Deacons East Africa PLC– A new dawn

Mixed bag of multiples

At a listing price of KES 15.00 per share, Deacons' P/E stands at 16.3x against a peer comparable average of 15.5x (Africa and Middle East). This in essence implies that the counter would be relatively more expensive. Its P/B ratio at 1.2x indicates a relatively modest premium to its NAV. The retailer's ROE of 7.5% justifies the discounted multiples as it is significantly lower than our peer comparable average of 15.9%.

Impressive performance

The past 5 years have seen the company's net earnings record a CAGR of 24.2% from KES 47.8M in FY11 to KES 113.8M in FY15. It's ROE has also been on the rise from 3.8% in FY11 to 7.5% in FY15.

The company's gross profit margins have been growing, culminating in a 52.6% gross profit margin in 1Q16. Management attributes this to the strengthening of the Kenyan Shilling against the South African Rand with 60%-70% of stock being sourced from South Africa. An increase in the number of stores has seen the operating profit margin ease from highs of 7.8% in FY11 to 3.2% in FY15. The company has shifted most of its stock imports from air to sea freight, with the hopes of lessening its costs.

It's a norm for a retailer to be highly leveraged, more so if they're on an expansion spree. As such, debt/equity levels of 43.3% are tolerable, albeit high. The high leverage has seen finance cost register a 4-year CAGR of 39.4% to KES 79.4M. Listing at the bourse is expected to offer cheaper sources of financing for Deacons.

As of 1Q16, the current ratio stood at 3.9x, up from 2.9x in FY15 which underscores the company's strong liquidity position. However, its quick ratio came off to 0.9x in 1Q16 from 1.3x in FY15, which could be attributed to low sales volumes in the period leading to large inventory.

Large footprint

Deacons has been in existence for over 58 years implying vast experience in the market. It has 8 franchise agreements with global brands and owns 2 local brands. The retailer operates 33 stores in 3 countries (Kenya, Uganda and Rwanda) with a plan to reach a store count of 38 by the end of FY16. The large footprint in location and products (both diversity and quality) gives Deacons the muscle to fight in the highly competitive market that has few entry barriers and wide profit margins.

Burgeoning market

East Africa's population is ballooning with the middle-class expected to be growing as well. As such, the disposable income and demand for quality products is proliferating. Real estate and construction sectors are expected to drive the regions' economy, as well as offer prime locations for putting up stores.

A major competitor for new clothing is second-hand clothing. The East African region, in a bid to revive its textile industry, plans to phase out second-hand clothing by 2019. While this may still be in early stages, its success would leave a niche that Deacons could leverage. Its experience in the market could see it franchise other global brands, diversifying its products as it seeks to have 60 stores by 2020.

Name	Deacons East Africa PLC
Bloomberg– ticker	DCEA KN
NSE- ticker	DEAL
Listing date	2nd August 2016
Listing price	KES 15.00
Issued shares	123,558,228
Market cap KES (M)	1,853.4
P/E	16.3X
P/B	1.2X
EPS	KES 0.92
DPS	KES 0.50
Year end	December

Ratios	FY12	FY13	FY14	FY15
G.P margin	36.9%	39.1%	45.6%	46.5%
O.P margin	-10.3%	-13.5%	4.6%	3.2%
N.P margin	-10.0%	12.5%	3.2%	4.8%
EPS	(1.30)	1.81	0.50	0.92
DPS	-	-	-	0.50
ROE	-13.7%	16.5%	4.3%	7.5%
ROA	-8.2%	11.3%	3.1%	4.6%
Debt/equity	29.6%	23.3%	16.6%	43.3%
Net debt/equity	30.2%	20.8%	15.5%	34.3%
NAV per share	9.5	11.0	11.4	12.2
Current ratio	2.2	3.4	2.9	2.9
Quick ratio	0.5	1.5	1.2	1.3

G.P– Gross Profit

O.P– Operating Profit

N.P—Net Profit

Source (DEAL IM, ApexAfrica Research)

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Overview

Deacons this morning (2nd August 2016) listed by introduction on the Alternative Investment Market Segment (AIMS) of the NSE at KES 15.00. The retailer has an issued share capital of 123.6M shares of KES 2.50, comprising a total authorized share capital of KES 309M. The listing price offers a 22.6% premium to its book value as at December 2015 (FY15).

Brands

Deacons is a retailer/franchisor that prides itself in making its clients look and feel good. It has secured 8 franchising agreements with various global brands and owns 2 local brands as listed below.

- **Mr. Price—*"Something new every day"***

Launched in 2007, Mr. Price targets the lower end of its market scope by offering apparel at competitive prices. Targeting young customers, it operates 9 stores; Nyali Plaza (Mombasa Ke), Capital Centre (Mombasa Ke), The Junction Mall (Nrb Ke), Stanbank House (Nrb Ke), Galleria Mall (Nrb Ke), Garden City (Nrb Ke), Kigali Heights (Kigali Rw), Oasis Mall (Kampala Ug) and Acacia Mall (Kampala Ug). It has sub-brands such as RT (young fashion), Reflex (sports and active wear), In Sync and Oakridge (moderate casual and smart wear), and Body Material (intimate wear and accessories).

- **Mr. Price Home—*"The greatest home and lifestyle place to be"***

Introduced in 2007, it offers contemporary home textiles (bathroom, bedroom), kitchenware, and home accessories. It's located in 5 stores; Junction Mall Ke, Garden City Mall Ke, Yaya Centre Ke, Sarit Centre Ke and Acacia Mall - Kampala Ug.

- **Truworths—*"For the love of fashion"***

Commencing in 1999, it has 3 stores in Nairobi (Sarit Centre, Yaya Centre & Junction Mall). Truworths offers both leisure and formal clothing and accessories for men and women.

- **Adidas—*"First never follows"***

Onboarded in 2010, the global brand offers shoes, apparel and accessories for sportspeople at Sarit Centre and The Hub.

- **Reebok—*"Be more human"***

This is the most recent franchise to be set-up by Deacons. Opened in March 2016 at The Hub in the Adidas store, it offers athletic brand that includes sporting and fitness shoes, workout apparel, training equipment and accessories.

- **Angelo—*"Step into our world"***

This is a wholly owned brand by Deacons with a wide assortment including shoes for ladies and men, jewelry, handbags and other accessories. Introduced to the market in 2007, the local brand has 8 stores located at Sarit Centre, Junction Mall ,Thika Road Mall (TRM), The Hub, Garden City, Yaya Centre, Village Market and Acacia Market.

- **Babyshop—*"The one stop shop for all your children's needs"***

Introduced in 2011, babyshop offers clothing, basic toys and nursery furniture to children under the age of 8 years. It operates 3 stores located at the Sarit Centre, Junction Mall and TRM.

***Stock-lots** refers to apparel of mass quantities being sold at cheap prices. Occurs during low sales season and/or oversupply from producers*

- **4U2—*"Dress sense less cents"***

This is the first wholly owned brand by Deacons launched in 2004. Its model is based on stock lots, out of season and excess stock from leading brands around the world; providing a wide array of products including ladies, men, kids and accessories with well-known labels. It stands in 3 stores at the Capital Centre, Sarit Centre and TRM.

- **LifeFitness—*"What we live for"***

This is the world's leading commercial fitness equipment manufacturer. LifeFitness offers over 300 different cardio and strength training equipment, a wide range of support services and proven industry leadership brand position. Deacons has a showroom for the brand at the Sarit Centre Mall and plans to use LifeFitness and Adidas to set up a fitness, sporting and wellness division within its portfolio.

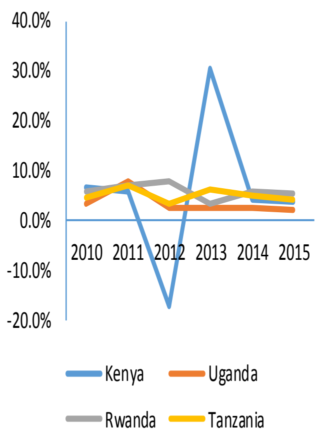
- **Bossini—*"Be Happy"***

Bossini was introduced in 2013,as a replacement to the underperforming Identity stores. The brand offers casual contemporary fashion in apparel products including men's, ladies', youth and children's wear. Bossini operates 5 stores located at the Village Market, Yaya Centre, Garden City, The Hub and Acacia Mall - Uganda.

Deacons background, milestones

- **1958:** The company was founded as the Marks & Spencer franchise for the East African Region
- **1980:** Deacons relinquishes the Marks & Spencer franchise after the Government of Kenya imposed restrictions on imported goods to protect local industry. Deacons moved to work with over 70 suppliers from the local textile industry to supply its stores.
- **1980:** Deacons is registered as a company
- **1994:** Enters into a distribution agreement with Woolworths
- **1999-2016:** Truworths (1996), 4U2 brand (2003), Mr. Price (2007), Mr. Price Home (2007), Angelo (2008), LifeFitness (2010), Babyshop (2011), Bossini (2013) and Reebok (2016 March) are introduced in the market.
- **2006:** Private placement issue of KES 144.8M that raised the number of shareholders to 15 from 4
- **2007:** Ventured into the Tanzanian market
- **2010:** Offers 11.3M shares at its public offer raising KES 0.7B which took the total number of shareholders to 328. Deacons begins trading OTC
- **2012:** Discontinued its operations in Tanzania citing high cost of doing business and a small middle class. In the same year, it implements a share-split and bonus issue.
- **2013:** Westgate mall attack which left Deacons' 4 stores closed at the mall. Loss estimated at USD 2M.
- **2015:** Concludes disposal of its 49% ownership in Woolworths, bags KES 64.9M in gains on disposal.
- **2016:** Plans to open 5 new stores by the end of the year (4 at Two Rivers Mall and 1 at Kigali Heights Rwanda).
- **By 2020:** Hopes to achieve a 60-store retail chain from the current 33 stores.

East Africa GNI growth from 2010



Source: (World bank, ApexAfrica Capital Research)

The 5-year CAGR in GNI for Kenya (4.3%), Uganda (3.5%) and Rwanda (5.9%) could indicate a growing middle class

Deacons faces various risks such as

1. *Social economic and political risks*
2. *Changes in government policies*
3. *Escalating costs of doing business*
4. *Highly competitive operating business*
5. *Seasonality of sales*
6. *Franchising risk*
7. *Forex risk*
8. *Borrowing and interest rate risk*
9. *Credit risk*
10. *Sales concentration towards Mr. Price Kenya*

Market opportunity

With a growing population, increasing purchasing power (on account of a growing middle class) and burgeoning real estate and construction sectors, the market opportunity for Deacons not only exists, but is also expanding.

The East African region plans to ban second-hand wear (commonly known as *mitumba*) which would increase the number of people reverting to the new clothes market. With its vast years of experience, Deacons may cash in on this niche.

East Africa's GNI from 2010

USD	2010	2011	2012	2013	2014	2015	5-year CAGR
Kenya	2,480	2,620	2,170	2,830	2,950	3,060	4.3%
Uganda	1,500	1,620	1,660	1,700	1,740	1,780	3.5%
Rwanda	1,290	1,380	1,490	1,540	1,630	1,720	5.9%
Tanzania	2,050	2,190	2,260	2,400	2,520	2,620	5.0%

Source: World Bank

2015-2020 growth strategy

- The countries' middle income population is expected to increase from the current 44.9% (Ke), 18.7% (Ug) and 7.7% (Rw) as stated by the AFDB.
- Rapid urbanization of the East African region with urban nodes set to be put up. The company plans to penetrate secondary cities in Kenya plus open other stores in Kigali and Kampala.
- The East African market is an attractive one with the opportunity to attract other global brands. With Deacons' 58-year experience, it stands at a prime position to franchise interested global brands.
- Creating and/or acquiring local brands to diversify their products
- Attracting a younger customer base through digital interaction

Competition

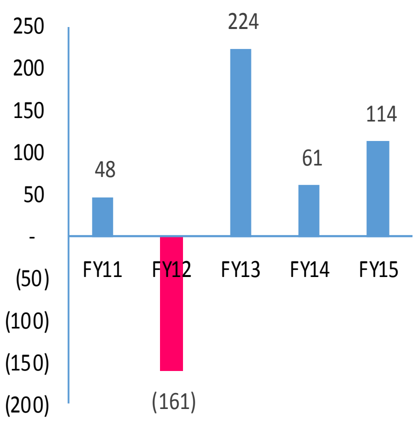
The size of the retail market and apparel/footwear market in Kenya is set to grow in the medium-long-term. The clothing industry has relatively high gross-profit margins as compared to other retail markets. With few barriers to entry, it is anticipated that the industry will attract other retailers; large, small, local and foreign brands. In 2015, Kenya's retail market stood at USD 21.9B and according to BMI, it could surge to USD 29.7B by 2020.

Currently, the competition landscape of the industry includes:

- Small scale retailers who do not operate exclusive branded stores
- Large brands such as Manix, City Walk, Vivo, Jade Collection and Woolworths
- Large retailers such as Bata and supermarkets that have introduced fashion lines in their non-food formats
- Second-hand clothing
- E-Commerce

The competitive advantage that Deacons has over other players is its experience in the clothing industry. In addition, it has franchised leading global brands that appeal to its target market.

Historical PAT from FY11-FY15



KES M
Source (DEAL IM)

FY11-FY15 Financials

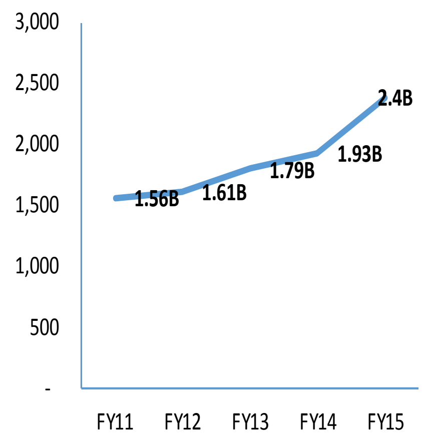
Income statement	FY11 KES (M)	FY12 KES (M)	FY13 KES (M)	FY14 KES (M)	FY15 KES (M)	y/y % change
Sales revenue	1,563	1,612	1,792	1,928	2,383	23.6%
Cost of sales	(870)	(1,018)	(1,091)	(1,049)	(1,275)	21.5%
Gross profit	693	594	701	879	1,109	26.2%
Admin expenses	(492)	(656)	(825)	(732)	(938)	28.2%
Selling expenses	(78)	(108)	(164)	(125)	(144)	14.6%
Operating expenses	(570)	(764)	(989)	(857)	(1,082)	26.3%
Operating profit	122	(170)	(288)	22	27	24.0%
Other Income	15	74	537	127	194	53.1%
EBIT	137	(96)	249	148	221	48.9%
Finance cost	(21)	(70)	(85)	(60)	(79)	31.7%
PBT	116	(166)	164	88	142	60.6%
Income tax (charge)/credit	(68)	5	60	(27)	(28)	4.0%
PAT	48	(161)	224	61	114	85.3%

Statement of financial position	FY11 KES (M)	FY12 KES (M)	FY13 KES (M)	FY14 KES (M)	FY15 KES (M)	y/y % change
Non-current assets						
PPE	534	591	417	468	641	37.0%
Investment in associates	-	-	134	163	-	
Other non-current assets	146	132	134	138	153	10.7%
Total non-current assets	680	724	685	768	794	3.3%
Current assets						
Inventory	931	967	744	713	932	30.7%
Trade and other receivables	101	145	97	84	532	529.6%
Other current assets	7	38	410	348	32	-90.7%
Cash and cash equivalents	79	81	47	48	196	306.0%
Total current assets	1,118	1,231	1,298	1,193	1,692	41.8%
Total assets	1,798	1,954	1,983	1,962	2,486	26.7%
Equity and liabilities						
Capital and reserves						
Share capital	154	309	309	309	309	0.0%
Share premium	703	549	549	549	549	0.0%
Retained earnings	398	321	500	561	675	20.3%
Translation reserves	0	(4)	(4)	(7)	(20)	184.8%
Equity	1,256	1,174	1,354	1,412	1,512	7.1%
Non-current liabilities						
Deferred taxation	17	16	-	-	-	0.0%
Borrowings	11	196	246	138	391	182.3%
Total non-current liabilities	28	212	246	138	391	182.3%
Current liabilities						
Borrowings	118	152	70	95	264	177.1%
Trade and other payables	371	416	313	316	319	0.8%
Other liabilities	24	-	-	-	-	0.0%
Total current liabilities	514	568	383	412	583	41.6%
Total equity and liabilities	1,798	1,954	1,983	1,962	2,486	26.7%

Source (DEAL IM)

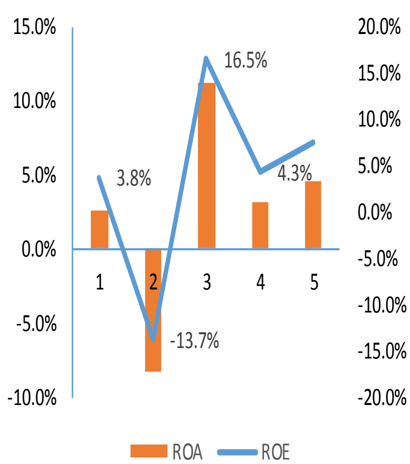
FY11-FY15 Financials cont'd

Revenues (KES) from FY11-FY15



(Source: DEAL, ApexAfrica Research)

ROE vs ROA



(Source: DEAL, ApexAfrica Research)

Statement of cashflows	FY11 KES (M)	FY12 KES (M)	FY13 KES (M)	FY14 KES (M)	FY15 KES (M)
Cash from operations	47	70	499	281	(483)
Taxation paid	(88)	(33)	(9)	(13)	(13)
Net cash and cash equivalents from operations	(41)	37	490	267	(497)
Net cash and cash equivalents from investing	(69)	(146)	(99)	(132)	121
Net cash and cash equivalents from financing	(151)	131	(348)	(154)	502
Changes in cash and cash equivalents	(262)	22	43	(19)	126
Cash and cash equivalents at the beginning of the year	226	(32)	(8)	35	15
Effect of exchange rates	4	2	(0)	(2)	(4)
Cash and cash equivalents at the end of the year	(32)	(8)	35	15	137

Source (DEAL IM)

Revenues

FY15 was a difficult year for retailers with the Kenyan shilling depreciating considerably against major currencies. In 2H15 the lending rates skyrocketed to hit record levels of 28%. The weakening shilling coupled with high interest rates dented the purchasing power of consumers while increasing the cost of doing business.

Defying the challenging year, Deacons recorded 23.6% y/y growth in revenues to KES 2.4B. The FY15 revenues imply an 11.1% 4-year CAGR from FY11's revenues of KES 1.6B. In FY15, the growth in revenues was driven by the opening of Bossini and Mr. Price stores in Acacia Mall Kampala (2Q15) and Garden City Mall (3Q15).

Cost of sales consequently went up 21.6% y/y resulting in 26.2% y/y growth in gross profit to KES 1.1B. GP margin increased by 100bps y/y to 47% pointing to the efficacy of its policy to hold optimum stock and variety.

In FY15, Deacons continued its plan to invest and fully focus on its wholly owned subsidiaries by selling off its remaining 49% shareholding in Woolworths business in Kenya. The disposal earned Deacons KES 64.9M with other income registering 53.1% y/y gain to KES 194.2M.

Expenses

Administration expenses (+28.2% y/y) and selling expenses (+14.6% y/y) both went up in the year to bring operating expenses to KES 1.1B (+26.3% y/y). The increase in operational expenses is directly attributed to occupational costs related to the new stores opened. Operational costs grew at a faster rate than revenues as exemplified by the 300bps y/y decline in operating profit margin to 3.2%.

The company managed to lower its effective finance costs (as a percentage of total borrowings) to 12.1% from FY14's 25.8% despite the high interest rates experienced in 2H15. However, the company recorded 180% y/y increase in borrowings which took its finance costs 31.7% y/y higher to KES 79.4M. Additional borrowing was undertaken to finance the opening of new stores in the year.

Earnings

Buoyed by the 53.1% y/y leap in other income, PBT rose 60.6% y/y to KES 141.6M. The retailer marked a 4.0% y/y uptick in income tax to KES 27.8M. Despite the tax increase, the effective tax rate waned by 10.7% y/y to 19.7% mainly because of the relatively small under provision factored in (FY15: KES 112,000 compared to FY14: KES 6.6M). The aforementioned lifted the net earnings by 85.3% y/y to KES 113.8M; with the net profit margin going up 160bps y/y to 4.8%.

1Q16 Financials

Income statement	1Q15 KES M	1Q16 KES M	y/y % change
Sales revenue	416	472	13.3%
Cost of sales	(269)	(223)	-16.9%
Gross profit	147	248	68.4%
Admin expenses	(219)	(257)	17.0%
Selling expenses	(22)	(28)	31.0%
Operating expenses	(241)	(285)	18.3%
Operating profit	(93)	(37)	-60.8%
Other income	28	3	-87.9%
EBIT	(65)	(33)	-49.1%
Finance cost	(11)	(26)	135.3%
PBT	(76)	(59)	-22.0%
Income tax (charge)/credit	-	(1)	
PAT	(76)	(60)	-21.2%

Statement of cashflows	1Q16 KES M
Cash from operations	273
Taxation paid	(1)
Net cash and cash equivalents from operations	271
Net cash and cash equivalents from investing	(10)
Net cash and cash equivalents from financing	(365)
Changes in cash and cash equivalents	(103)
Opening cash and cash equivalents	137
Effect of exchange rates	3
Cash and cash equivalents at the end of the year	36

Statement of financial position	1Q15 KES M	1Q16 KES M	y/y % change
Non-current assets			
PPE	527	636	20.7%
Investment in associates	119	-	
Other non-current assets	41	108	161.0%
Total non-current assets	688	744	8.2%
Current assets			
Inventory	662	1,012	52.9%
Trade and other receivables	208	168	-19.2%
Other current assets	301	32	-89.4%
Cash and cash equivalents	(115)	96	
Total current assets	1,056	1,308	23.9%
Total assets	1,744	2,052	17.7%
Equity and liabilities			
Capital and reserves			
Share capital	309	309	0.0%
Share premium	549	549	0.0%
Retained earnings	485	615	26.8%
Translation reserves	(16)	(28)	73.6%
Equity	1,326	1,444	8.9%
Non-current liabilities			
Borrowings	117	272	131.9%
Total non-current liabilities	117	272	131.9%
Current liabilities			
Borrowings	70	45	-36.5%
Trade and other payables	230	291	26.6%
Total current liabilities	300	335	11.8%
Total equity and liabilities	1,744	2,052	17.7%

Source (DEAL IM)

Ratios & Margins	1Q15	1Q16
GP margin	35.4%	52.6%
Operating profit margin	-22.4%	-7.8%
NP margin	-18.3%	-12.7%
EPS	(0.62)	(0.49)
DPS	-	-
Debt/Equity	14.1%	21.9%
Net debt/equity	22.8%	19.4%
NAV per share	10.73	11.69
current ratio	3.52	3.90
Quick Ratio	1.31	0.88

Source (DEAL IM)

1Q16 Financials

Revenues

From 1Q15 to 1Q16, Deacons opened 8 stores, thrusting 1Q16 revenues up 13.3% y/y to KES 471.8M. The first quarter of every year is characterized with low sales volumes seeing that most purchases of apparel and footwear are recorded during the fourth quarter of the year. Improved cost management saw the cost of sales decline by 16.9% y/y which saw the gross profit margin soar 68.4% y/y to KES 248.3M. The combined effect of increasing revenues and declining cost of sales saw gross profit margins garner 18% y/y to 53%.

Expenses

The additional stores opened resulted in a 17.0% y/y increase in administrative expenses. Selling expenses were also on the rise recording a 31.0% y/y escalation, which thrust operating expenses to KES 284.9M (+18.3% y/y). The low sales during the period coupled with high fixed costs (rent and staff costs that make up c.80% of administrative expenses) led to an operating loss of KES 36.6M; being a 60.8% y/y gain.

Finance costs similarly snowballed by 135.3% y/y to KES 26.3M on account of the 69.0% y/y growth in borrowings. Effective interest rate also went up 230bps y/y to 8.3%.

Earnings

Net loss before tax rallied 22.0% y/y to KES 59.5M. The net loss earned the retailer an income tax credit of KES 0.6M which took the net loss after tax lower by 21.2% y/y to KES 60.1M.

Assets

Opening of the new stores elevated Deacons' PPE by 20.7% y/y to KES 636.2M. Low sales saw an upsurge of 52.9% y/y in inventory to KES 1.0M. Cash and cash equivalents plunged 73.5% q/q to KES 36.2M as the retailer paid-off loans to the tune of KES 338.3M.

Outlook

Listing at the bourse

Deacons has been around for 58 years and with a market cap of KES 1.9B, we could see some activity on the counter. However, an ROE of 7.5% could put off some investors seeing that they could fetch higher returns from other investments.

Listing gives Deacons some tax benefits with the government wooing more companies to go public. Going public also adds on to the avenues for accessing cheap credit to finance its expansion.

Deacons prospects

The retailer plans to diversify from reliance on its Kenyan market, which contributes 86.5% of sales. It intends to do this by opening stores in the East African markets as real estate continues to grow. Also, most of its stores (28) are located around Nairobi and with the development of urban nodes and real estate across various counties, the retailer seeks to open shop in these counties.

Addressing the issue of seasonality of sales, management hinted that it could, in the future, commence dealing in school uniforms to cash in on the *back to school* sales that occur during the low sales seasons. Management has also hinted on the possibility of a return to the Tanzanian market.

Global comparables	Country	P/E (x)	P/B (x)	EV/EBITDA (x)	ROE (%)	Dvd yield (%)
Deacons Kenya	Kenya	16.2	1.2		7.5	3.3
EXPRESS INC	USA	9.9	2.0	4.7	21.6	
UNITED ARROWS LTD	Japan	13.2	2.5	10.8	20.0	2.8
FAST RETAILING CO LTD	Japan	72.6	5.3		6.5	1.0
HENNES & MAURITZ AB-B SHS	Sweden	22.7	8.7	13.5	39.0	3.8
GUARARAPES CONFECCOES-PREF	Brazil	13.3	1.1	6.9	8.4	4.0
GAP INC	USA	12.0	4.1	4.6	32.6	3.6
Mean		**22.8**	**3.6**	**8.1**	**19.4**	**3.1**
Median		**13.3**	**2.5**	**6.9**	**20.0**	**3.4**

Africa & Middle East comparables	Country	P/E (x)	P/B (x)	EV/EBITDA (x)	ROE (%)	Dvd yield (%)
Deacons Kenya	Kenya	16.2	1.2		7.5	3.3
MR PRICE GROUP LTD	South Africa	21.6	10.7		50.2	2.9
TRUWORTHS INTERNATIONAL LTD	South Africa	13.6	4.4	13.6	35.0	4.9
SHALAG INDUSTRIES LTD	Israel	15.9	2.5	8.5	17.0	
DELTA-GALIL INDUSTRIES	Israel	17.7	2.2	9.3	12.3	1.9
CASTRO MODEL LTD	Israel	15.2	1.4	4.9	9.5	
AVGOL INDUSTRIES 1953 LTD	Israel	17.3	3.4	8.5	18.9	
FOX WIZEL LTD	Israel	24.2	1.6	12.5	6.5	
ARAB COTTON GINNING	Egypt	12.2	0.5	19.6	3.9	
GOLDEN TEXTILES	Egypt	6.7	0.3	4.1	5.1	
FURNITURE MART	Botswana	9.7	0.9	5.5	9.3	3.4
Mean		**15.5**	**2.6**	**9.6**	**15.9**	**3.3**
Median		**15.9**	**1.6**	**8.5**	**9.5**	**3.3**

Source: Bloomberg, ApexAfrica Research

Appendix

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