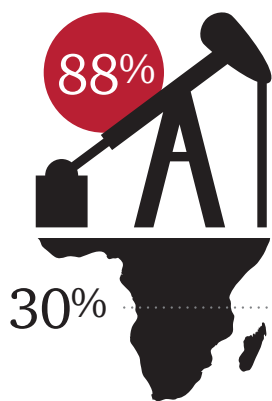
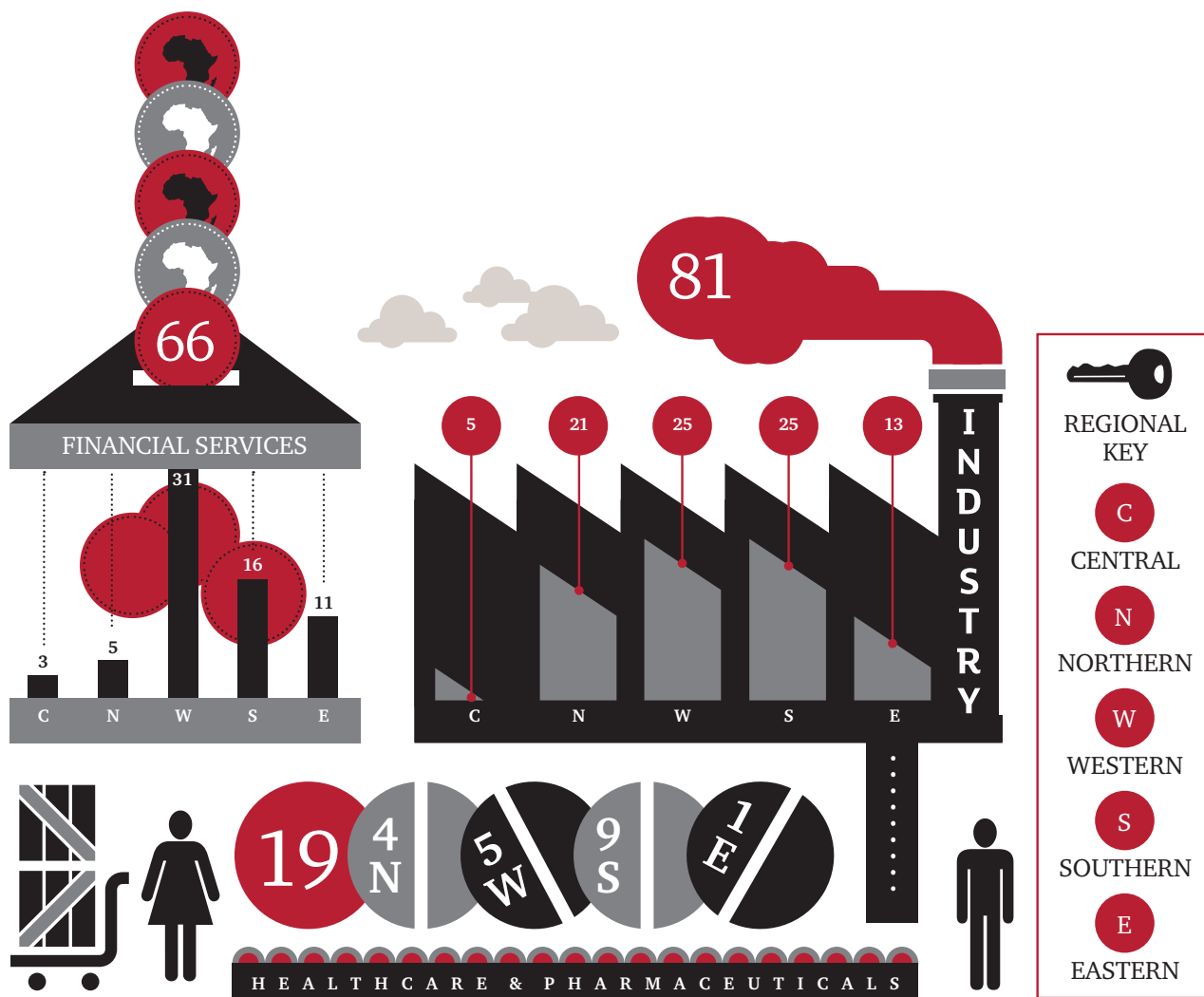
THE CONSTRUCTION INDUSTRY'S VALUE IS EXPECTED TO INCREASE BY ROUGHLY 50% BY 2020, TO \$111.4 BILLION



*Data courtesy of PwC

**Statistics calculated from selection of companies where complete sets of data and information were provided

One year on, Companies to Inspire Africa



POWER PLAY

ENERGY CONSUMPTION IN AFRICA IS FORECAST TO INCREASE BY 88% OVER THE NEXT 20 YEARS, COMPARED TO 34% GLOBALLY

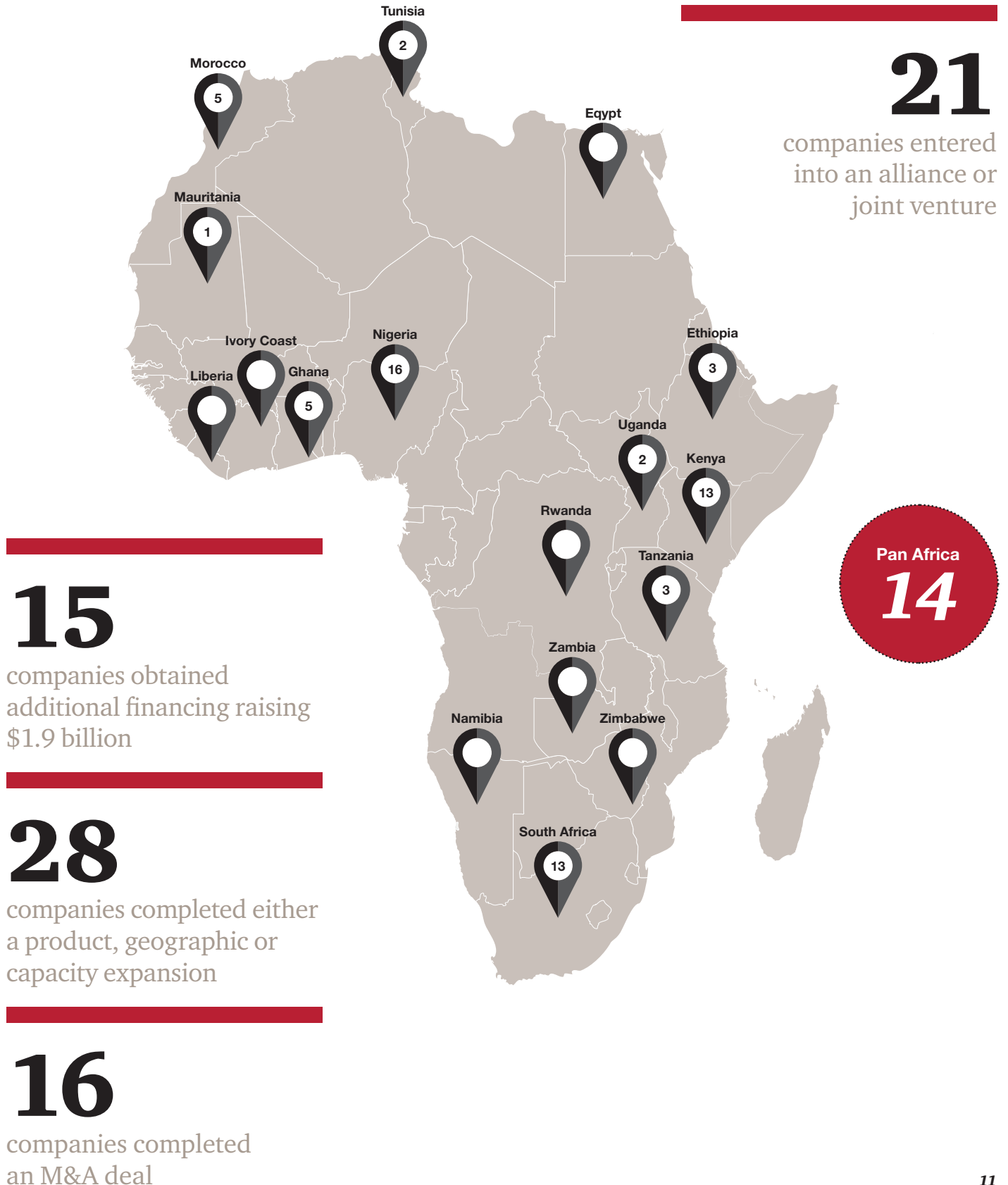
ALMOST 30% OF GLOBAL OIL AND GAS DISCOVERIES MADE OVER THE LAST FIVE YEARS HAVE BEEN IN SUB-SAHARAN AFRICA



UPWARDLY MOBILE

EASTERN AFRICA HAS THE HIGHEST PROPORTION OF ADULTS (22%) USING MOBILE BANKING, COMPARED TO WESTERN AFRICA (2%), SOUTHERN AFRICA (6%) AND NORTHERN AFRICA (7%)

One year on, 75 companies have achieved major milestones in their growth journey



21

companies entered into an alliance or joint venture

Pan Africa

14

15

companies obtained additional financing raising \$1.9 billion

28

companies completed either a product, geographic or capacity expansion

16

companies completed an M&A deal

Access to financing

Financing growth in Africa continues to be a challenge with the bulk of financing coming from traditional bank debt, which is typically expensive given elevated levels of inflation in certain economies, and short tenors. Mobilizing capital from sources beyond commercial banks, such as private equity, development finance institutions, export credit agencies, and the relatively untapped resources of pension funds through the capital markets, is critical to ensure sustained growth.

In 2017, approximately \$13.5 billion was raised in the equity capital markets in Africa or by African companies in non-African capital markets, per PwC's 2017 Capital Markets Watch report. This was a 49% increase from 2016. Similarly, \$7.5 billion in non-local currency debt was raised by African companies in international debt capital markets, a 68% increase from amounts raised in 2016.

Blended financing such as a mix of debt and equity instruments, among other instruments, are also gaining traction and providing innovative paths to securing financing on a scale that can match the high-growth in key African markets.

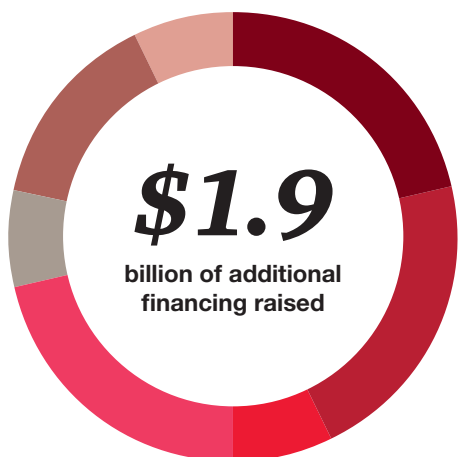
Some of the companies nominated in the inaugural 'Companies to Inspire Africa' 2017 report have taken the lead in obtaining alternative sources of financing beyond traditional bank debt. In the past year, fifteen of the nominated companies obtained additional financing, raising over \$1.9 billion. Some notable deals include:

- Nigeria private equity backed Viathan Engineering Limited issued the first 10-year infrastructure corporate bond in Nigeria. Proceeds from the bond issue were used to refinance existing debt, expand its generation capacity by 7.5MW, and construct a 104,800 scm/day Compressed Natural Gas (CNG) Plant.
- Helios Towers Africa raised a record \$600.0 million Eurobond that listed on the Irish Stock Exchange. The funds were said to be used to refinance existing debt, as well as to finance the company's expansion in Tanzania.
- Brainworks Capital Management became the first Zimbabwean company to be listed on the Johannesburg Stock Exchange, raising \$23.1 million.
- Finnfund granted Agflow Poultry Limited a loan of \$10.0 million to support the development and expansion of the company's operations in Ethiopia.
- Societe Atelier du Meuble Interieurs SA completed an IPO on the Tunis Stock Exchange, raising \$3.5 million.
- Enko Education, which has a presence in Senegal, Ivory Coast, Cameroon, Mozambique and South Africa, raised EUR 1.5 million with Oikocredit, a cooperative and social investment company based in the Netherlands. Funds were said to be used to expand existing establishments and opening new ones.
- The government of Rwanda sold its stake in I&M Bank (Rwanda) Ltd in a \$10.7 million IPO on the Rwanda Stock Exchange that was over two times oversubscribed.

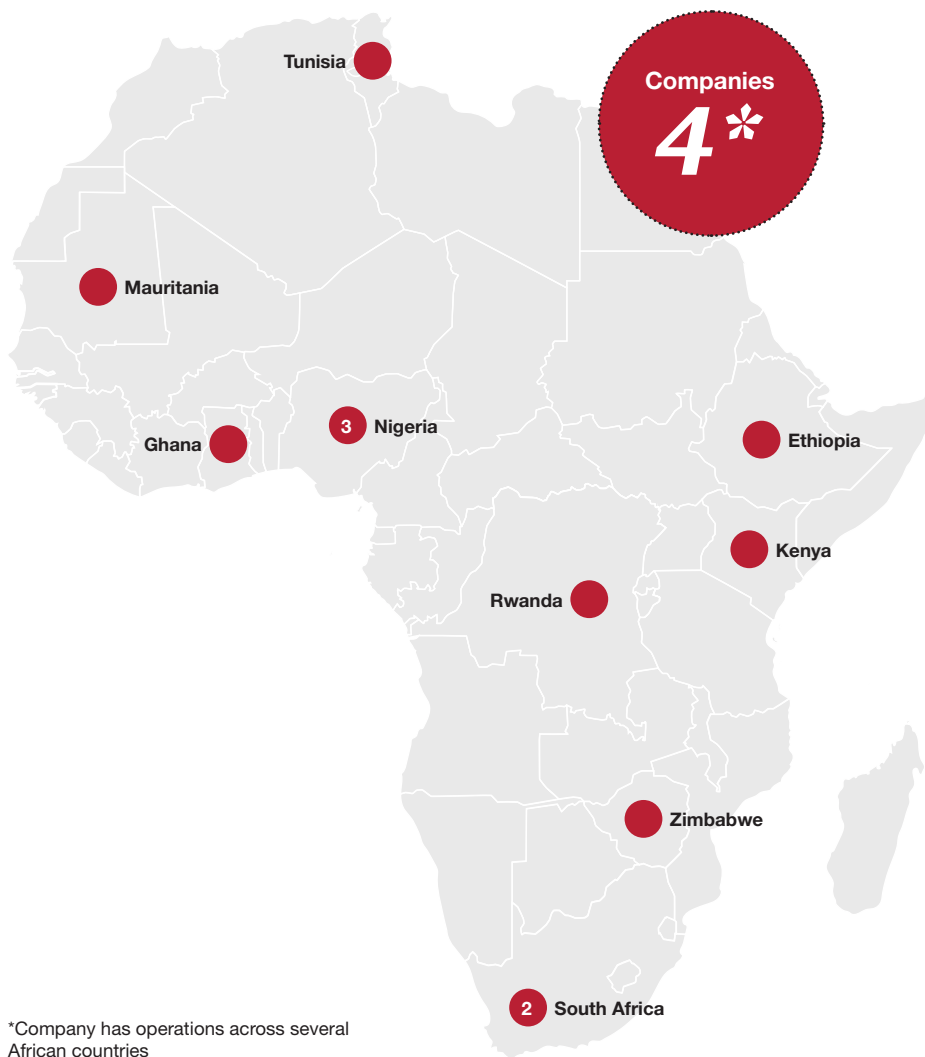
One year on, Companies to Inspire Africa

Financing

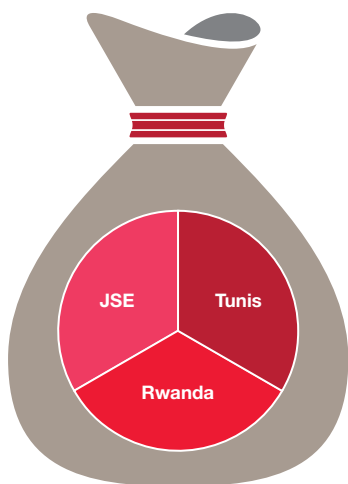
15 companies obtained additional financing, raising \$1.9 billion from bank financing, IPOs, private equity, domestic commercial papers, eurobonds, and domestic bonds, among others.



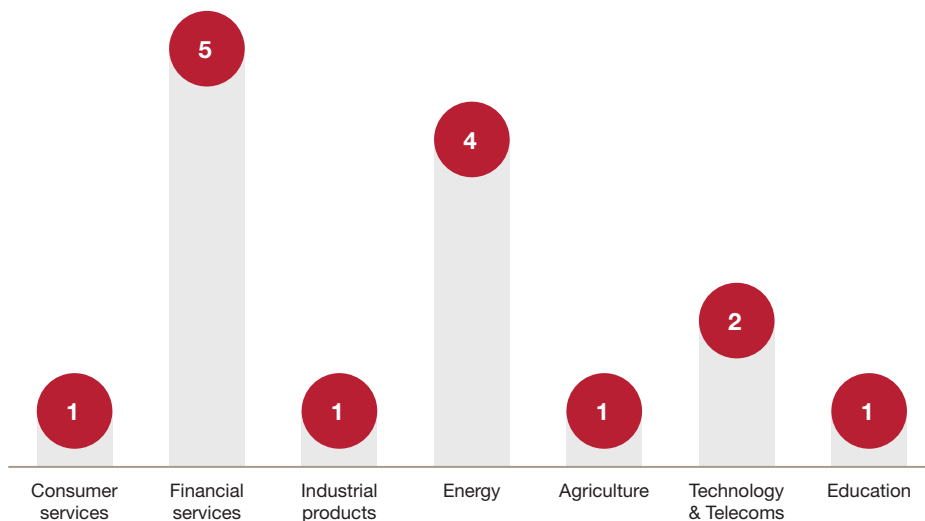
- Bilateral bank financing
- IPOs
- Crowdfunding
- Private equity raise
- Domestic commercial papers
- Eurobonds
- Domestic bonds



IPOs on African exchanges...



...across 7 sectors





Brett Childs
CEO



Company Spotlight

Brainworks Limited

Primary country of operations: Zimbabwe
Sector: Financial Services

BRAINWORKS



How has your business evolved since initial conception of your company?

In 2011 we set out to create a portfolio positioned to benefit from political and socio-economic change in Zimbabwe. We targeted companies that had robust business models, that were cash generative and had an ability to attract reputable international operating partners. While our strategy has remained the same, over time our sector focus has changed based on Zimbabwe's changing economy.



What have been the biggest opportunities for your company since 31 March 2017?

The Zimbabwean economy continues to provide opportunities for investors with an entrepreneurial

mindset. The Government's recent efforts to open the Zimbabwean economy including amendments to the Indigenisation and Economic Empowerment laws, have resulted in increased investor interest in the country. Brainworks, as a Zimbabwe focused company, listed on the Johannesburg Stock Exchange ("JSE"), which provides a single entry point into multiple sectors for international investors.

What have been the key drivers of the growth of your company?

Our portfolio is skewed towards the hospitality and real estate sectors. Our key growth driver within the hospitality sector is tourism, which are expected to increase by 10% in 2018. In the real estate sector, we are focused on developing homes for middle income families, as such it is a key driver is the growing middle class.

What challenges has your industry/region faced last year and how have you managed to deal with them?

The biggest challenge faced by companies in Zimbabwe over the last decade, has been the perceived policy inconsistencies from the Government which have led to spill on challenges including liquidity shortages and lack of foreign direct investment. Whilst we are beginning to experience a positive change in the investment climate, access to foreign currency is a challenge, and by listing on the JSE, Brainworks provides a gateway into Zimbabwe for international investors without having to deal with the in country's foreign exchange challenges.

What is the significance of the recent IPO?

Listing on the JSE has raised the company's profile regionally and internationally. The listing also provides us with access to funding from the South African capital markets to facilitate and accelerate organic and acquisitive growth. As a listed company the company is also able to use its scrip as currency for future acquisitions.

What impact has Companies to Inspire Africa 2017 had on the profile/growth of your company?

Being featured as one of the 'companies to inspire Africa' in 2017 raised the profile of the company among a wider investment base. Since publication, we have received a number of enquiries from investors who are familiar with the Companies to Inspire Africa 2017 publication. With this raised profile and the recent changes in Zimbabwe's political landscape, we are confident of converting these enquiries into investment.



Taiwo Joda
CEO



Company Spotlight

Accion Microfinance Bank

Primary country of operations: Nigeria
Sector: Financial Services



What have been the biggest opportunities for your company since 31 March 2017?

Since 31 March, 2017, we've seen more funding opportunities from multilateral and development institutions. We obtained ₦ 500 million from an international bank in July 2017, which has allowed us to offer more financial services to the financially underserved and excluded individuals. In November 2017 we obtained ₦ 1 billion from a Development Finance Institution, which has permitted us to increase the bank's penetration in lending to micro, small and medium-sized enterprises, and we continue to pursue funding sources to permit us to achieve our objectives.

We are looking to partner with Fintech companies to drive digital lending. We now have a partner that has allowed us to reach more clients online. We've now disbursed over ₦75m to over 5000 new clients through digital lending. The intention is to acquire 50,000 new clients in 2018 and service them through our own digital platform.

We always seek opportunities to automate our key processes and customer experience. The bank has deployed an automated credit processes through Digital Field Application (DFA) to enhance credit appraisal turn-around time. More than 400 account officers are currently using the field tablets in routing credit requests of customers to the Credit Processing Credit (CPC) who respond in a timely manner. This has greatly improved efficiency and reduced turnaround time in the loan approval process.

What have been the key drivers of the growth of your company?

Several factors continue to contribute to the growth of Accion. These include our strong management team, continued focus on automation, growth in our distribution centres, and deploying innovative products and services.

What challenges has your industry/region faced last year and how have you managed to deal with them?

Nigeria emerged from an economic recession in 2017 and that had a tremendous impact on Accion. The period of economic doldrums affected businesses negatively thereby slowing disbursement and loan portfolio growth. Many clients could not renew their loans and others allowed their facilities to go bad. We managed this by focusing our disbursements more on the essential sectors of economy. We used the recession as an opportunity to enhance our processes and procedures, for example, we registered two reputable credit bureau for credit checks on our platform as an additional process for loan approval.

Increased regulation also continues to impact our business. The new Central Bank of Nigeria's guide to bank charges moderated what banks earn from charges. Within the ambit of the new guide, we made some changes to our charges.

What is the significance of the recent fundraising close?

The loan facility from Citibank came in local currency, which does not have any form of exchange risk. This funding will enable the Bank to expand its financial services to a larger number of micro entrepreneurs across the country leading to economic empowerment and job creation for more Nigerians. In order words, it helps Accion MfB achieve its passionate drive for financial inclusion in Nigeria's economic space.



Ladi Sanni
CEO



Company Spotlight

Viathan Engineering Limited

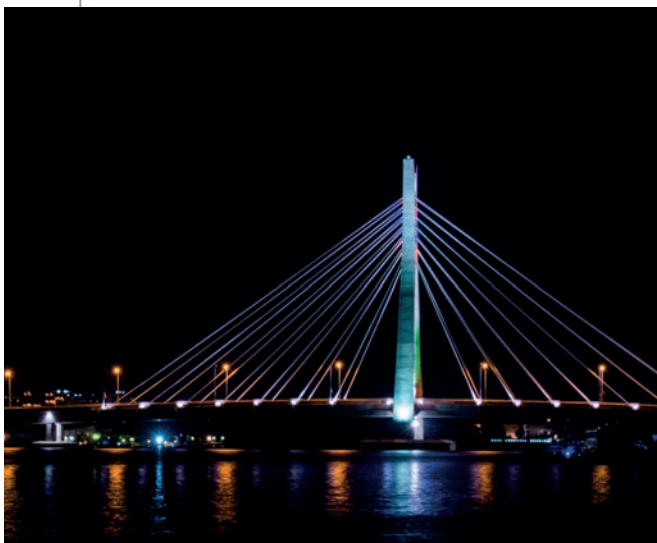
Primary country of operations: Nigeria
Sector: Energy



VIATHAN

How has your business evolved since initial conception of your company?

Viathan was incorporated in 2011 but started generating power in 2015. Operations commenced with an initial installed capacity of 6.5 MW for street lighting and power supply to key public infrastructure such as water works owned by Lagos State. The company has however grown to a combined installed capacity of 50MW with five plants and foot print in three states in Nigeria, supplying over 80 diversified load centres cutting across industries including commercial real estate and government infrastructure like hospitals and schools. Viathan's distribution network has also been expanded from the initial 25km to circa 110 km. Our strategy is to secure an anchor opportunity which provides the business case for the project and de-risk as much as possible by signing up offtakers from diversified market segments.



What have been the biggest opportunities for your company since 31 March 2017?

The expansion of our Island Power Plant from 10.5MW to 17.5MW has been exciting. This is because it provides Viathan the opportunity to service a cluster of financial institutions with data centres already struggling with the cost of sustaining regular and reliable power supply. Most of the companies currently run their operations more on diesel generators, so expanding the Island Power Plant provides these offtakers affordable and reliable power supply that has significant impact on their businesses and their operating cost.

What have been the key drivers of the growth of your company?

The existing market opportunity is a major driver for Viathan's growth considering that there is a 150GW power generation/distribution gap in the power sector in Nigeria, where current power generation is between 4GW-5GW. Secondly, Viathan's ability to leverage on the capabilities of its major shareholders to raise financing is key driver for growth.

What challenges has your industry/region faced last year and how have you managed to deal with them?

The main challenges to gas fired power generation is the availability and assurance of natural gas supply, which is the main fuel for the engines. Due to sabotage and vandalism of gas pipelines, there are situations of low gas pressure which impacts negatively on power generation. The Viathan model is that of decentralised distributed power generation. This means that Viathan has pockets of power plants in different locations and as such low gas supply pressure does not have the same effect on all the plants at the same time.

Nigeria Power Sector regulations released in the last 12 months have not provided the expected clarity in application of some conditions therefore causing tension between Generating and Distribution companies. An example is the eligible customer regulation. Viathan has commenced the engagement of power distribution companies to agree grey areas and see how the regulation can work in practice

Power industry players continue to face financing challenges, where interest rates on loans are extremely high and loan tenors not matching the asset life cycle of the plants. Viathan has resorted to fund raise from equity and capital market as key sources of securing capital for the business.



What is the significance of the recent bond issuance?

The recently concluded bond issue is a major business enabler for growth across several levels for Viathan.

The business can be funded with better priced loans with appropriate tenor matching the life of the assets. The savings from the interest differential between the bond and the commercial loans helps provide adequate cashflow to meet the requirements of the business.

The bond has been applied to increase current capacity by another 7.5MW of power towards meeting a 200MW target within a five year period.

The corporate bond unlocks opportunities in the gas business and helps to diversify gas supply for Viathan. Part of the use of proceeds is to develop a compressed natural gas plant. This provides fuels assurance not only for Viathan operations but for other businesses outside the Viathan chain, thus helping other business reduce their operating cost by switching from diesel power supply to gas.

Companies that obtained additional financing

Accion Microfinance Bank

www.accionmfb.com

Sector: Financial Services

Country of primary operations: Nigeria

Agflow Poultry Ltd

www.ethiochicken.com

Sector: Agriculture

Country of primary operations: Ethiopia

AllLife Group

www.alllife.co.za

Sector: Financial Services

Country of primary operations: South Africa

Atelier du Meuble Intérieurs

www.interieurs.com.tn

Sector: Consumer Services

Country of primary operations: Tunisia

Azuri Technologies Ltd

www.azuri-technologies.com

Sector: Energy

Country of primary operations: Kenya

BIMA

www.bimamobile.com

Sector: Technology & Telecoms

Country of primary operations: Multiple Countries

Brainworks

www.brainworkslimited.com

Sector: Financial Services

Country of primary operations: Zimbabwe

Enko Education

www.enkoeducation.com

Sector: Education

Country of primary operations: Multiple Countries

FSDH Merchant Bank

www.fsdhgroup.com

Sector: Financial Services

Country of primary operations: Nigeria

Greenlight Planet

www.greenlightplanet.com

Sector: Energy

Country of primary operations: Multiple Countries

Helios Towers Africa

www.heliostowersafrica.com

Sector: Technology & Telecoms

Country of primary operations: Multiple Countries

I&M Bank Rwanda

www.imbank.com/rwanda

Sector: Financial Services

Country of primary operations: Rwanda

Kinross Tasiast

Sector: Industry

Country of primary operations: Mauritania

PEG Ghana

www.peg-ghana.com

Sector: Energy

Country of primary operations: Ghana

Viathan Engineering Ltd

Sector: Energy

Country of primary operations: Nigeria

Organic growth through product and/or geographic expansion

Product and geographic expansion including diversification are strategies which were employed by some of the Companies featured in the 2017 'Companies to Inspire Africa' report. Geographic expansion may enable companies to reduce costs, access new markets and allow the business to build a strong pipeline to drive future growth as well as stay ahead of the competition.

In the past year, twenty-eight of the featured companies embarked on some type of expansion. This included moving into new geographies, introducing new product lines or increasing capacity.

Companies in sectors such as financial services, technology and retail are leading the way in geographic expansion and becoming truly pan-African.

Businesses from Kenya, Nigeria, Morocco and South Africa have been leaders in spreading their African footprint beyond their borders.

Businesses that have entered new markets to provide a product or service to un-served or underserved market; play an important role in establishing or developing industries in new geographies. This serves as an advantage for profitability and brand recognition; however, it presents unique challenges.

Success in entering new markets also depends on how consumers relate to the product or service, by localizing their products and developing brands that are competitive in that market, companies are able to successfully penetrate new markets.

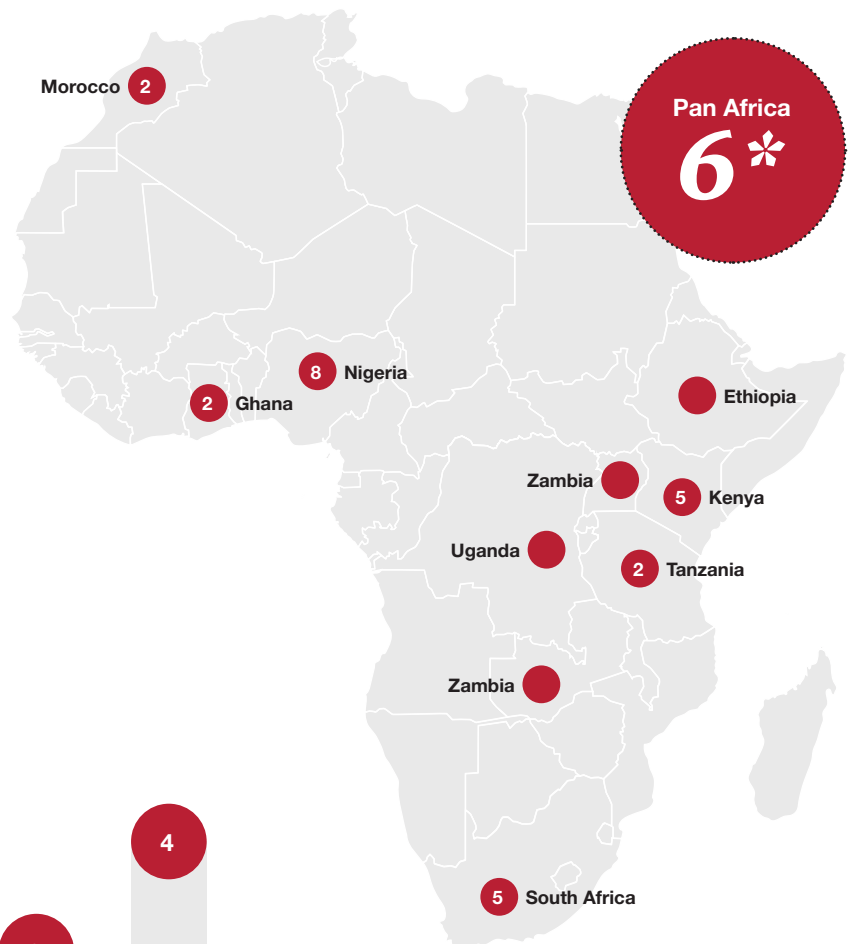
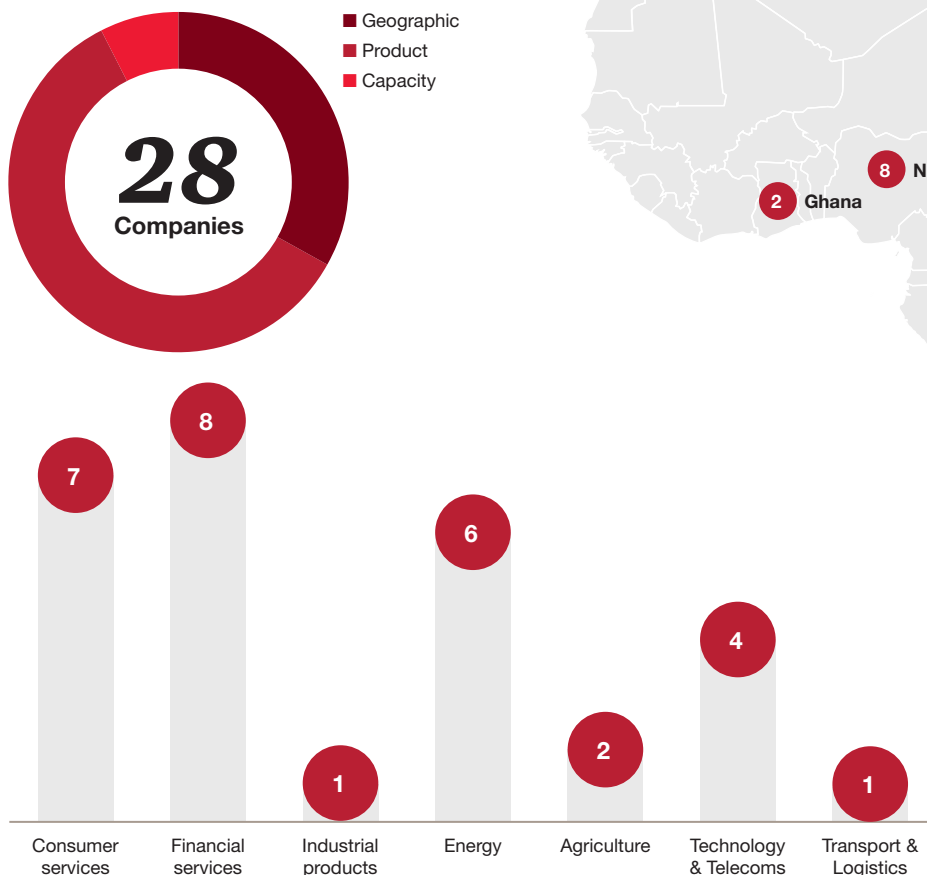
To mitigate risks associated with venturing into new markets, an investment in understanding local market conditions and working with local partners is vital. Collaborating with local market participants is imperative in a business entering new markets as this will allow companies to fast-track the access to local expertise and networks.

Some notable expansions include:

- South Africa-based AllLife Group expanded life insurance coverage to people living with HIV and diabetes.
- Ethiopian-based Dashen Breweries, one of the largest brewing companies in Ethiopia, introduced a new brand, Balageru.
- Fan Milk, together with its key investor, Danone, added production lines to its plant in Ghana.
- Uganda based, Vital-Tomosi's Dairy introduced milk production as part of its key activities.

Expansion

28 companies completed either a product, geographic or capacity expansion



*Company has operations across several African countries



Obi Ezeude
CEO



Company Spotlight

Beloxi Industries Limited

Primary country of operations: Nigeria
Sector: Consumer Products



How has your business evolved since initial conception of your company?

The business has evolved from being a trading organisation at its inception about 24 years ago to a manufacturing based organisation with a single line and one product type in 2005. Within the first ten years of its operations as a manufacturing company, it has grown to become the leading manufacturer of cream crackers biscuit in Nigeria with six production lines, four variants of the same savoury biscuit product and will be launching a sweet biscuit product at the end of this quarter as its entry into the larger sweet biscuit market in Nigeria. The first formal export was to Ghana and this has expanded into the West African sub-region. Negotiations with prospective distributors has also commenced in major developed economies with the UK and the USA being primary target markets.

The markets in other African countries have also been explored, and it is expected that exports to Southern Africa and the East African region will commence in 2018. The international airlines have been major growth outlets as they have served as a veritable platform for the introduction of the products of the company to new customers as they have passengers from different countries, segmented across age and income groups.

What have been the biggest opportunities for your company since 31 March 2017?

The biggest opportunities relate to the gap for high quality biscuits in the sweet biscuit segment of the industry and the export potential for the products of the company.

What have been the key drivers of the growth of your company?

The key drivers of growth in the company's products have been the quick decision making capability of the management and staff of the business, an effective distribution network and strong demand for the products of the company.

What challenges has your industry/region faced last year and how have you managed to deal with them?

The major challenge has been the capacity constraint of the business as the company is continuously unable to meet demand for its products. As the increase in fuel prices also led to higher costs that could not be passed to consumers.

What is the significance of your announcement to commence a new expansion phase?

The significance is to demonstrate to the young and aspiring entrepreneurs that a focus on manufacturing can be rewarding and that a strong focus on your vision and objectives will lead to the growth and development of the business. In addition, we wanted to restore hope to Nigerians that after a very difficult period of recession, the growth phase has commenced and all should work towards achieving their dreams.

Companies that completed a product, geographic, or capacity expansion



Adams & Adams

www.adamsadams.com

Sector: Consumer Services

Country of primary operations: Multiple Countries

AllLife Group

www.alllife.co.za

Sector: Financial Services

Country of primary operations: South Africa

Beloxi Industries Ltd

www.beloxigroup.com

Sector: Consumer Services

Country of primary operations: Nigeria

Capic Hexagon Nigeria Ltd

Sector: Industrial Products

Country of primary operations: Nigeria

Cross Boundary Energy

www.crossboundaryenergy.com

Sector: Energy

Country of primary operations: Kenya

Crown Agents Bank & Crown Agents Investment Management

www.crownagentsbank.com

Sector: Financial Services

Country of primary operations: Multiple Countries

d.light

www.dlight.com

Sector: Energy

Country of primary operations: Kenya

Dashen Breweries

Sector: Consumer Services

Country of primary operations: Ethiopia

Databank Group

www.databankgroup.com

Sector: Financial Services

Country of primary operations: Ghana

Envirofit

www.envirofit.org

Sector: Energy

Country of primary operations: Multiple Countries

Erisco Foods Limited

www.eriscofoodsltd.com

Sector: Consumer Services

Country of primary operations: Nigeria

Factor(E) Ventures

www.factorventures.org

Sector: Technology & Telecoms

Country of primary operations: Kenya

Fan Milk International

www.fanmilk.com

Sector: Consumer Services

Country of primary operations: Multiple Countries

Fidelity Bank Ghana

www.fidelitybank.com

Sector: Financial Services

Country of primary operations: Ghana

GMT Nigeria Ltd

www.gmt-limited.com

Sector: Transportation and Logistics

Country of primary operations: Nigeria

Greenlight Planet

www.greenlightplanet.com

Sector: Energy

Country of primary operations: Multiple Countries

Companies that completed a product, geographic, or capacity expansion

Komaza

www.komaza.com

Sector: Agriculture

Country of primary operations: Kenya

Mall for Africa

www.mallforafrica.com

Sector: Consumer Services

Country of primary operations: Nigeria

Mobisol GmbH

www.plugintheworld.com

Sector: Energy

Country of primary operations: Tanzania

Outsourcia

www.outsourcia.com

Sector: Technology & Telecoms

Country of primary operations: Morocco

Redavia

www.redaviasolar.com

Sector: Energy

Country of primary operations: Tanzania

Sigma

www.sigmapensions.com

Sector: Financial Services

Country of primary operations: Nigeria

Telkom Kenya

Sector: Technology & Telecoms

Country of primary operations: Kenya

The Advans Group

www.advansgroup.com

Sector: Financial Services

Country of primary operations: Multiple Countries

Université Privée de Marrakech

www.upm.ac.ma

Sector: Consumer Services

Country of primary operations: Morocco

Tomosi's Dairy Farms

www.vital-capital.com

Sector: Agriculture

Country of primary operations: Uganda

Wakanow

www.wakanow.com

Sector: Technology & Telecoms (online travel agent)

Country of primary operations: Nigeria

Zoona Transactions International Ltd

www.ilovezoona.com

Sector: Financial Services

Country of primary operations: Zambia

Growth through M&A

Deal activity in sub-Saharan Africa dropped to a five-year low in 2017, announced transactions reached a deal value of 21.1 billion, down from \$41.1 million in 2016, according to data gathered from Mergermarket. Africa outbound deals totaled \$5.7 billion, a drop of 55.6% compared with 2016.

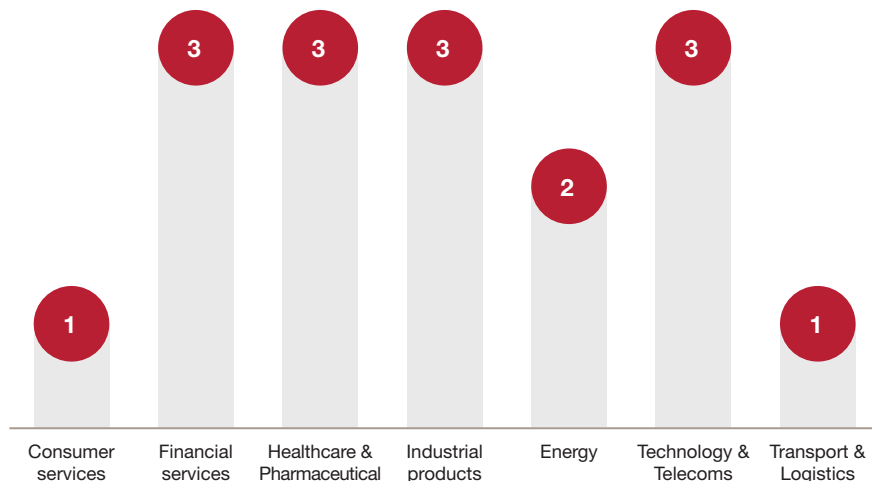
M&A continues to be a critical aid for growth, allowing business to access markets, new clients, economies of scale and new geographies. From LSEG's 'Companies to Inspire Africa' 2017 report, sixteen companies from a wide range of sectors including consumer services, financial services, healthcare and pharma, industrials, renewables, technology and transportation, concluded M&A deals.

Growth in the middle class, advances in technology and the rise of entrepreneurs has had a knock on effect in consumer growth, which has prompted many service providers

M&A

16 companies completed an M&A deal worth over \$30 million+

...across 7 sectors



and investors to look with fresh eyes at opportunities in Africa.

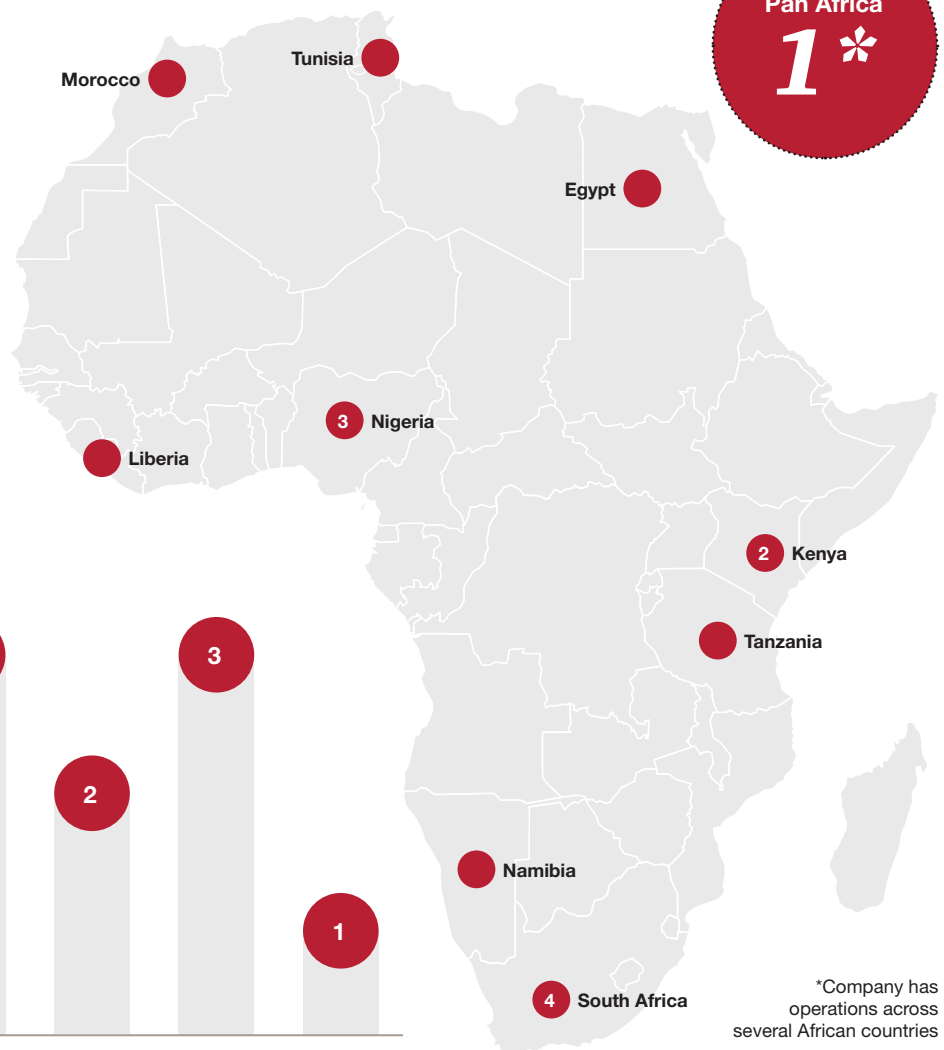
The demand for affordable healthcare is growing and has made the sector ripe for M&A activity and private equity investments. Private equity firms around the globe have been increasing their exposure to the sector with some launching funds that are solely focused on healthcare.

With many of Africa's people still without access to basic financial services, FinTech companies are of critical importance. FinTech companies have come onto the market and are enabling the banking system to reach remote communities. With the disruption brought on by FinTech companies, traditional banks have had to find ways to become more competitive and service more of the low income communities; and provide innovative products. In 2017 deals concluded in financial services had a deal value in excess of \$1 billion, per Mergermarket.

M&A has proven to be a growth strategy of some of the featured companies. We continue to watch these high growth businesses and expect to see more deal activity in the next few years.

Some notable M&A deals include:

- Kenya-based Craft Silicon acquired a minority stake in restaurants listing portal EatOut.
- South Africa-based Dynamic Fibre Moulding was acquired by Horizon Equity Partners.
- Nigeria-based Hygeia Nigeria acquired Gold Cross Hospital.
- Kenya-based Java House was acquired by Abraaj Group.
- Tanzania-based Mobisol acquired Lumeter for software, product and data expansion.



*Company has operations across several African countries



Ashraf Sabry
CEO



Company Spotlight

Fawry for Banking and Payment Technologies

Primary country of operations: Egypt
Sector: Financial Services



How has your business evolved since initial conception of your company?

Fawry started as an e-collection company back in 2010, providing bill payment and e-top up services. In 2013 Fawry launched its Mobile Wallet Platform, in 2015 we started our e-commerce and in-store payment gateway, and in 2016 we launched supply chain finance offering merchant advance payments to pay their suppliers.

What have been the biggest opportunities for your company since 31 March 2017?

Mobile wallets – we are currently offering this solution to 18 banks.

What have been the key drivers of the growth of your company?

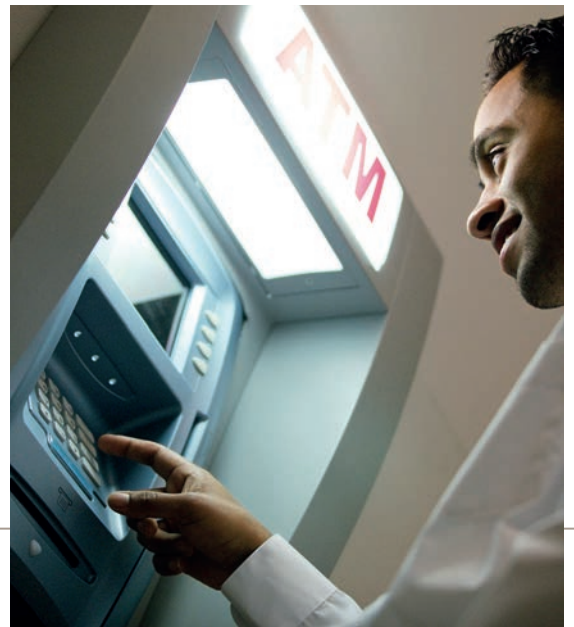
A clear vision, ability to execute and continuously learning from experiences in other countries

What challenges has your industry/region faced last year and how have you managed to deal with them?

Managing growth, setting priorities and exploiting new technologies are the main challenges that we are facing every day. Additionally managing the relation with banks and the regulator to make sure that we are compliant while introducing new products to the market.

What is the significance of the capital raise by Bosta from Fawry?

This transaction is really significant to Fawry and Bosta. We believe that an eco-system for e-commerce is a key driver to enable and grow e-commerce in Egypt, Bosta is a logistics platform and Fawry provides e-commerce companies with a payment gateway and drop in location, connecting the two platforms will help the e-commerce business to grow and will enable small businesses to leverage the platform to expand and grow their businesses.



Companies that completed an M&A activity

Bankers Warehouse

www.bankerswarehouse.com

Sector: Financial Services

Country of primary operations: Nigeria

Cellcom Telecommunications Ltd

www.lr.cellcomgsm.com

Sector: Technology & Telecoms

Country of primary operations: Liberia

Craft Silicon

www.craftsilicon.com

Sector: Technology & Telecoms

Country of primary operations: Kenya

Dynamic Fibre Moulding

www.dfmsa.co.za

Sector: Industrial Products

Country of primary operations: South Africa

EOS Capital

www.eoscapital.com.na

Sector: Financial Services

Country of primary operations: Namibia

Fawry

www.fawry.com

Sector: Financial Services

Country of primary operations: Egypt

Hygeia Nigeria Ltd

www.hygeiagroup.com

Sector: Healthcare & Pharmaceutical

Country of primary operations: Nigeria

Intercare

www.intercare.co.za

Sector: Healthcare & Pharmaceutical

Country of primary operations: South Africa

Java House

www.javahouseafrica.com

Sector: Consumer Services

Country of primary operations: Kenya

Jumia

www.group.jumia.com

Sector: Technology & Telecoms

Country of primary operations: Nigeria

Kansai Plascon

www.plascon.co.za

Sector: Industrial Products

Country of primary operations: South Africa

Médis

www.medis.com.tn

Sector: Healthcare & Pharmaceutical

Country of primary operations: Tunisia

Mobisol GmbH

www.plugintheworld.com

Sector: Energy

Country of primary operations: Tanzania

San José López

www.sjl.es/en

Sector: Transportation and Logistics

Country of primary operations: Morocco

Vivo Energy

www.vivoenergy.com

Sector: Energy

Country of primary operations: Multiple Countries

Mace Management Services

www.macegroup.com

Sector: Industrial Products

Country of primary operations: South Africa

Alliances and Joint Ventures

The worldwide integration of business models and changes in the way that businesses operate and compete have resulted in an adjustment to the typical mergers and acquisition (M&A) strategy. Increasingly, businesses are moving beyond the traditional M&A model to using joint ventures (JVs) and strategic business alliances to achieve their individual goals.

Technological advances, technical know-how, local market knowledge, and various other drivers have been a key motivation around alliances created by the nominated companies in the past year.

Many companies cannot achieve their growth ambitions singlehandedly without obtaining the competencies of partners, and this is a particularly critical factor in successfully entering new markets in Africa. Other drivers include access to new customers; access to talent; ability to strengthen one's brand or reputation; sharing of risks and resources; and access to new industries.

The past few years of alliances in Africa have specifically involved collaboration between the telecommunications and banking industry. The establishment of Safaricom's Mpesa mobile money transfer service in 2007 revolutionised the way people buy and sell items in Kenya. This has led to further collaboration between the telecommunications, banking and insurance industries, driven by the increasing mobile penetration rates.

Twenty-one companies featured in LSEG's 'Companies to Inspire Africa' 2017 report formed alliances and joint ventures in the past year. These include companies based in Kenya, Nigeria and South Africa. Alliances in Kenya were fairly diverse. Acorn Group's collaboration with a UK-based private equity fund, is set up to help bridge the current student housing gap in Kenya, while Cellulant and Pesalink's partnership with Kenyan Airways was established to facilitate the payment of airline tickets online.

In November 2017, Nigeria-based Landmark Africa partnered with Marriott International to open the Renaissance Lagos Hotel and Marriott Executive Apartments. In June 2017, Aser Construction Plc and Chinese based CGCOC Group Co. Ltd. signed a joint venture agreement with Addis Ababa Water and Sewage Authority for a water project. In October 2017, Enko Education in South Africa partnered with the Benga Riverside residential community to launch a new international school in Mozambique.

21 companies

featured in LSEG's 'Companies to Inspire Africa' 2017 report formed alliances and joint ventures in the past year. These include companies based in Kenya, Nigeria and South Africa. Alliances in Kenya were fairly diverse.



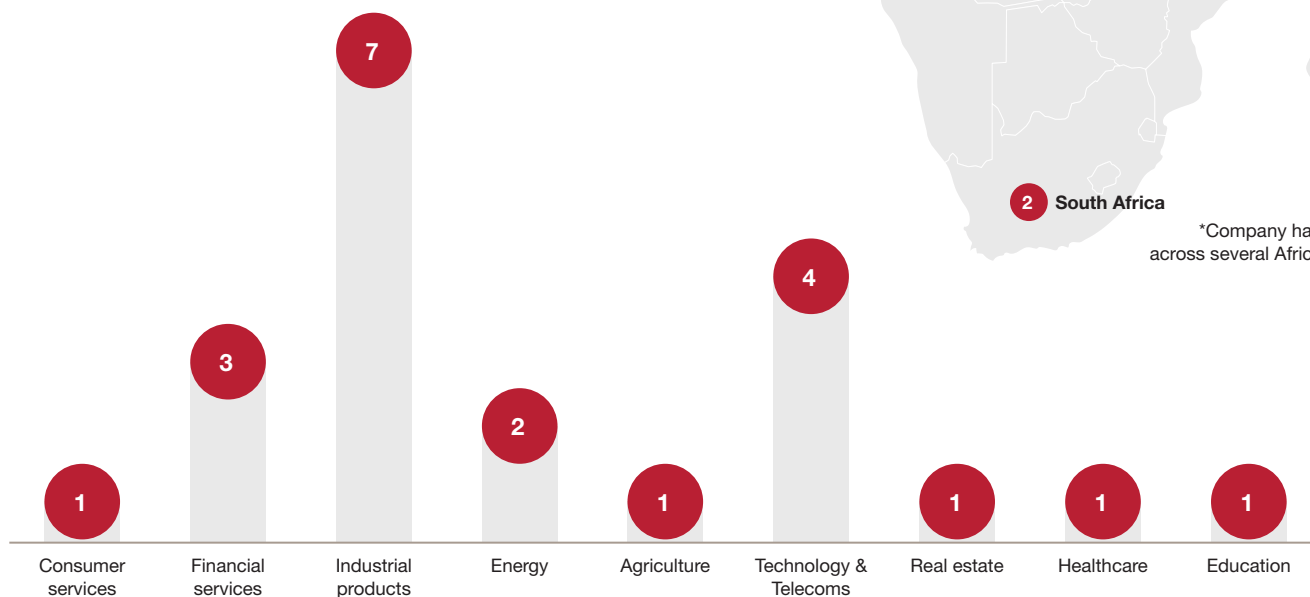
JV/Alliances

21 companies

entered into an alliance or joint venture



...across 8 sectors



*Company has operations across several African countries



Isaac Ferkah
Acting CEO



Company Spotlight

Agricare Limited

Primary countries of operation: Ghana and Togo
Sector: Agriculture



AGRICARE LIMITED

How has your business evolved since the initial conception of your company?

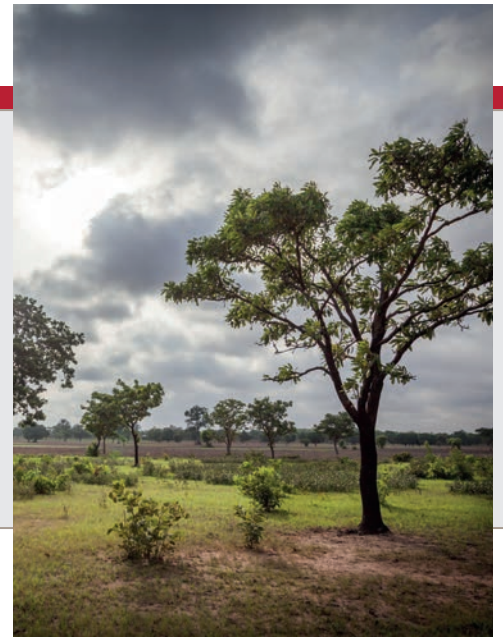
Agricare is on track with its vision of sustaining the company's position as the manufacturer of world-class quality poultry and livestock feed. In delivering this vision Agricare's business strategy focuses on three key areas; differentiation, production, and procurement. Agricare differentiates itself from competitors based on quality. The company believes that the market recognizes high quality products and farmers will be willing to pay for products that give them good value for money. The company therefore, maintains high-quality standards right from sourcing of materials through to the feeding trough. Indeed, we have affirmed the Agricare's position as a market leading brand trusted amongst farmers for quality and timely technical assistance. The Agricare team believes in the use of modern equipment for production. This approach leads to increased production efficiency for the company. We have currently installed a world-class Buhler feed miller with a capacity of 10mt/hr. Our strategy with regards to procurement focuses on the timely delivery of quality raw materials. As such, we have increased the supply of raw materials from local suppliers in the past year which saved cost and improved margins. As Agricare continues to grow, we continuously seek ways to serve the new markets with our existing portfolio of products and also create new products that meet the needs of customers. Agricare currently serves farmers in Ghana and Togo and the company is actively looking for opportunities to enter new West African markets.

What have been the biggest opportunities for your company since 31 March 2017?

Agricare plans to significantly reduce the cost of manufacturing through the development of a maize outgrower system. Maize is a major component of feed. Thus, supporting farmers with improved seed and fertilizer to achieve superior yields and procuring the maize produced at pre-agreed future prices reduces variability in raw material price and secures margins. The pilot scheme was launched in 2016 with 250 Ha of land which was expanded to 2588 Ha in 2017. The scheme will be scaled up as production increases. We have also seen an uptick in sales volume as the new government of Ghana promises to implement sustainable solutions to grow and maintain the poultry sector.

What have been the key drivers of the growth of your company?

The key drivers of growth for our company have been the quality of our products and the provision of extension services. This strategy sets us apart from competitors. Quality is interwoven within the very fabric of the business which is evident in our vision statement. We have gained the trust of our customers as producers of quality feed and that has led additional farmer referrals. We also provide complementary extension services to our farmers to ensure they are adhering to best poultry farming practices to increase their egg and broiler meat production targets.



What challenges has your industry/region faced last year and how have you managed to deal with them?

There was a general reduction in the number of birds to feed in Ghana. This was due to cheaper imports which led to a reduction in the demand for local birds. With poultry feed sales forming a significant portion of our revenues, we were affected. The growth was achieved by capturing more market share through strengthening customer relationships. This share expansion is a difficult feat since most farmers will rarely change their source of feed supply due to the effect such a change can have on yields in the short term. Going forward, our strategy is to diversify our revenue streams by increasing the sale of a day-old-chicks and feed inputs.

What is the significance of the recent partnership with UK Department for International Development?

This partnership has helped us have a better understanding of our market, our positioning, and our customers' satisfaction. The market research study highlighted areas we can improve upon to maintain and grow our market share. Going forward, our sales and marketing efforts will be geared towards improving access to our products and speeding up the process of resolving customer challenges through efficient customer service channels. We are also planning on promoting smaller bag sizes to cater for smaller farm needs.





Elizabeth Rossiello
CEO



Company Spotlight

BitPesa

Primary countries of operation: Nigeria, Ghana, Senegal, DRC, Kenya, Tanzania, Uganda
Sector: Financial Services

BitPesa

How has your business evolved since the initial conception of your company?

We have grown to focus almost exclusively on B2B Payments in the last few years and expanded beyond Africa to include Europe and soon the Middle East.

What have been the biggest opportunities for your company since 31 March 2017?

We made our first acquisition of Transferzero, a payments company licensed by the Bank of Spain, crossed over \$2 million in revenue and received a Series A financing led by Greycroft Partners.

What have been the key drivers of the growth of your company?

Expansion into West Africa, receiving our payments licenses in the UK and Europe, and our Series A investment.

What challenges has your industry/region faced last year and how have you managed to deal with them?

There has been a huge interest in the technology that we use, namely the Bitcoin Blockchain, due to the price volatility. We have responded with education about our product and the way we isolate our customers from digital currency price volatility yet capitalize on the efficiencies of the technology.

What is the significance of the recent partnership with BitBond?

In addition to the partnership with BitBond, which was important as it created a new lending vehicle in local African currencies without adding to the cost of operations, we have just announced our acquisition of Spanish payments company, Transferzero.

We are one of the few African-founded companies to purchase a European company and we did so to expand our infrastructure, increase our licensing and bank relationships, and grow our customer base.



Companies that entered into a JV or alliance

Acorn Group

www.acorngroupafrica.com
Sector: Industrial Products
Country of primary operations: Kenya

Agricare Ltd

Sector: Agriculture
Country of primary operations: Ghana

ASER Construction Plc

www.aserplc.com
Sector: Industrial Products
Country of primary operations: Ethiopia

BitPesa

www.bitpesa.co
Sector: Technology & Telecoms
Country of primary operations: Kenya

Bridge International Academies

www.bridgeinternationalacademies.com
Sector: Consumer Services
Country of primary operations: Kenya

Cellulant

www.cellulant.com
Sector: Financial Services
Country of primary operations: Kenya

Dalex Finance Company Ltd

www.dalexfinance.com
Sector: Financial Services
Country of primary operations: Ghana

Davis & Shirliff Ltd

www.davisandshirliff.com
Sector: Industrial Products
Country of primary operations: Kenya

DRA Group Holdings

www.draglobal.com
Sector: Industrial Products
Country of primary operations: South Africa

Enko Education

www.enkoeducation.com
Sector: Education
Country of primary operations: Multiple Countries

Eranove

www.eranove.com
Sector: Industrial Products
Country of primary operations: Côte d'Ivoire

Fenix International Inc

www.fenixintl.com
Sector: Energy
Country of primary operations: Uganda

Gas Terminalling

www.gasterminalling.com
Sector: Industrial Products
Country of primary operations: Nigeria

Glico Life

www.glicogroup.com
Sector: Financial Services
Country of primary operations: Ghana

Impact Oil & Gas

www.impactoilandgas.com
Sector: Energy
Country of primary operations: South Africa

Jumia

www.group.jumia.com
Sector: Technology & Telecoms
Country of primary operations: Multiple Countries

Kopo Kopo

www.kopokopo.com
Sector: Technology & Telecoms
Country of primary operations: Kenya

Landmark Africa

www.landmarkafrica.com
Sector: Real Estate
Country of primary operations: Multiple Countries

Madec

Sector: Industrial Products
Country of primary operations: Morocco

Medasys

www.medasys.com
Sector: Healthcare & Pharmaceutical
Country of primary operations: Morocco

Solo Phone Holding Company

www.gosolo.ng
Sector: Technology & Telecoms
Country of primary operations: Nigeria

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The Group operates a broad range of international equity, ETF, bond and derivatives markets, including London Stock Exchange; Borsa Italiana; MTS (a European fixed income market); and Turquoise (a pan-European equities MTF). Through its platforms, LSEG offers market participants, unrivalled access to Europe's capital markets. The Group also plays a vital economic and social role, enabling companies, including SMEs, to access funds for growth and development.

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Post trade and risk management services are a significant part of the Group's business operations. In addition to majority ownership of LCH, a multi-asset global CCP operator, LSEG owns CC&G, the Italian clearing house and Monte Titoli, a leading European custody and settlement business.

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London
Stock Exchange Group

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Acknowledgements and thanks

We extend our thanks to everyone who contributed to 'One year on- Companies to Inspire Africa, 2017'. In particular, we would like to thank Zubair Chiragdin, Chika Chukwujekwu, Karabo Leopeng, Nishil Mehta, Oluwaseun Odusanya, and Alice Tomdio from PwC, Lauren Crawley-Moore, Ibukun Adebayo, Rhiannon Davies, and Nirmal Nandwani from London Stock Exchange Group, for their important contributions.



www.pwc.co.za

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