

AFRICAN GLOBALIZERS REPORT 2017

African Firms Taking the World Stage

A Report by

Konfidants

Strategy | Transactions | Advisory



THE
AFROCHAMPIONS
INITIATIVE

AfricanTM
Globalizers

Report Authors

Michael Kottoh – Managing Partner

Aaron Baneseh – Senior Associate

Ahomka Mills-Robertson – Analyst

Emmanuel Dadzie – Research Analyst

Steven Odarteifio – Consulting Associate

Jacqueline Chimhanzi – Senior Advisor

Francis M. Mulangu – Senior Advisor

About Konfidants

Konfidants is a diversified international Advisory Firm supporting companies, governments and international organizations to achieve impact across Africa and other global regions. We are thought-leading conveners and advisors of high-impact multi-country partnerships to transform Africa and drive the global emergence of African corporates.

We work across four main practice areas:

- Research & Analytics
- Strategy & Advisory
- Implementation & Project Management
- Convening & managing multi-country partnerships & platforms

In each of the above practice areas, we blend core competencies across strategy, economics, financial modelling, statistics and data analytics, project management, public policy, valuation, value-for-money-audits, sustainability accounting, restructuring, corporate reporting & communications and transaction advice to help clients achieve impactful results and return on investment. We support clients across all sectors and industries.

Contact

Plot #1B Airport West Road,
Accra, Ghana.

59 rue du Rhône.
1204 Geneva, Switzerland

Office 57, 6th Road, Hyde Park,
Gauteng, Johannesburg, South Africa.

advisory@konfidants.com

www.konfidants.com

Design by: kfd-graphica

Copyright © 2017 Konfidants

Contents

01 OVERVIEW	04
02 METHODOLOGY	06
03 FINDINGS	07
> Who Are the African Globalizers?	
> Where do the African Globalizers come From?	
> Which Industries do the African Globalizers Operate in?	
> Which Global Markets are the African Globalizers Expanding into?	
> Global Presence of African Globalizers	
> Europe	
> Asia-Pacific	
> South & Central America	
> North America	
> Key Dynamics: Emerging Markets versus Developed Markets	
> The African Globalizers Index - Who Are the Most Globalized?	
04 CREATING MORE GLOBALIZERS FOM THE REST OF THE CONTINENT	19
> Going Global: Strategic Choices for Aspiring Globalizers	
> Way Forward	
05 REFERENCES	24

01 > OVERVIEW

Africa's expected emergence as a global powerhouse will, among other things, require the continent to create its own global giants – the 'African Samsung', the 'African GE', the 'African Toyota'. Yet, despite a decade of "Africa rising" and the advent of fast-growing big African corporations, there is still no African company in the Fortune Global 500. However, this could change within a decade – thanks to the emergence of an extraordinary group of African companies that are increasingly taking the world stage. They are the African Globalizers.

This report – by analysts and scholars at Konfidants – is the first in a series of studies designed to understand the global journeys and global potential of African firms. How can Africa produce its own global giants? And why are they important to Africa's global emergence?

This maiden report focuses on 30 companies with \$118.6 billion in combined revenue. It provides a first-hand big picture view – a snapshot – of the geographical reach of African firms in global markets. While future reports will delve into other metrics like the foreign assets, employment and sales of African Globalizers, this maiden edition is deliberately focused on geographical reach – first as a conversation starter, and second as a baseline mapping exercise to enrich the conversation. The report

focuses on four main questions: Who are the African Globalizers? Which global regions are they expanding into? What are the prospects of these firms growing into Africa's global giants? What should be done to create a more diverse group of globalizers from all parts of the continent?

To be included in the study, a company is required to be headquartered in Africa and have trans-continental footprint – it should have at least two operational subsidiaries (or at least 50% holding in two foreign entities) in another global region other than Africa. There are obviously more than 30 such African globalizers; the 30 firms should thus be seen as a representative, but by no means an exhaustive list.

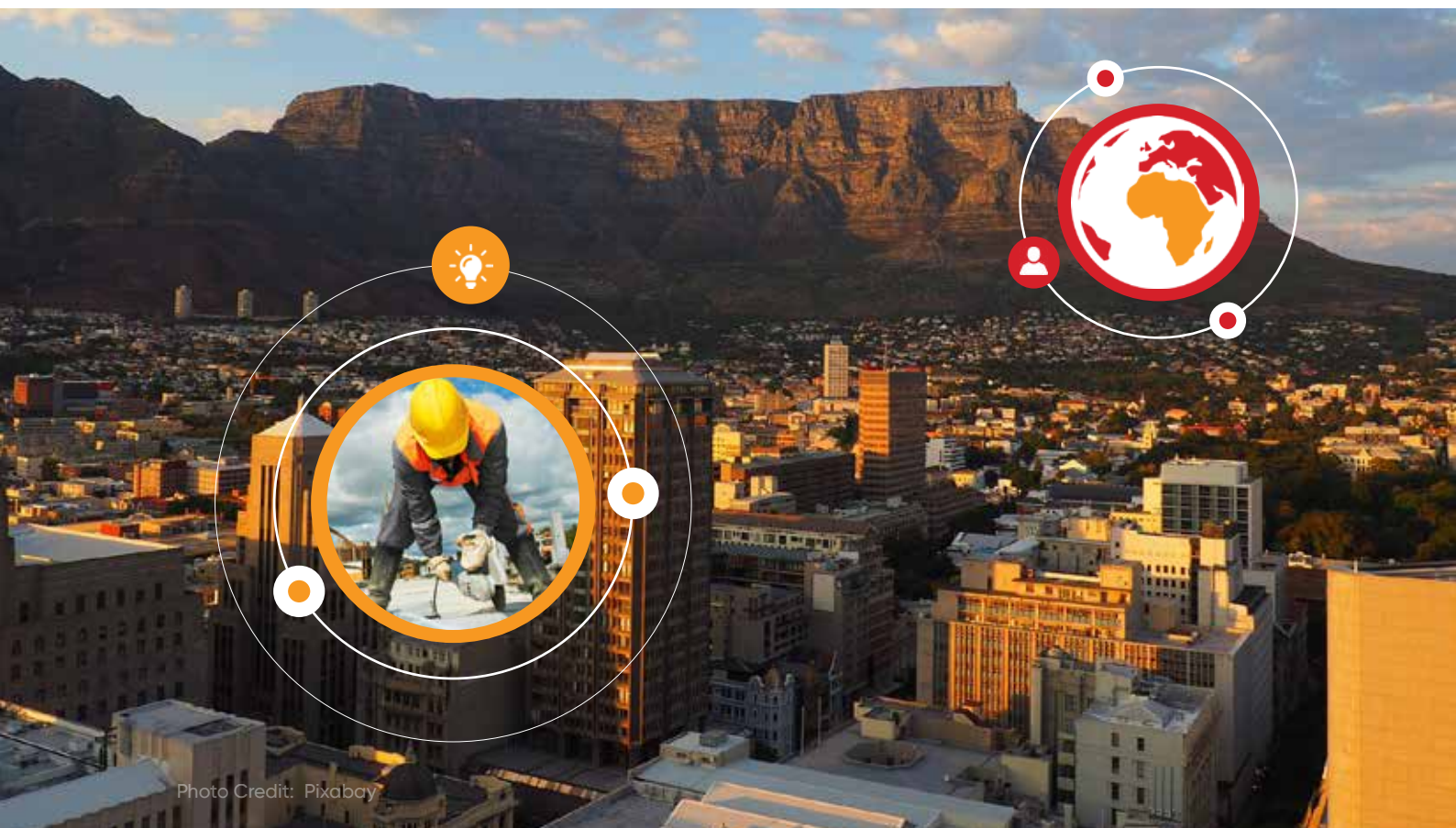


Photo Credit: Pixabay

The Good News

The study has both good news and bad news for the continent. The good news is that African firms are indeed very active in global markets. The 30 African companies profiled have between them over 200 operations or major investment holdings in all major global regions – not just in other emerging markets, but in every advanced market on the planet: Europe, North America and Australia. South Africa's Datatec operates in more than 60 countries across 5 continents, and Aspen Pharmacare, the largest pharmaceutical in the southern hemisphere, makes 69% of its revenues from outside the continent. In fact, the globalizers have more operations or holdings in advanced markets (113) than in emerging markets (97). This is remarkable because historically, emerging market companies tend to first expand into other emerging markets before venturing into more advanced markets. The trajectory of global expansion by African firms thus deviates from the conventional models of global expansion by other emerging market firms – from China and India for example.

Crucially, this trajectory is indication that African firms may be far more sophisticated than usually perceived.

The Bad News

The bad news is that outside of South Africa there are very few globalizers from the rest of the continent. 22 of the 30 firms are South African. A few North African firms – like OCP of Morocco, Cevital of Algeria, and Elsewedy of Egypt – have noteworthy footprints in the Middle East, Asia and beyond. And while there exist other non-South African globalizers not covered in the report, major African Globalizers are indeed a rarity especially in the rest of Sub-Saharan Africa. This raises questions: Why are there few globalizers outside of South Africa? What can be done to improve the situation? How do we use the experiences of South African globalizers to inspire globalizers to emerge from other parts of the continent? Addressing these and other related questions will remain the essential focus of the 2018 and subsequent editions of the African Globalizers reports. The rest of this maiden 2017 report will highlight the key findings and attempt to make sense of the numbers.

But first and foremost, why is any of this important? Why is it important for African companies to globalize?

Much has been said about the emergence of homegrown African multinationals in recent times. For good reason, the discussion is mainly focused on their regional expansion within the continent – especially its impacts on intra-Africa investments and cross-border trade.

But there is another dimension to the African multinational story that receives less attention – the global dimension. There are several reasons why it matters.

First, Africa needs its own global giants – its own champions and brands on the world stage. Having more African companies expanding beyond the continent is the only way to birth Africa's global giants. For all emerging markets, the rise of global giants is both a driver and marker of a region's global competitiveness. Lenovo and Bharti Airtel respectively drive China and India's global competitiveness in ways African nations should envy and desire.

Second, local companies need to look beyond the continent because growth markets within Africa are still limited despite a growing middle class. In spite of impressive economic growth during the last decade, African economies are not growing and lifting populations fast enough into the middle class to support the growth ambitions of the continent's companies. The true size of the continent's stable middle class is less than 10% of the adult population.

Third, competing in global markets is one of the best ways for African firms to acquire world-class technical capabilities and the managerial dynamism required to remain regionally and globally competitive.

Fourth, diversification through global operations is a way for African firms to better mitigate their risks and continue to grow. At some stage in a company's evolution, local or regional diversification isn't enough. Companies will need to invest beyond the continent to better withstand shocks and risks that are too closely correlated with African economies such as commodity cycles.

But globalizing comes with risks. When companies are insufficiently prepared for global expansion, venturing into unfamiliar territory outside of the home region could spell doom. Even highly capable global players have suffered casualties while diving deep into distant regions. To succeed in distant regions, emerging African global players must define a unique selling point, develop criteria for partnerships, understand local regulatory and policy environment, and not underestimate even small local incumbent firms.

Selecting the African Globalizers

To be included in the report, companies were required to meet these criteria.

1. African HQ – to be considered an African multinational, the headquarters of the company must be in an African country.
2. Trans-continental footprint – the company must have operational subsidiaries or major holdings outside the African continent. A company must be present in not less than two countries within at least one continent outside Africa – although a few exceptions are made for analytical insights. For this report, representative offices are not considered. Four continental regions are counted: Europe, Asia-Pacific, North America, South & Central America.
3. Ownership stake – The parent company must have at least 50% stake in the subsidiary for it to be considered as part of its geographical footprint.
4. Information Availability – information on the companies' geographical exploits must be readily available in recent annual reports and other credible sources.

The African Globalizer Index

This report introduces the African Globalizers Index for the first time. The index was developed using the weighted number of continents, the number of footprints and the percentage of foreign revenues generated outside Africa for each African Globalizer as the base parameters. The proposed weights used were:

- Number of continents outside Africa- 30%
- Number of footprints outside Africa - 50%
- Percentage foreign revenues- 20%

The African Globalizers Index was calculated using the formula:

$$\frac{X(w_x)}{X_{max}} + \frac{Y(w_y)}{Y_{max}} + \frac{Z(w_z)}{Z_{max}}$$

where for each African Globalizer:

x = Number of continents outside Africa

y = Number of Footprints outside Africa

z = % of foreign revenues

Xmax = Maximum number of continents

Ymax = Maximum number of footprints

Zmax= Maximum number % of Revenue

**Revenue figures for the African Globalizers were obtained from the 2016 end-of-year financial results, or when unavailable, from the most recent year of reporting - Cevital (2013), OCP (2014) and Global Telecom Holdings (2015).



3.1 Who are the African Globalizers?

Thirty (30) companies were selected for this maiden report. They span several sectors and originate from various parts of the continent.

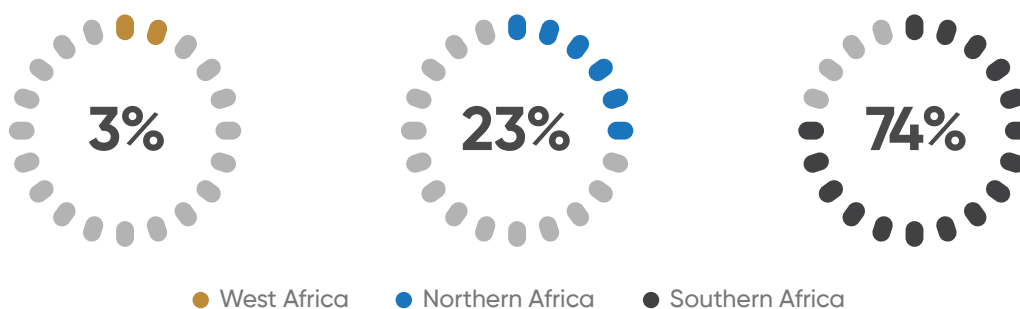
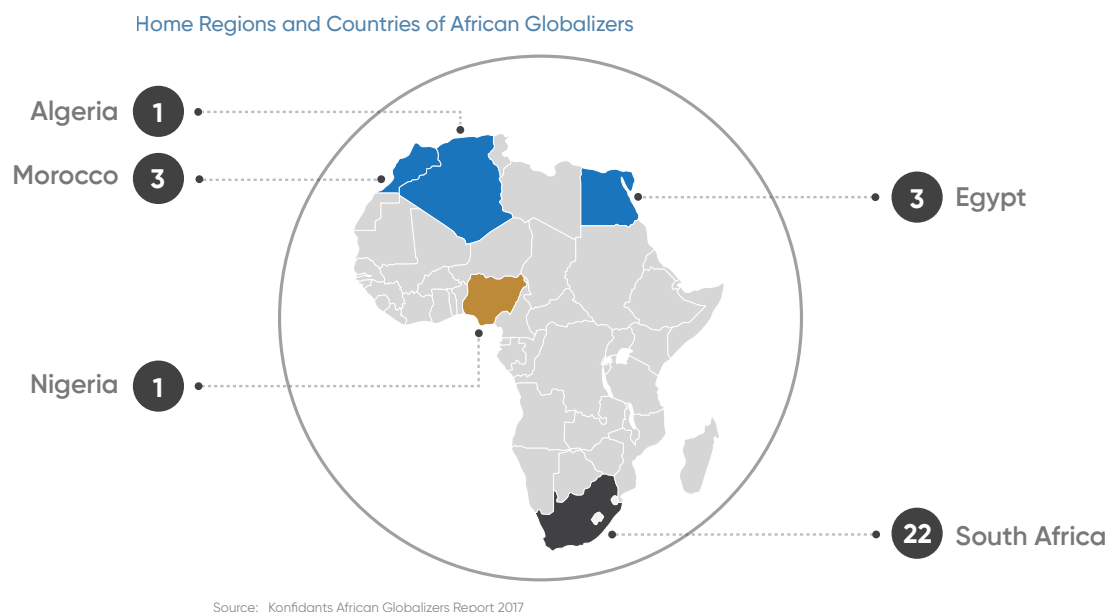
The African Globalizers

Company	Headquarters	Industry
Aspen Pharmacare Holdings	Durban, South Africa	Health Care
Attajariwafa Bank	Casablanca, Morocco	Financials
Aveng	Boksburg, South Africa	Industrials
Barloworld	Johannesburg, South Africa	Industrials
Blue Label Telecom	Johannesburg, South Africa	Telecommunications
Cevital	Béjaïa, Algeria	Industrials
Datatec	Johannesburg, South Africa	Technology
Discovery	Johannesburg, South Africa	Financials
Distell Group	Stellenbosch, South Africa	Consumer Goods
El Sewedy Electric	Cairo, Egypt	Industrials
Ghabbour Auto	Cairo, Egypt	Consumer Goods
Global Telecom Holding	Cairo, Egypt	Telecommunications
Gold Fields	Johannesburg, South Africa	Basic Materials
Grindrod	Durban, South Africa	Industrials
Group Five	Johannesburg, South Africa	Industrials
MTN Group	Johannesburg, South Africa	Telecommunications
Murray & Roberts	Johannesburg, South Africa	Industrials
Naspers	Cape Town, South Africa	Telecommunications
Oando	Lagos, Nigeria	Oil & Gas
OCP	Casablanca, Morocco	Basic Materials
Old Mutual	Johannesburg, South Africa	Financials
Omnia Holdings	Gauteng, South Africa	Basic Materials
Sanlam	Johannesburg, South Africa	Financials
Sappi	Johannesburg, South Africa	Basic Materials
Sasol	Johannesburg, South Africa	Oil & Gas
Standard Bank Group	Johannesburg, South Africa	Financials
Steinhoff International	Stellenbosch, South Africa	Consumer Goods
Truworths International	Cape Town, South Africa	Consumer Services
Woolworths Holdings	Johannesburg, South Africa	Consumer Services
YNNA Holdings	Casablanca, Morocco	Financials

Source: Konfidants African Globalizers Report 2017

3.2 Where do the African Globalizers come from?

The Globalizers come from a few select countries within each sub-region. South Africa boasts the largest number of firms that have expanded beyond Africa – 22 of the 30 firms.



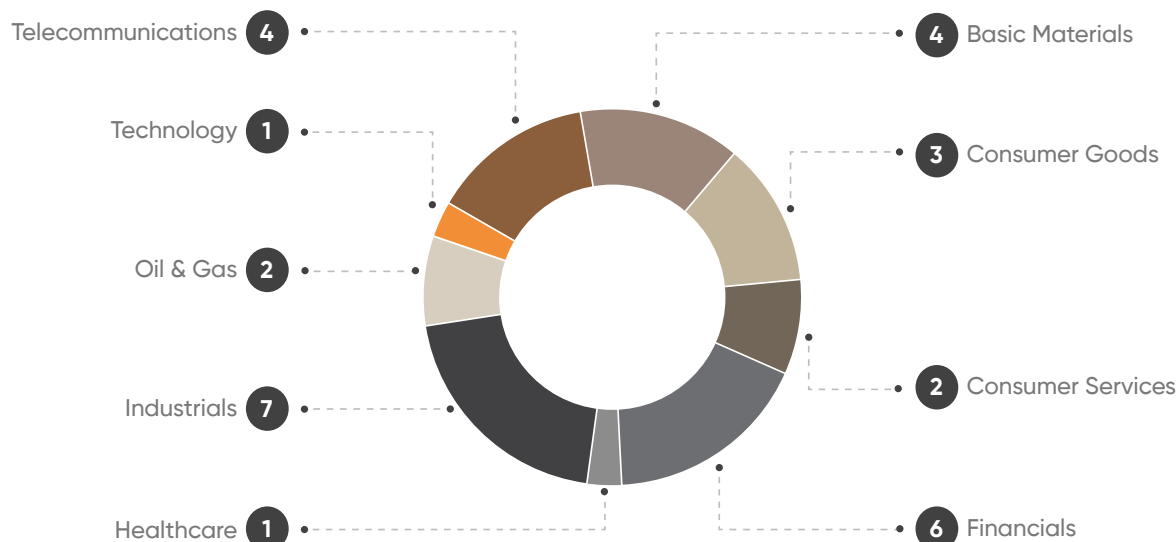
Explaining South Africa's dominance of African Globalizers

South African firms dominate the African Globalizers list. 22 of the 30 firms surveyed are South African. Other regions of the continent have been less successful in producing big global firms. What accounts for this South African leadership? For many years, South African firms were very constrained within their local market and did very little cross-border investments even within Africa – due mainly to Apartheid era UN and international economic sanctions. This forced some South African companies to invest locally in one another, using several cross-shareholdings to form giant local conglomerates. When the sanctions were lifted following Nelson Mandela's release from prison in 1990, South African local giants had become strong enough and well prepared to deploy internationally through the acquisition of international assets. It appears that by forcing South African capital to stay behind domestic borders, apartheid-era international sanctions may have paradoxically helped prepare the firms for the subsequent global [and pan-African] expansion that followed. What is curious though is that many South African firms went global before going pan-African.

3.3 Which Industries do the African Globalizers Operate in?

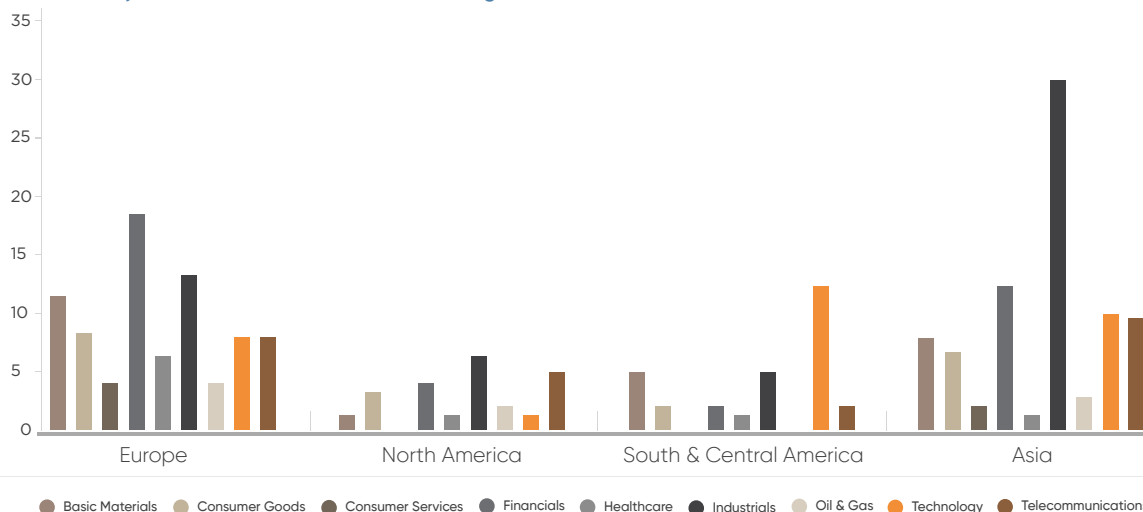
African Globalizers come from a broad range of Industries – 9 industries in total. No single industry dominates the global expansion, although certain industries are prominent across key regions: In Asia industrial and financial industries; In Europe financials, basic materials and consumer goods; In South & Central America technology and basic materials; in North America telecommunications and industries. The relative importance of telecommunications, industries, basic materials and financials speaks to the significant levels of sophistication of the globalizers.

Industry distribution of African Globalizers



Source: Konfidants African Globalizers Report 2017

Industry distribution of Globalizers across regional markets



Source: Konfidants African Globalizers Report 2017



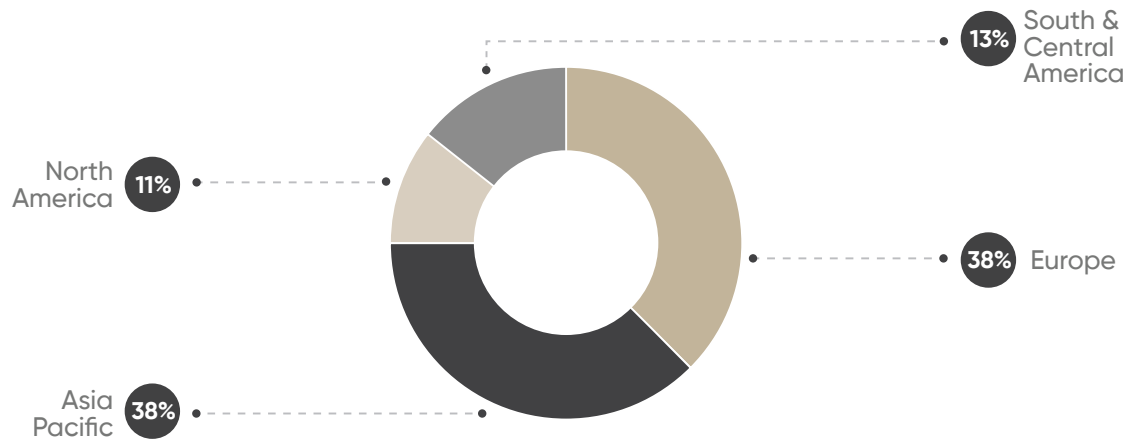
Photo Credit: Pixabay

3.4 Which Global Markets are the African Globalizers Expanding into?

Global Presence

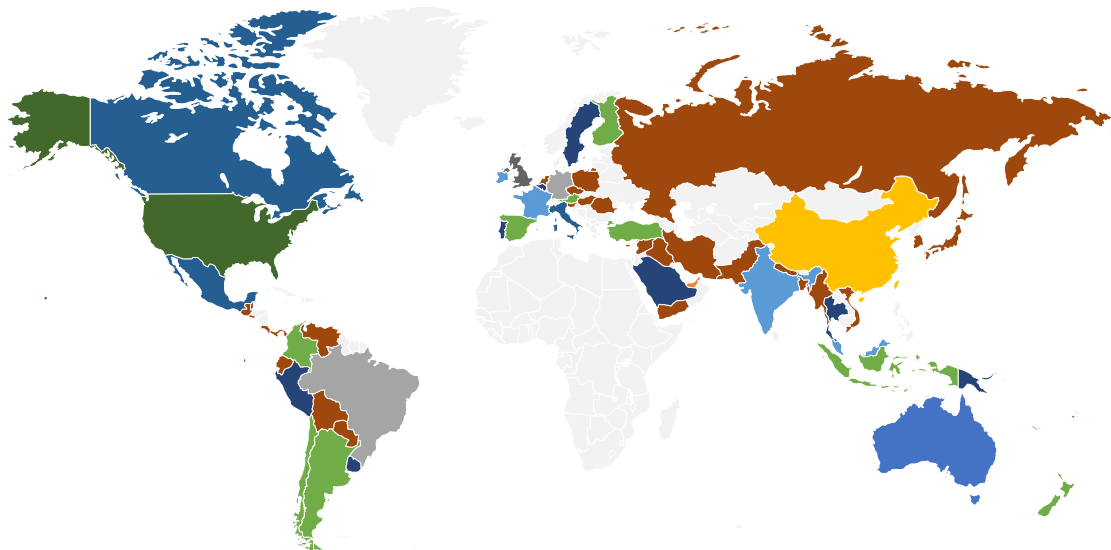
The African Globalizers have a combined operational footprint of 210 outside of Africa. The Asia-Pacific and European markets account for most of these activities with a combined 76% of the total globalizer footprints between them.

Distribution of footprints of African Globalizers in global regions outside Africa



Source: Konfidants African Globalizers Report 2017

Distribution of footprints of African Globalizers in countries outside Africa



Source: Konfidants African Globalizers Report 2017

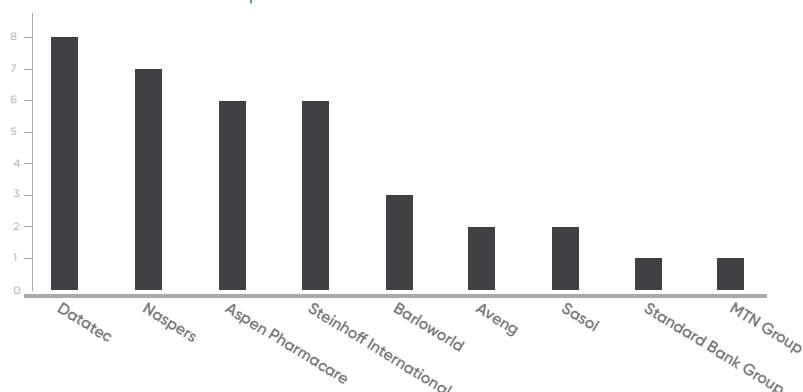


The United Kingdom has the highest number of African Globalizer footprint (15).

Europe

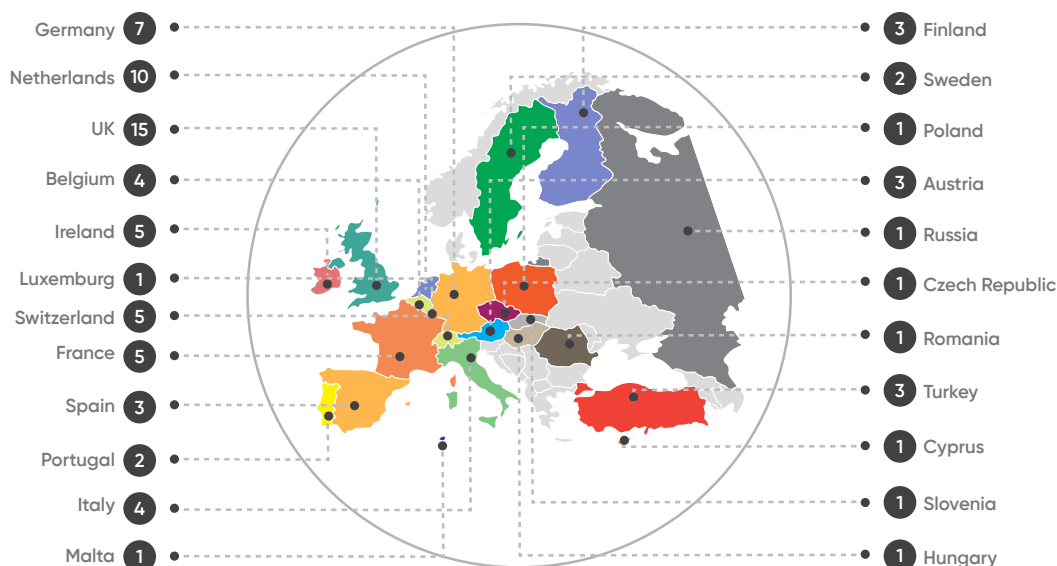
In Europe, the **United Kingdom (15)** followed by the **Netherlands (10)** have the highest number of African Globalizer footprints. African globalizers prefer the relatively stronger Western European markets to the Eastern European markets.

Globalizers in the European Market



Source: Konfidants African Globalizers Report 2017

Number of African Globalizers incorporated in European countries



Source: Konfidants African Globalizers Report 2017

Highlights – Recent Activities of some key African Globalizers in the European Region



- > Generated 34% of its group revenues for the 2016 financial year from Europe. That represents the 2nd biggest contribution to its revenues, behind North America.
- > In 2017, Datatec's global telecoms consulting and research business, Analysys Mason, acquired Nexia Management Consulting AS in Norway.



- > In June 2017, Aspen Pharmacare agreed to buy a manufacturing plant in Netherlands, a satellite facility and sales office located in the US from the US based medicine manufacturer Merck & Co.
- > The company viewed the acquisitions as an expansion strategy to increase its presence in the Latin American, Asia-Pacific, Eastern Europe and Russian markets.



- > Sappi is one of the world leaders in woodfibre products, and leverages moderate investments to achieve business growth.
- > In 2016, the group acquired Rockwell Solutions Limited, a firm that works to create barrier film technology- a material of growing importance in specialty packaging materials.

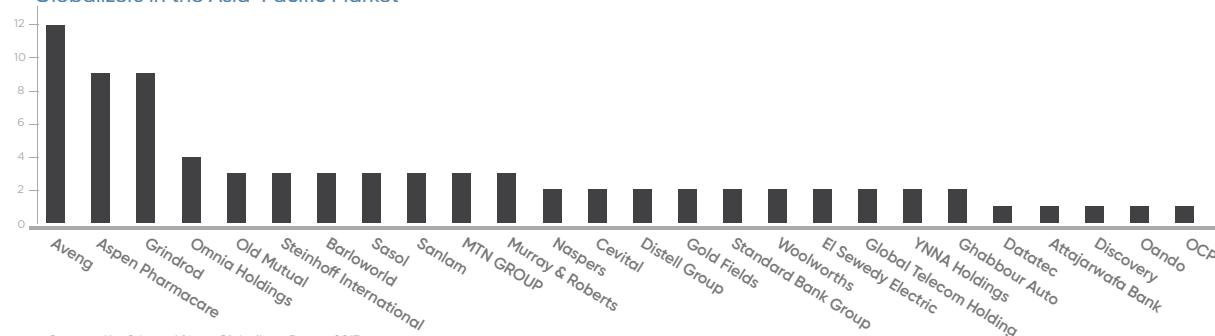


- > Sasol, the international energy and chemicals group, announced that it will invest R135 billion over the next two years to expand its projects in Southern Africa and USA.

Asia-Pacific

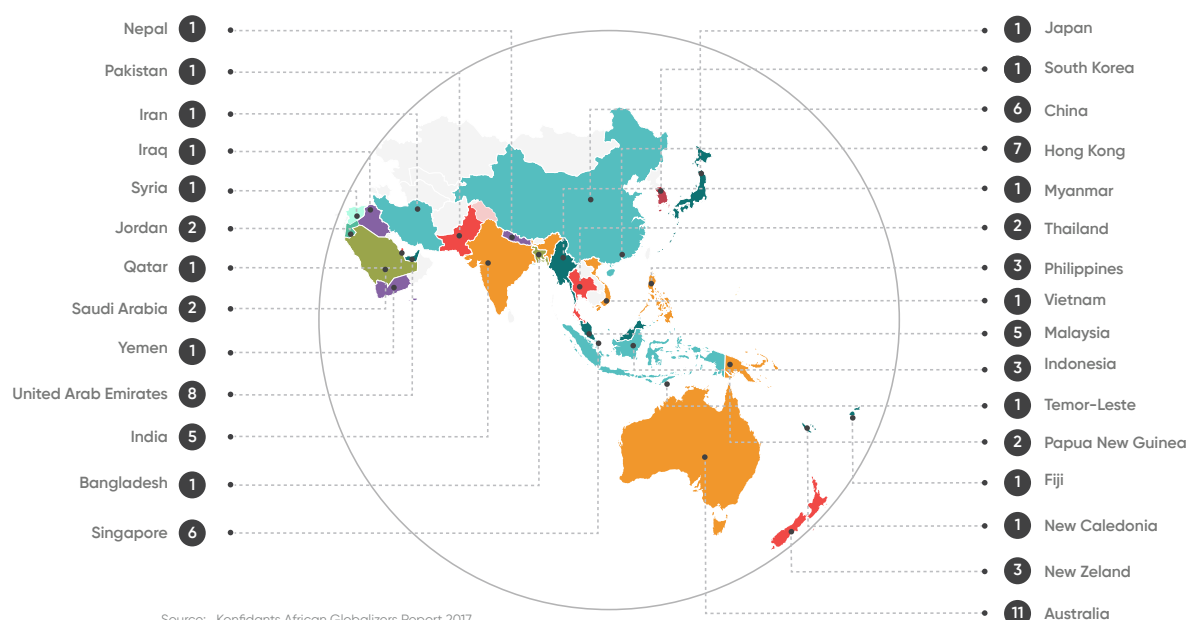
In the Asia-Pacific market, the African Globalizers continue to bet largely on the best-performing and most stable economies in the region. **Australia (11), UAE (8), Hong Kong (7), Singapore (6)** and **China (5)** are the preferred economies of choice.

Globalizers in the Asia-Pacific Market



Source: Konfidants African Globalizers Report 2017

Number of African Globalizers incorporated in Asia-Pacific countries



Source: Konfidants African Globalizers Report 2017

Highlights – Activities of African Globalizers in the Asia-Pacific Region



- In October 2016, OCP and Krishak Bharati Cooperative Limited (KRIBHCO) announced a 50:50 joint venture to develop a large-scale greenfield NPK fertilizer plant in India that will require an initial investment of \$230 million.



- MTN entered a joint venture with Irancell in 2014 as a move to increase its expansion in the Middle East, furthering its 10-year plan to develop into lucrative frontier markets.
- In 2015, World remit and MTN agreed a major mobile money global partnership deal.



- In 2015, Standard Bank Group sold 60% of its London-based operations to Industrial and Commercial Bank of China Limited (ICBC) through a partnership deal that saw the expansion of its operation to Singapore, Dubai, Tokyo, Hong Kong and Shanghai.



- Asia Pacific remains the second largest market share for Aveng.
- Generated 38% of its revenue from the construction and Engineering business in the Asia Pacific market.

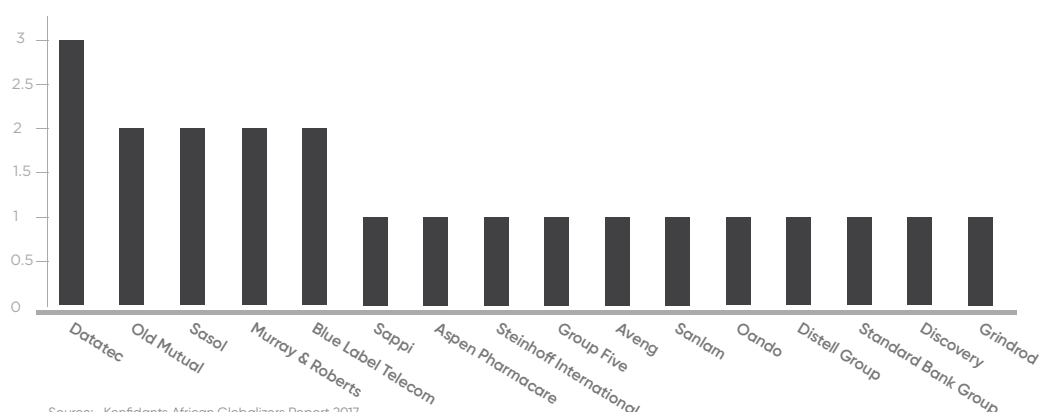


- In April 2014, Woolworth acquired Australian retailer David Jones, Australia's second largest retailer at the time, for a reported \$2 Billion.

North America

16 African globalizers are present in the North American region.

Globalizers in the North American Market



Source: Konfidants African Globalizers Report 2017

Number of African Globalizers incorporated in North American countries



Source: Konfidants African Globalizers Report 2017

Highlights – Recent Activities of African Globalizer Companies in the North American Region



- March 2017- Old mutual deglobalizes in the US – Chinese conglomerate HNA Group Co. agreed to buy a 25 percent stake in Old Mutual Plc's U.S. asset management unit for about \$446 million



- In November 2015, the Distell Group entered into a 50: 50 joint-venture with US-based Terlato Wine Group in an attempt to promote and market its spirit brands in the United States of America.



- July 2011- Datatec makes a \$34 million acquisition of Netarx LLC, a Cisco Gold partner and provider of managed services, data center and collaborative IT solutions to customers in the mid-west USA.
- September 2017-Datatec completes \$800million Westcon-Comstor sale to Synnex. Deal sees Synnex take a 10 per cent stake in Westcon-Comstor's EMEA and APAC business.



- In March 2017, El Sewedy Electric entered into a Joint Venture with CTC Global a California based firm that manufactures a carbon fiber composite that is used in making ACCC conductors. The agreement provides a window for more expansion into the Middle East and American markets.



- In November 2015, Murray & Roberts' underground mining business in Canada, Cementation Canada, acquired assets and business of Merit Consultants Inc for \$1.5 Billion.

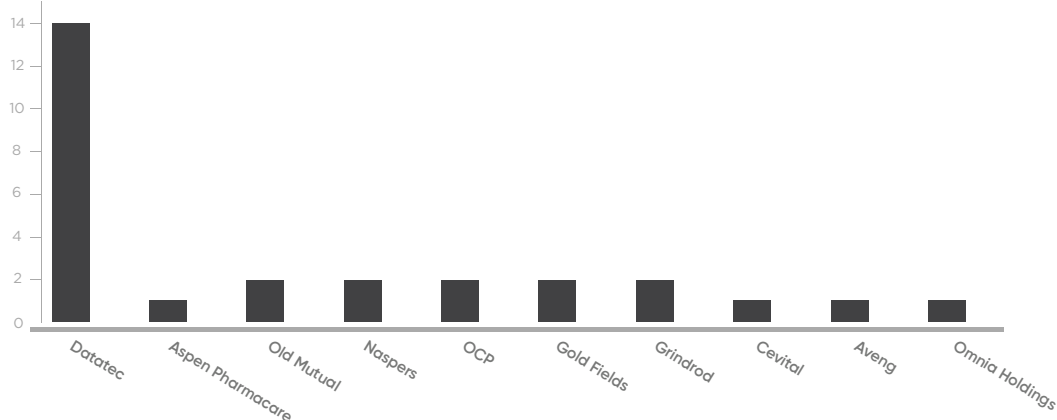


- In 2016 Steinhoff international Holdings bought Mattress Firm Holding, the largest bedding retailer in the US for \$3.8 billion.

South & Central America

Brazil has the biggest draw of African Globalizers, with seven of the firms establishing operations in the country. This is followed by Argentina, Chile and Colombia with three each. There are African investments in a total of 14 countries by 10 companies.

Globalizers in the South & Central American Market



Source: Konfidants African Globalizers Report 2017

Number of African Globalizers incorporated in South & Central American countries



Source: Konfidants African Globalizers Report 2017

Highlights – Recent Activities by African Globalizers in the South & Central American Region



- > In 2017, Datatec acquired NubeliU, a South-American based company that specializes in cloud computing, that focuses on the applications of the use of OpenStack technology.
- > With such an acquisition, Datatec intends to get more acquisitions in the developing markets as part of their overall strategy for future expansion of its business and growth.



- > In September 2017, Naspers spent €660 Million in Delivery Hero, a food delivery operating service in South America.
- > 2017 also saw Naspers investing in South America with \$53 million funding to Movile, a subsidiary, to expand its business in the Latin American region.



- > Brazil-based miner Vale and Algeria's Cevital signed an MOU to build a steel mill in the Brazilian state of Para.

3.5 Key Dynamics: Emerging Markets versus Developed Markets

One of the most striking findings is the balance between the globalizers' footprints in emerging markets versus developed markets. In fact, the globalizers have a greater combined footprint in advanced markets (113) than in emerging markets (97).

This is remarkable because historically, emerging market companies tend to expand first into other emerging markets before venturing into more advanced markets. The trajectory of global expansion by African firms thus deviates from the conventional models of global expansion by other emerging market firms from China and India for example.

Crucially, the trajectory is indication that African firms may be far more sophisticated than usually perceived: competing in advanced markets requires much deeper technical capabilities that firms from developing countries typically need time to develop. The African globalizers deep reach into Europe, North America and Australia speaks volumes to their

technological and managerial sophistication. The fact that they can hold their own and succeed in advanced markets is a mark that they may have an even more promising future in the various emerging markets they play in – even though this is not a given. Paradoxically, it is possible that African Globalizers may find it tougher in other emerging markets than in advanced markets. This is largely because emerging market incumbents tend to enjoy significant home advantages conferred by government backing that is less typical in the more free-market oriented economies of advanced countries. This is likely a partial explanation for the African Globalizers deep reach into advanced markets.

The same firms with the deepest reach into developed markets are essentially the same firms with broadest reach in emerging markets.

However one chooses to look at it, the global landscape for African business is intriguing and will continue to remain so.

Africa's Candidates for Fortune Global 500

None of the African Globalizers is on the Fortune Global 500 list. China has more than 100 firms on the list. What will it take to create Africa's first Fortune Global 500 Company and which companies are candidates? African companies still face a steep climb into the Fortune Global 500. For example, using the 2017 rankings, the closest African candidates – MTN (\$10.8 billion), Sasol (\$11.9 billion) and Steinhoff (\$14.6 billion) all need to double their revenues in order to catch up with the 500th ranked company (Auto Nation with \$22 billion in revenues).

Photo Credit: Fortune

3.6 The African Globalizers Index – Who Are the Most Globalized?

The African Globalizers Index measures the extent of globalization of the 30 firms. Companies are ranked based on transcontinental spread (presence in continents outside Africa), global footprint spread (footprints outside Africa) and share of revenue outside Africa. Datatec is the most globalized African company.

Ranking of African Globalizers based on the African Globalizers Index

Rank	African Globalizer	Continents Outside Africa	Footprints Outside Africa	Percentage Foreign Revenues	Score
	*Cevital	3	6	NA	–
	*YNNH Holdings	1	2	NA	–
1	Datatec	4	37	92%	1.00
2	Aveng	4	16	39%	0.60
3	Aspen Pharmacare Holdings	4	10	69%	0.58
4	Old Mutual	4	16	21%	0.56
5	Grindrod	3	13	72%	0.56
6	Office Chérifien des Phosphates	3	6	88%	0.50
7	Steinhoff International	3	8	67%	0.48
8	Naspers	3	13	35%	0.48
9	Murray & Roberts	3	6	69%	0.46
10	Sappi	2	8	77%	0.43
11	Gold Fields	3	5	55%	0.41
12	Sanlam	3	6	48%	0.41
13	Attajariwafa Bank	3	9	24%	0.40
14	Discovery	3	3	41%	0.35
15	Sasol	3	6	11%	0.33
16	Distell Group	3	5	13%	0.32
17	Standard Bank Group	3	4	14%	0.31
18	Oando	3	4	13%	0.31
19	Group Five	3	4	5%	0.29
20	Woolworths Holdings	2	3	40%	0.28
21	Omnia Holdings	2	5	27%	0.28
22	MTN Group	2	4	16%	0.24
23	Elsewedy Electric	2	3	19%	0.23
24	Global Telecom Holding	1	2	48%	0.21
25	Truworths International	1	3	28%	0.18
26	Barloworld	1	3	14%	0.15
27	Ghabbour Auto	1	2	5%	0.11
28	Blue Label Telecom	1	2	2%	0.11

* Cevital and YNNH not ranked due to incomplete data

**Revenue figures for the African Globalizers were obtained from the 2016 end-of-year financial results, or when unavailable, from the most recent year of reporting – Cevital (2013), OCP (2014) and Global Telecom Holdings (2015).

Source: Konfidants African Globalizers Report 2017



Photo Credit: Ethiopian Airline

Special Case: The Global Presence of Africa's Major Airlines



- > 100% owned by government
- > Fleet size - 94
- > 121 destinations worldwide
- > 74 destinations in Africa
- > 47 destinations outside Africa



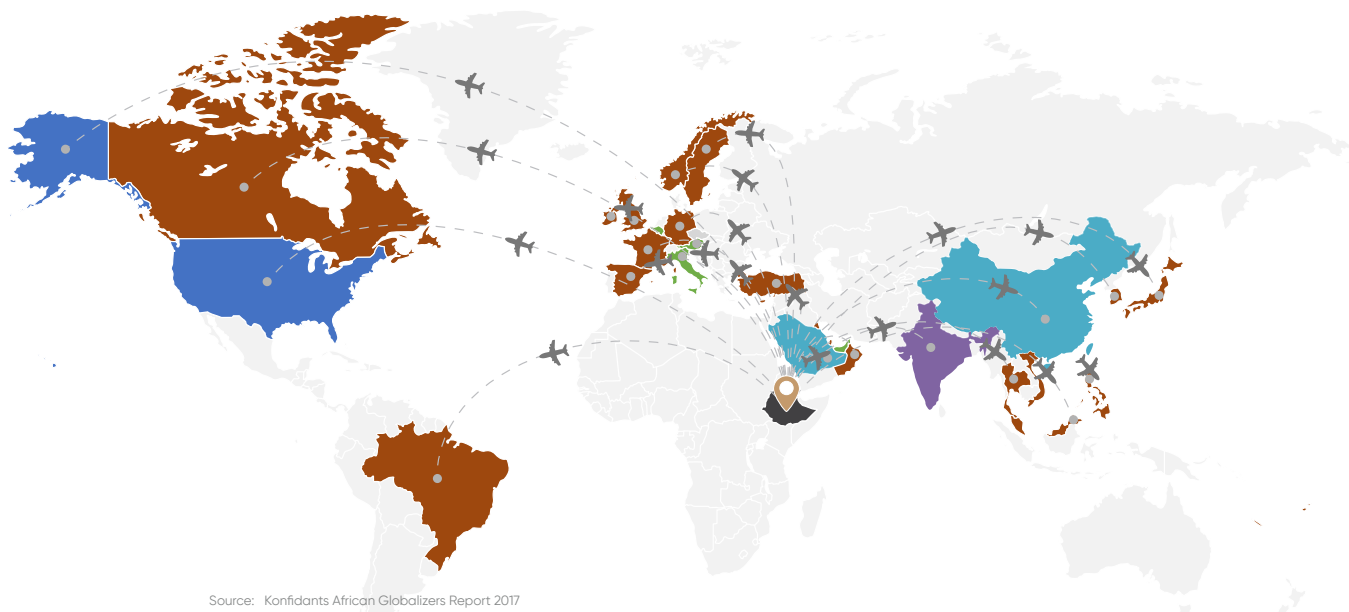
- > 100% owned by government
- > Fleet size - 50
- > 73 destinations worldwide.
- > 32 destinations in Africa
- > 41 destinations outside Africa



- > Partly government owned
- > Fleet size - 38
- > 53 destinations worldwide
- > 40 destinations in Africa
- > 13 destinations outside Africa

Although African airlines are not featured among the 30 companies (they fly global locations but do not necessarily own assets across the globe), they are nonetheless among the continent's most important globalizers. Four airlines – Ethiopian, Egypt Air, Kenya Airways and South Africa Airways are the continent's biggest. Ethiopian flies 47 destinations outside Africa, Egypt Air - 41, and Kenya Airways - 31. South Africa Airways flies 9 destinations outside Africa although it has a bigger fleet than Kenya Airways. To remain globally competitive, African airlines need to simultaneously consolidate their pan-African reach while being choosy with their global destinations. Ethiopian Airlines seems to be executing this strategy very well: With its 121 destinations, it is ranked in the top 20 global airlines by total destinations served (including domestic and regional).

Global destinations of Ethiopian Airlines outside of Africa



Source: Konfidants African Globalizers Report 2017



African Globalizers Listed on the World's Major Stock Exchanges

Only 4 of the 30 Globalizers have listings on major global stock exchanges. Old Mutual is listed on the London Stock Exchange, Goldfields and Sasol on the New York Stocks Exchange, and Steinhoff on the Frankfurt Stock Exchange. The rest of the companies are listed on local and African stock exchanges.

It's curious that so few Globalizers are listed on major global exchanges. The advantages conferred by listing on a global exchange – such as easier fundraising, brand premiums and reputational value-add – could be central to global strategy. But clearly many African firms do not view such international listing as central to building a global presence. As a matter of fact not many emerging market giants are listed on global exchanges. Chinese and Indian firms have mostly pursued successful global expansion without necessarily listing on global exchanges. The growing importance of emerging market stock exchanges appears to partly account for this. If African firms can indeed globalize while retaining their presence on African stock exchanges, this would be good for the continent's various stock markets and the future of African capital markets in general.

Late to the Party? Globalizing in an Era of Growing Protectionism

Lately there has been a globalization backlash. A recent wave of protectionist, anti-globalist events – notably Donald Trump's election win and Brexit, as well as growing appeal of inward – looking politicians and policies – raise the obvious question: is there a future for emerging market firms – including those from Africa – seeking globalization's fortune? In a recent report captioned "In Retreat: global companies in the era of protectionism", the Economist magazine (Jan. 28th 2017) paints a bleak picture, noting that for many global firms "global reach has become a burden, not advantage", and that "in a majority of industries they are growing more slowly and less profitable than local firms that stayed in their backyard".

Perhaps this cynicism provides an opportunity and a reason for African Globalizers to press forward. The current surge in protectionist sentiments is part of the bigger business and political cycle. We are certain that global commerce and trade has merely slowed, and is not undergoing a long-term secular decline. As larger and more established firms from other regions look to consolidate their business rather than expanding, there is an opportunity for African firms – some of whom are playing catch-up – to truly drive growth and emerge on the global stage by exploiting what we see as 'expectations arbitrage'.



Photo Credit: Pixabay

04 > CREATING MORE GLOBALIZERS FROM THE REST OF THE CONTINENT

At this point in Africa's history, a majority of the globalizers are South African. The big question is: What could be done to encourage more globalizers to emerge from other parts of the continent? In the past two decades, many multinational firms have emerged from the rest of the continent that are regionalizing rapidly – Dangote and UBA from Nigeria, Equity Bank and KCB from Kenya, SIFCA from Cote d'Ivoire, Afriland of Cameroon, to name a few. We view these and other pan-African firms as potential globalizers. Indeed, some of them have started exploring business opportunities outside of the continent. What will it take for these firms to achieve the success that firms from South Africa have attained in global markets?

Dangote Group – Bold Global Ambitions

Dangote Group, one of Africa's largest industrial conglomerates has been signaling a major global expansion ambition in recent times. In 2015 the company announced a new cement plant project in Nepal as part of its strategy to take on the Asian markets. In 2017, Dangote also announced plans to spend up to \$50 billion in Europe and the US by 2025, and sees 60% of its new investments being outside Africa by 2020. While the company has not revealed details of these projected Europe and US expansions they raise interesting questions: the company appears to be shifting focus from Asia – where it has had challenges getting the Nepal project off the ground – to more advanced markets of North America and Europe. What explains this apparent shift? Will these advanced markets prove easier to crack than Asia? To be successful in these advanced markets Dangote may have to consider a shift in strategy – from the greenfield strategies the Group has used (successfully) for its pan-African expansions to a more acquisitions oriented strategy. As we have shown throughout this report, African firms can be successful in Europe and North America – and in this game, Dangote has a lot to learn from the experiences of South African firms.

Photo Credit: Pixabay

4.1 Going Global: Strategic Choices for Aspiring Globalizers

In the next decade, several companies from the continent will increasingly explore global opportunities. The disturbing fact however is that outside of South Africa, the prospects of African firms having big global success is not as promising – based on current trends. Some firms (like Dangote) will emerge eventually on the world stage, but globalizers from the rest of the continent will be few. Instead we will see the rise of more regionalizers – as companies strive to deepen and consolidate their pan-African reach.

This however does not mean globalizers cannot emerge from the rest of the continent. To accelerate the emergence of globalizers from the rest of the continent, African firms with global ambitions will need to think outside the box.

Going global begins with a mindset shift. The idea that firms have to regionalize before globalizing is tried and tested and valid. But it is not the only way. Worse, it can be a mental obstacle – as a dominant logic.

The striking truth is that growth markets in Africa are still fairly small and limited despite a growing middle class. African economies are not growing and lifting populations fast enough into the middle class to support the optimistic projections that have accompanied the "Africa rising" narrative. For example: when the African Development Bank declared a third of the continent's population (350 million) as middle class in 2011, it was using the \$2 a day income benchmark as a starting point. But as the Bank itself admits in the same report "About 60% of Africa's middle class, approximately 180 million people, remain barely out of the poor category". More realistic projections of a real middle class based on a \$10 a day income place the middle class at roughly 100 million people or less.

Many African companies have tried to regionalize on the back of such optimistic consumer outlook, only to face disappointment. But slow regional market growth should not imply the end of expansionist ambitions.

It is time for expansionist African firms to look beyond just regional markets, and begin to factor in global markets – as part of their broader expansion strategies. In the section below we discuss some ideas, starting with the more conventional to the less orthodox.

Regionalize to globalize

While most South African globalizers appear to have been compelled by historical forces to go global before going regional, future African Globalizers will mostly do the opposite: they will go regional before going global.

Going regional before globalizing is the logical, more conventional global expansion model used by most emerging market players. It enables expansionist firms to exhaust opportunities in their neighbouring and regional backyards – where geographic and cultural proximity serve as good competitive advantages, minimizing failure risks and allowing firms to accumulate critical multi-market operational capabilities and foreign asset management experiences in more familiar markets, before venturing into less familiar trans-continental markets.

This strategy is most apparent in the global strategies of Africa's four leading airlines – Ethiopian, Egypt, Kenyan and South African – which have all recently deepened their global destinations only after years of consolidating their regional reach within Africa. Ethiopian Airlines which flies 47 destinations outside the continent remains an important symbol of African firms' global reach. Dangote's recent forays into Asia also affirms this model going forward.

Yet future globalizers do not have to always tow the conventional model of regionalizing before globalizing ('regionalize2globalize') More ambitious, more daring companies can certainly pursue out of the box multi-model heterodox approaches.

Regionalize and globalize simultaneously

African firms can regionalize and globalize simultaneously. For this to work firms have to ensure that regional and global strategies are complementary. Such a balancing act can be tricky such as when a firm has clear competitive advantages in both regional and global markets but lacks the financial and resource depth to simultaneously capitalise on both opportunities. Companies may end up spreading themselves thin and losing both markets. The first solution is for firms to not confuse competitive advantage with resource advantage. The second is for African firms to identify partners with the resource advantages that can match their competitive advantages in various global markets. This can take various forms such as joint ventures and other partnership models focused on smaller incumbents seeking generous partnerships to growth. Firms with exportable products can move faster by finding local trading partners to manage distribution, while playing to competitive pricing strengths. The central point is to ensure there is no contradiction between the regional and global strategies. The regional business can be a supplier to the global business and vice versa. Or the global business can be the anchor on which to grow the regional business, as we explain below.



Photo Credit: Pixabay

Globalize to regionalize

Aspiring globalizers can turn the conventional model on its head – by pursuing global strategy as a means to regional dominance within Africa. Although counter-intuitive, this is not far-fetched in principle: depending on sector or industry, like certain technology – intensive niche plays, a global strategy may well be a much faster and more effective route for firms seeking to dominate regional markets within the continent ('globalize2regionalize'). In this sense, the goal is to acquire 'international reputation' such as will be a propeller for pan-African dominance. An African technology firm may choose to establish a foothold in an Asian market or acquire or merge with a small Asian or European player as part of building up its international reputation to execute a regional expansion strategy in Africa. This can be useful where regional incumbents possess vast international reputation and where regional competition is driven by global operating standards. Firms pursuing a 'globalize2regionalize' strategy will need to keep a razor sharp focus on the end-game at stake – which is regional dominance, not global expansion for its own sake. In the process however, they may well discover pathways to further global expansion that's reinforced by gains in regional markets.

Globalize at birth

It is also worth emphasizing that in the ever – flattening world of global business, there is no reason why African firms cannot globalize from birth. Most Silicon Valley start-ups operate with this mindset. They know no local or regional markets. They know only one global market. There is no reason why Africa's tech start-ups cannot compete with this mindset. Within Africa, there is a parallel model that's worth mentioning. The Ecobank Group, which today sprawls 33 African countries was designed as a pan-African bank at birth – with shareholding by governments and investors from multiple African countries. There is no reason why Africans in the continent cannot partner Africans in the diaspora to build companies that are 'global' at birth. Attempts of this sort are made frequently of late – but the focus is usually by Africans in the diaspora seeking to return to and invest in the continent. This strategy remains one of the most compelling approaches for the creation of African Globalizers, and African investors and entrepreneurs should exploit it more.

De-Globalization: The Case of Old Mutual

In early 2016, the insurance giant Old Mutual, one of South Africa's successful globalizers, announced it would implement a managed separation strategy – a major overhaul of its global strategy. As a result the parent company has been broken into four separate business entities: the emerging-market business, Nedbank, the UK wealth business and the US-listed Old Mutual Asset Management. But the group's stakes in foreign holdings, particularly the US-based Old Mutual Asset Management, have been reduced to 8% as at end of 2017. It also intends to float another unit – the UK wealth management business – after its full year results in 2018. The group still holds a higher stake in the South African based Nedbank than any of its foreign business entities implying that majority of their adjusted operational profits come from South Africa.

Why has one of Africa's most successful globalizers effectively de-globalized its operations? After more than a decade of rapid global expansion that saw the company move its primary listing from Johannesburg to the London Stock Exchange, Old Mutual was expected to further consolidate its global expansion. In essence the cost advantages conferred by its global synergies had mutated into a complex risk burden that threatened its long term health. The company believes that, the managed separation strategy will help to unearth and generate significant long-term value for shareholders, which is currently trapped within the global group structure. It could also reduce or eliminate the significant regulatory complexity and costs arising from that structure. As more African firms seek to globalize, Old Mutual's reverse globalization speaks to the need for internationalizing firms to anticipate the complexity costs that come with globalizing. Would other African globalizers take cue and retreat? What does Old Mutual's experience mean for the African globalizer vision?

4.2 Way Forward

What Governments can do?

Government backing

Champions hardly emerge on the world stage without a lot of strategic backing by their governments. Chinese firms are a classic case. African Globalizers will need this help even more. African governments need to start promoting their international firms better. While African governments may be unable to provide the kind of cheap financing Chinese firms obtain from their government, companies could benefit even more from other policy and tax incentives than direct financing support. Governments can align their export strategies with the ambitions of key globalizer firms. Governments can also treat the ambitions of globalizer firms as part of countries 'international competitiveness and foreign policy'. International terms of trade can affect the emergence of these globalizer firms. Governments should not negotiate international trade deals in a vacuum. They can negotiate trade deals with other global regions (EU, ASEAN, etc.) in ways that enable emergence and success of African Globalizers.

Regional integration

Because most aspiring globalizers will require a regionalize2globalize strategy, governments, RECs and the African Union need to accelerate efforts at deepening regional integration. The African Continental Free Trade Area is a great opportunity to open up the continent's markets for goods, talent and capital movements in ways that accelerates the regional scaling of the continent's businesses at a pace that's ultimately conducive for global expansionist ambitions. Without a bigger, freer regional market, there will be too few large pan-African corporations capable of scaling globally.

What Aspiring Globalizers can do?

Look to South Africa for lessons and partnerships

Companies from the rest of Africa have a lot to learn from their South African counterparts. The historical contexts may not be the same, but the strategic and resource contexts are not strikingly different. In return South African firms can look to the rest of the continent for partners to expand the global footprint of African firms. It is known that emerging market firms tend to work closely together when venturing into global markets. For example, South African firms can champion Africa on the world stage in similar fashion by working with and pulling other African firms along.

Work with global firms in Africa

For many aspiring African Globalizers, a perfect opportunity is to partner and leverage relationships with global corporations operating in the continent. For the most part, breaking into key global markets is really about partnering entities that have the right international resource networks. Local firms working in the supply chains of global firms should see themselves as already part of a global ecosystem of suppliers operating within international standards of the global firm; and should look beyond immediate local supply contracts. They can leverage the international networks of these global players to go global. In South Africa, Transnet, has acquired world-class locomotives manufacturing and assembling capabilities by partnering General Electric (GE), through GE's localisation strategies. Transnet is now leveraging this capability to explore regional and global markets.

Master mergers and acquisitions

Asset acquisitions is the primary mechanism for African Globalizers expansion strategies thus far. M&As offer a quicker path to establishing international presence than organic growth. But M&As are a complex business, with significantly high failure rates the world over – with some research putting M&A success rates at less than 40% over the long run. Fortunately, many of the big regionalizers do possess substantial experience with local and regional M&As. By building on these experiences, African firms can master the complex game of global M&As – by working with experienced transaction advisors with multi-cultural track-records, and investing in sophisticated due-diligence in distant territories.

Financing

Financing global expansions can be daunting. South African globalizers have mostly relied on access to fairly cheap domestic capital enabled by the country's relatively mature capital markets and other statutory funds (the PIC and IDC) to propel their international expansion. For firms from other Sub-Saharan countries, financing international expansion will come at substantial cost. This is due to the continent's lack of deep capital markets capable of long-term financing for global projects or government financial support of the Chinese kind. All things equal, much bigger players like Dangote may consider listing on a major international stock exchange as a financing strategy.

A few African firms – such as AngloGold – have utilized this approach to simultaneously improve access to cheaper financing from global capital markets while boosting investor confidence by subjecting themselves to the often more stringent scrutiny of global markets.

The African diaspora as a globalizer resource

For companies seeking to globalize, the African diaspora will be an important resource – for both talent and investment as well as location choices and location resourcing. While the African diaspora is increasingly looking to invest in the continent – as evidenced by ever-growing massive remittance inflows – and also relocation, substantial segments of the diaspora are seeking, not relocation per se, but ways to be involved in globally significant African projects. Their years of experience as

well as deep knowledge of key markets and networks outside Africa constitute a resource base that globalizer firms should learn to tap.

Upend conventional models – take advantage of tech and the internet

As explained above, aspiring globalizers will need to experiment with new models and strategies for going global. The internet and technology have significantly slashed the cost of going global, but it has also led to a crowding of the global arena especially in e-commerce and tech-intensive 'platform enterprises'. Many African firms continue to experiment and grow in this space. Nigerian e-commerce firm Jumia, currently in 23 African countries, is a clear success case that should start thinking bolder and beyond the continent even while it rapidly scales its regional business.



Photo Credit: Pixabay

***Data for this report was sourced from company reports, company websites and other secondary online and news sources. An extended list of sources may be obtained from the publisher.*

Aspen Pharmacare Holdings. (2016). Annual Financial Statements 2016. Retrieved from <http://www.aspenpharma.com/wp-content/uploads/2017/02/Aspen-IR-2016-10-Nov-2016.pdf>

Aveng. (2016). Integrated report 2016. Retrieved from http://www.aveng.co.za/sites/group/files/downloads/financials/annual_results/aveng-ir-2016.pdf

Barloworld Limited. (2016). Integrated Report 2016. Retrieved from <http://www.barloworld-reports.co.za/integrated-reports/ir-2016/pdf/full-integrated.pdf>

Blue Label Telecom. (2016). Integrated Annual Report 2016. Retrieved from https://www.bluelabeltelecoms.co.za/online_reports/ar2016/pdf/full.pdf

Datatec Limited. (2016). 2016 Integrated Report. Retrieved from <https://www.datatec.co.za/downloads/annual-reports/2016/Datatec%20IR%20Lo-Res.pdf>

Diamond Trust Bank. (2016). Integrated Report and Financial Statements 2016. Retrieved from <https://dtbk.dtbafrika.com/investor-files/DTB-2016-Annual-Report.pdf>

Discovery Limited. (2017). Integrated Annual Report 2017. Retrieved from <https://www.discovery.co.za/site/binaries/content/documents/managedcontent/discoverycoza/assets/corporate/investor-relations/integrated-annual-report-2017.pdf/integrated-annual-report-2017.pdf/contentdelivery%3Abinary>

Distell Group. (2017). Integrated Report 2017. Retrieved from <https://www.distell.co.za/knowledge/pkdownload/document.aspx?docid=1183>

Elsewedy Electric. (2016). Consolidated Financial Statements for the Financial Year ended 31 December 2016. Retrieved from <http://www.elsewedyelectric.com/Investor%20Relations/Financial/Elsewedy%20Electric%20FY%202016%20FS.Eng.pdf>

Equity Group Holdings Limited. (2016). 2016 Integrated Reports and Financial Statements. Retrieved from <http://www.equitybankgroup.com/uploads/default/files/2017/equitygroupholdingslimitedintegratedreportandfinancialstatement2016.pdf>

Ghabbour Auto (2016). 2016 Annual Report. Retrieved from <http://resources.ghabbourauto.com/gb-auto-annual-report-2016.pdf>

Global Telecom Holdings. (2014). Annual Report 2014. Retrieved from <http://www.gtelecom.com/documents/10157/24707/GTH+Annual+Report+2014.pdf>

Going global. (2006, July 13). The Economist. Retrieved from <http://www.economist.com/node/7167171>

The retreat of the global company (2017 Jan 28). The Economist. <https://www.economist.com/news/briefing/21715653-biggest-business-idea-past-three-decades-deep-trouble-retreat-global>

Gold Fields Limited (2016). Integrated Annual Report 2016. Retrieved from http://www.goldfields.com/reports/annual_report_2016/pdf/full-integrated.pdf

Grindrod Limited. (2016). Integrated Annual Report 2016. Retrieved from <http://www.grindrod.co.za/FileHandler.ashx?fid=11175>

Group Five Limited. (2016). 2016 Integrated Annual Report. Retrieved from <http://www.g5.co.za/reports/ar-2016/pdf/integrated-report-2016.pdf>

Groupe SIFCA Limited. (2016). Annual Report 2016. Retrieved from https://www.groupe-sifca.com/pdf/rapports_annuels/ra-sifca-2016.pdf

Guaranty Trust Bank. (2016). Annual Report 2016. Retrieved from http://www.gtbank.com/images/documents/investors/2017/2017_AnnualReport.pdf

Jubilee Holdings. (2016). Annual Report and Financial Statement 2016. Retrieved from [https://www.jubileeinsurance.com/bu/images/ANNUAL%20REPORT%202016%20\(1\).pdf](https://www.jubileeinsurance.com/bu/images/ANNUAL%20REPORT%202016%20(1).pdf)

MTN Group Limited. (2016). Integrated report for the year ended 31 December 2016. Retrieved from <https://www.mtn.com/MTN%20Service%20Detail%20Annual%20Reports/integrated-report-2016-mtn.pdf>

Murray & Roberts. (2016). Annual Integrated Report 2016. Retrieved from <http://www.murrobb.com/pdf/investors/annual-integrated-reports/2016/integrated-report.pdf>

Naspers Limited. (2016). Integrated Annual Report for the year ended 31 March 2016. Retrieved from <https://www.naspers.com/NaspersPortal/media/Naspers/Pdf/financials/integrated-annual-reports/Naspers-integrated-annual-report.pdf?ext=.pdf>

Oando PLC. (2016). Annual reports Consolidated and Separate Financial Statements 31 December 2016. Retrieved from <http://www.oandopl.com/wp-content/uploads/FinancialStatementFull-ye2016.pdf>

OCP. (2015). Annual Report 2015. Retrieved from <http://www.ocpgroup.ma/sites/default/files/alldocs/RA%20OCP%202015%20VUK.pdf>

Old Mutual PLC. (2016). Annual Report and Accounts 2016. <http://www.oldmutualplc.com/download/31442/Old%20Mutual%20plc%20Annual%20Report%202016.pdf>

Old Mutual More About Managed Separation http://www.oldmutualplc.com/vpage.jsp?vpage_id=2265

Omnia Holdings. (2016). Integrated Annual Report 2016. Retrieved from <http://reports.omnia.co.za/2016/download/OMNIA-IAR16.pdf>

Pioneer Foods Group. (2016). 2016 Integrated Report. Retrieved from <http://www.pioneerfoods.co.za/content/uploads/Integrated-Report-2016.pdf>

Sanlam. (2016). Integrated Report 2016. Retrieved from https://www.sanlam.com/investorrelations/financialresults/Documents/Sanlam_IR_2016_FRONT_09Mar_web.pdf.pdf

Sappi. (2016). 2016 Annual Integrated Report. Retrieved from <https://cdn-s3.sappi.com/s3fs-public/2016-Sappi-Annual-Integrated-Report.pdf>

Sasol. (2016). Integrated Report 20 June 2016. Retrieved from http://www.sasol.com/sites/sasol/files/financial_reports/Annual%20Integrated%20Report%202016_1.pdf

Sonatel. (2016). Rapport Annuel 2016. Retrieved from http://www.sonatel.com/wp-content/uploads/2015/04/Rapport_SONA_TEL_2016.pdf

Standard Bank Group. (2016). Annual Integrated report 2016. Retrieved from http://reporting.standardbank.com/downloads/SBG_FY16_Annual%20integrated%20report.pdf

Steinhoff International. (2016). Annual Report 2016. Retrieved from <http://www.steinhoffinternational.com/downloads/2016/Steinhoff%20Annual%20Report%202016b.pdf>

Woolworths Holdings Limited. (2016). 2016 Integrated Report. Retrieved from <http://www.woolworthsholdings.co.za/downloads/2016/WHL-Integrated-Report-2016.pdf>

The Middle of the Pyramid: Dynamics of the Middle Class in Africa (2011) https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/The%20Middle%20of%20the%20Pyramid_The%20Middle%20of%20the%20Pyramid.pdf

Africa's Richest Man to Invest Up to \$50 Billion in U.S., Europe. (2017 Aug 17) <https://www.bloomberg.com/news/articles/2017-08-17/africa-s-richest-man-to-invest-up-to-50-billion-in-u-s-europe>

Analysys Mason. (2017, June 1). Analysys Mason acquires Nexia Management Consulting – further expanding its global telecoms consulting and research business. Retrieved from Analysys Mason: <http://www.analysysmason.com/About-Us/News/Press-releases/Analysys-Mason-acquires-Nexia-Management-Consulting/>

Bloomberg News. (2017, March 26). CHina's HNA Buys \$446 Million Stake in Old Mutual U.S. Unit. Retrieved from Bloomberg: <https://www.bloomberg.com/news/articles/2017-03-26/china-s-hna-buys-446-million-stake-in-old-mutual-s-u-s-unit>

Business Standard. (2016, October 24). Kribhco and Morocco's OCP to set up \$230 mn fertiliser plant in AP. Retrieved from Business Standard: http://www.business-standard.com/content/b2b-chemicals/kribhco-and-morocco-s-ocp-to-set-up-230-mn-fertiliser-plant-in-ap-116102400227_1.html

Business Wire. (2017, March 22). Business Wire. Retrieved from CTC Global and ElSewedy Electric Announce ACCC Conductor Manufacturing Partnership: <https://www.businesswire.com/news/home/20170322005087/en/CTC-Global-ElSewedy-Electric-Announce-ACCC-Conductor>

Distell Group. (2015, November 25). Distell. Retrieved from Distell boosts USA footprint in major deal with Terlato Wine Group: <https://www.distell.co.za/newsroom/distell-boosts-usa-footprint-in-major-deal-with-terlato-wine-group/>

England, A. (2013, June 27). Aspen Pharmacare agrees Merck plant acquisition. Retrieved from Financial Times: <https://www.ft.com/content/23873298-df35-11e2-a9f4-00144feab7de>

GTI Group. (2014, November 26). MTN Irancell launches 4G LTE. Retrieved from GTI: <http://www.gtigroup.org/news/ind/2014-11-26/4949.html>

It News Africa. (2011, July 4). Datatec subsidiary acquires Netarx. Retrieved from It News Africa: <http://www.itnewsafrica.com/2011/07/datatecs-subsidiary-logicalis-acquires-netarx/>

www.itnewsafrica.com/2011/07/datatecs-subsidiary-logicalis-acquires-netarx/

Kaye, B., & Yueyang, M. L. (2014, April 9). South Africa's Woolworths set to buy Australia's David Jones for \$2 billion. Retrieved from Reuters: <https://www.reuters.com/article/us-australia-david-jones-woolworths-hld/south-africas-woolworths-set-to-buy-australias-david-jones-for-2-billion-idUSBREA372AA20140409>

Logicalis. (2017, July 4). Logicalis. Retrieved from Logicalis acquires NuveliU to strengthen its position as cloud integrator: <https://www.logicalis.com/news/logicalis-acquires-nubeliu-to-strengthen-its-position-as-cloud-integrator/>

Merit Consultants International. (2016, January 7). Cementation Canada buys Merit Consultants – Business Day. Retrieved from Merit Consultants International: <http://www.meritconsultants.net/s/CompanyNews.asp?ReportID=736162>

Motsoeneng, T., & Thomasson, E. (2017, September 28). Naspers buys half of Rocket's stake in Delivery Hero. Retrieved from Reuters: <https://www.reuters.com/article/us-rocket-internet-results/naspers-buys-half-of-rockets-stake-in-delivery-hero-idUSKCN1C30KE>

Reuters. (2016, August 8). South Africa's Steinhoff to Buy Mattress Firm for \$3.8 Billion. Retrieved from Fortune: <http://fortune.com/2016/08/08/steinhoff-south-africa-mattress-firm-acquire/>

Sappi invests in barrier technology to strengthen its Packaging and Speciality Papers offering. (2017, July 4). Retrieved from sappi: <https://www.sappi.com/sappi-invests-barrier-technology-strengthen-its-packaging-and-speciality-papers-offering>

Sasol to splurge on capital projects in face of weak oil prices. (2016, September 13). Retrieved from Business Day: <https://www.businesslive.co.za/bd/companies/energy/2016-09-13-sasol-to-splurge-on-capital-projects-in-face-of-weak-oil-prices/>

Shieber, J. (2017, July 10). With \$53 million in new funding, Movel looks to become the Tencent of Latin America. Retrieved from Tech Crunch: <https://techcrunch.com/2017/07/10/with-53-million-in-new-funding-movel-looks-to-become-the-tencent-of-latin-america/>

Standard Bank Group. (2015, February 2). Standard Bank Group sells 60% of London-based operations. Retrieved from Standard Bank: <http://www.standardbank.com/pages/StandardBankGroup/web/newsArticle/2015/NewsArticle-2Feb2015.html>

The Economist. (2017). The retreat of the global company. The Economist.

Westcon-Comstor. (2017, September 1). Westcon-Comstor completes sale of its Americas businesses to SYNnex. Retrieved from Westcon-Comstor: <https://www.westconcomstor.com/global/en/about-us/news/2017/westcon-comstor-completes-sale-of-its-americas-businesses-to-synnex.html>

WorldRemit builds bridges to Africa with MTN partnership. (2015, January 20). Retrieved from Financial Times: <https://www.ft.com/content/ff7f4dac-a00a-11e4-9a74-00144feab7de>

An aerial photograph of a city, likely Accra, Ghana, taken during sunset. The sun is a large, bright yellow orb in the center of the sky, casting a warm glow over the city. The city features a mix of modern high-rise buildings and older, lower structures, interspersed with greenery. A large white rectangular box is overlaid on the lower half of the image, containing the company's name and contact details.

Konfidants

Strategy | Transactions | Advisory

Plot #1B Airport West Road,
Accra, Ghana.

59 rue du Rhône.
1204 Geneva, Switzerland

Office 57, 6th Road, Hyde Park,
Gauteng, Johannesburg, South Africa.

advisory@konfidants.com

www.konfidants.com

Design by: kfd-graphica

Copyright © 2017 Konfidants

Photo Credit: Mutua Matheka