

# Actis sells 9% stake in Alexander Forbes

Actis has sold a 9% stake, in an oversubscribed offer through the Johannesburg Stock Exchange (JSE), representing a large part of its 13% total stake in Alexander Forbes Group Holdings Ltd.



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Mercer Africa Limited, a subsidiary of Marsh & McLennan Companies, has agreed to acquire 34% of Alexander Forbes, as part of the exit deal, an investment that would give Mercer an opportunity to broaden its exposure in sub-Saharan African markets. Mercer is initially acquiring a 14.9% stake, at the time of the Alexander Forbes listing, and subject to regulatory approvals, will acquire a further 19.1% stake, leading to a full exit for Actis and other private equity consortium members who collectively hold 54% of the group pre-listing.

## Transformation of business

Actis led the \$1.2bn buyout of Alexander Forbes in 2007, in one of the largest and most complex leveraged buyouts ever undertaken in Africa. Since then, Actis and fellow shareholders have transformed the business from a corporate governance perspective. With a new high calibre senior management team, the board helped to recover reputational issues that plagued the business, attract industry experts to the board, develop a retail offering and expand EBITDA margins through disposing of non-core business units and driving cost efficiencies.

"It is fantastic to see Alexander Forbes embark on the next stage of its development," said Natalie Kolbe, a partner at Actis. "We are extremely proud of our work transforming the business. Alongside the management team and other shareholders, we have achieved a tremendous shift in the business, one that epitomises our investment philosophy of our capital being more than solely financial. The strong interest we have received, in one of the largest listings in sub-Saharan Africa ever, signals significant appetite from both African and international institutional investors."

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