
Acquisition

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Atlas Mara Co-Nvest Limited

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**Atlas Mara Co-Nvest Limited to acquire sub-Saharan African bank
ABC Holdings Limited and ADC African Development Corporation AG
for up to approximately \$265 million**

Atlas Mara Co-Nvest Limited ("Atlas Mara") notes the cautionary statement made by ABC Holdings Limited ("BancABC") and, in connection with this statement, is pleased to announce that it has reached agreements to acquire a majority of BancABC. Atlas Mara is also pleased to announce that it has entered into an agreement with ADC African Development Corporation AG ("ADC") to make a voluntary public takeover offer (by way of an exchange offer) for all outstanding ADC shares. The consideration being offered by Atlas Mara in the transactions equates to approximately \$265 million in cash and Atlas Mara shares.

In connection with the above, we have requested the London Stock Exchange to suspend Atlas Mara's shares and warrants with immediate effect. Following completion of the transactions, which are expected prior to 31 August 2014, subject to certain conditions and regulatory clearances, Atlas Mara intends to seek re-admission to listing on the Official List and trading on the London Stock Exchange under the existing Atlas Mara name and ticker, ATMA.

BancABC is a leading multi-country, multi-service bank with operations across the Southern African Development Community (SADC), the largest trading bloc in Africa, representing an important growth region with over \$640 billion in aggregate GDP. BancABC has a history of providing financial services to the people of Botswana, Mozambique, Tanzania, Zambia and Zimbabwe with roots dating back to 1956. ADC is a Frankfurt-

based, open market listed, Africa-focused, emerging pan-African banking group. It has an indirect 47.1% stake in BancABC (including shares representing 9.3% of BancABC held subject to a call option agreement with BancABC management), an indirect 9.1% stake in Union Bank of Nigeria ("UBN"), and a portfolio of innovative, financial services-oriented, private equity holdings.

Strategic rationale

The Atlas Mara Board believes the proposed combination with BancABC and ADC is consistent with Atlas Mara's strategic objective of building the premier sub-Saharan financial services group. Particularly relevant are BancABC's strong brand and multi-country banking platform, its well-respected management team and exciting growth prospects, and ADC's pan-African vision and execution expertise.

Atlas Mara looks forward to empowering the existing management teams of both BancABC and ADC to drive future growth and expand across sub-Saharan Africa. BancABC's CEO, Douglas Munatsi, upon completion of the transactions, will join the Atlas Mara Group Executive Committee. Atlas Mara is committed to, following completion of the transactions, provide up to \$100 million of equity to BancABC, to drive its growth going forward, as well as support BancABC's management in obtaining additional liquidity, including raising Tier II capital.

The combination of BancABC and ADC with Atlas Mara will create a group with the following characteristics:

- A highly scalable growth platform across the SADC region, an important growth region with annual GDP of over \$640 billion, ranking it amongst the top 20 GDPs worldwide;
- A well-positioned banking group capable of offering a broad range of banking products, including corporate banking, treasury services, retail and SME banking, asset management and stock broking;
- A proven track record, with BancABC having posted a 42% CAGR in loan book growth over the past 5 years;
- A highly-regarded management team at BancABC, who have worked together for over a decade, leading BancABC's evolution from a domestic merchant bank to a regional universal bank;
- An accomplished management team at ADC, who have successfully invested in financial services across sub-Saharan Africa, have created a platform for expansion into other attractive banking markets, and whose vision is aligned with Atlas Mara's; and,
- The opportunity to accelerate the expansion of the combined group's geographic footprint and current product offerings through Atlas Mara's access to capital and liquidity and significant global banking experience.

Structure of the transaction

Atlas Mara has reached conditional purchase agreements with selected shareholders of BancABC, to acquire, for cash or shares, BancABC shares representing in excess of 50.1% of total shares outstanding for \$0.82 per

share or the equivalent in Atlas Mara shares.

Atlas Mara has entered into a "Business Combination Agreement" with ADC whereby Atlas Mara has stated its intention to make a public share-for-share takeover offer, directly or through a subsidiary, for all outstanding shares of ADC at an exchange ratio of 1.25x Atlas Mara shares per ADC share.

Atlas Mara has entered into a "Cooperation Agreement" with BancABC whereby Atlas Mara has stated its intention to, subject to the completion of the conditional purchase agreements, make a mandatory public offer for all remaining outstanding shares of BancABC (approximately 12%) for cash and/or Atlas Mara shares, at a price of \$0.82 per share (or the Atlas Mara share equivalent).

The completion of the transactions will, in particular, be conditional upon:

- Regulatory and related government approvals in Botswana, Mozambique, Tanzania, Zambia and Zimbabwe;
- In the case of the conditional purchase agreements with selected BancABC shareholders, consent of ADC, which has been granted, subject to the launch of the ADC share-for-share takeover offer;
- In the case of the voluntary offer for ADC, a 50% plus one share (on a fully diluted basis) minimum acceptance threshold and certain other conditions commensurate with a transaction of this nature, which will be detailed in an offer document to be published ; and,
- In the case of the mandatory offer for the outstanding shares in BancABC, relevant approvals and conditions, which will be detailed in an offer document to be circulated to BancABC shareholders.

ADC shareholders representing 34.1% of ADC's shares outstanding have provided irrevocable undertakings to tender their shares into the voluntary share-for-share offer.

The transactions are expected to be funded through proceeds of Atlas Mara's previously completed IPO and the issuance of Atlas Mara shares.

Bob Diamond, Director and Co-Founder, said: "When we founded Atlas Mara, we did so with the intention of identifying and partnering with exceptional multi-country African financial services companies. Our objective is to build Africa's premier financial services group leveraging the access to capital, liquidity and funding that we at Atlas Mara can provide. I am delighted that we will be merging with such high quality organisations as BancABC and ADC."

"Our future growth will be based on expanding on Dirk Harbecke's vision at ADC and on the foundation created by Douglas Munatsi and his team at BancABC, who have built a fast-growing, prudently-managed, African banking institution."

Ashish J. Thakkar, Director and Co-Founder, said: "With this transaction, Atlas Mara is well-positioned to collaborate in a synergistic manner with other partners in sub-Saharan African countries and to expand the combined group's portfolio of banking products and value added services.

With the combination of BancABC's regional expertise, ADC's initial

platform and Atlas Mara's global experience, we are confident we can build a true African financial services institution that addresses the needs of our people across the continent and creates a meaningful and lasting positive impact."

There will be a conference call for investors at 2:30pm Eastern Daylight Time / 7:30pm British Summer Time on 31 March 2014. The dial-in details are: International standard - +44 (0) 1452 555566, UK Freephone - 0800 694 0257, or US Freephone - +1 866 966 9439. The Conference ID is 22261821. The presentation will be available for download from the Atlas Mara website: <http://www.atlas-mara-co-nvest.com/investor-documents/presentations>

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Notes to Editors

About Atlas Mara

Atlas Mara was formed by Atlas Merchant Capital LLC and Mara Group Holdings Limited and listed on the main market of the London Stock Exchange in December 2013. Atlas Merchant Capital LLC and Mara Group Holdings Limited are led by Bob Diamond and Ashish J. Thakkar, respectively.

The stated strategy of the Company is that following an acquisition, it will operate the acquired business and implement an operating strategy with a view to generating value for its shareholders through operational improvements as well as potentially through additional complementary acquisitions.

The Directors believe that there are significant gaps in the market today including the need for capital created by European financial institutions retreating to their home territories due to the sovereign debt crisis and the Basel III regulatory framework at a critical time for growth in Africa. This situation presents opportunities for Atlas Mara to create a financial institution that provides leadership, liquidity, access to investors, product innovation, and technology to support economic growth and strengthen financial systems in Africa.

About ADC

ADC AG (ISIN DE000A1E8NW9) is a German open market (entry standard) listed, emerging pan-African banking group. ADC has a strong footprint in Southern Africa via BancABC, a regional commercial banking platform operating in Botswana, Mozambique, Tanzania, Zambia and Zimbabwe as well as exposure to West Africa via Union Bank of Nigeria. In addition to its banking operations, ADC has a private equity portfolio active in growth markets across sub-Saharan Africa. ADC follows an active management approach with a team of experts that comprise operational banking management, investment banking and merchant banking expertise.

About BancABC

ABC Holdings Limited (ISIN BW0000000017, BW0005906838) is the parent company of a number of banks operating under the BancABC brand in Southern Africa, with operations in Botswana, Mozambique, Tanzania, Zambia and Zimbabwe. A representative office as well as group management support services company is located in Johannesburg, South Africa. BancABC's vision is to be Africa's preferred banking partner by offering world class financial solutions. It aims to realise this by building profitable, lifelong customer relationships through the provision of a wide range of innovative financial products and services to benefit all stakeholders. The Group offers a diverse range of products in corporate banking, treasury services, Retail & SME Banking, asset management and stockbroking.

Forward looking statement and Disclaimers

This announcement does not constitute or form part of any offer or invitation to purchase, otherwise acquire, issue, subscribe for, sell or otherwise dispose of any securities, nor any solicitation of any offer to purchase, otherwise acquire, issue, subscribe for, sell, or otherwise dispose of any securities.

This announcement is neither an offer to exchange nor a solicitation of an offer to exchange ADC Shares. Moreover, the announcement is neither an offer to purchase nor a solicitation to purchase ADC Shares. The final terms and further provisions regarding the public takeover offer will be disclosed in the offer document. Atlas Mara reserves its right to effect the public takeover offer through one of its subsidiary companies. Furthermore, Atlas Mara reserves the right to deviate in the final terms of the public takeover offer from the basic information described herein. Investors and holders of ADC Shares are strongly recommended to read the offer document and all documents in connection with the public takeover offer as soon as they are published, since they will contain important information. The public takeover offer will not be subject to the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*) and will not be reviewed or approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin*)

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.

Certain statements in this announcement are forward-looking statements which are based on the Atlas Mara's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements and the actual events or consequences may differ materially from those contained in or expressed by such forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, Atlas Mara undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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