

Longhorn Publishers Limited new shares commence trading on the Nairobi Securities Exchange

Tuesday 31, May 2016; Longhorn publishers 126 million new shares have begun trading at the Nairobi Securities Exchange (NSE) following a successful rights issue that saw the company raise Kes.533Million.

Longhorn Publishers had sought to raise Kes.530Million in the rights issue by selling 126 million new shares to existing shareholders at a price of Kshs. 4.20 per share at a rate of 0.86 shares for every share held.

According to Longhorn Publishers Group Managing Director Simon Ngigi, the successful cash call will enable the company unlock new opportunities in Francophone Africa, with a foray into markets like the Democratic Republic of Congo and Guinea expected to pick up steam.

“Our main focus is to consolidate growth as we begin to tap the market in west and Central Africa, while also ensuring we remain at the cutting edge of technology through continuous innovation.” he said.

Up to 10% of the funds raised or some Kes.53Million will be used to build on Longhorn’s digital offering with a distinct move towards growing the number of titles on offer while developing proprietary e-learning platforms.

The Cabinet Secretary, Education, Science and Technology, Mr. Fred Matiangi who was Chief Guest at the event commended Longhorn Publishers investments towards education saying “Longhorn Publishers investments in digital platforms is indeed a timely impetus for Kenya’s progress towards the achievement of Kenya Vision 2030 Social Pillar in Education and Training and in line with governments focus on digitally driven education”.

“It is heartening to see the private sector investment that is geared towards supporting government efforts to improve education and learning. This indeed is true social impact investment and the basis for bigger public private partnership investment in the future,” he said.

Speaking at the same event, Longhorn Publishers Chairman Mr. Francis Thombe, underscored the confidence that shareholders continue to place in the company and in their investment in education.

“We thank our shareholders for their significant show of support and continuing confidence in Longhorn Publishers. The funds raised will further strengthen our ability to achieve our long term strategic objectives anchored on expanding our operations in line with our Pan African strategy,” he added.

Speaking during the event NSE Chief Executive, Mr. Geoffrey Odundo congratulated Longhorn Publishers saying "The success of this issue is a fine example of the abundant opportunities our market has to offer and a clear demonstration of the affirmative investor sentiment towards the company's continued growth and expansion strategy supported by the capital markets. I urge other listed and non-listed corporates, to look no further than the capital markets as they seek to raise capital to finance their business strategy".

The successful Rights Issue comes against the background of a robust financial performance as evidenced by the recent half-year results that saw its pretax profit as at December 31st 2015 jump 96.17% to Kes.97.5 Million, and revenue rise 57% to Kes.831.4 Million.

The Publisher appointed Equity Investment Bank as the Lead Transaction Advisor and Lead sponsoring broker, with Mboya, Wangong'u & Waiyaki and Deloitte as the appointed Legal Advisor and Reporting Accountant respectively. BSD Group is the Marketing and Public Relations Advisor, while Sidian Bank (Formerly K-Rep Bank) is the receiving bank.

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Notes to the Editor

About the Nairobi Securities Exchange

The Nairobi Securities Exchange (NSE) is the principal securities exchange of Kenya. Besides equity securities, the NSE offers a platform for the issuance and trading of debt securities. The NSE is a member of the African Securities Exchanges Association (ASEA) and the East African Securities Exchanges Association (EASEA). It is a full member of the Association of Futures Markets (AFM) and an affiliate member of the World Federation of Exchanges (WFE), and a partner Exchange in the United Nations Sustainable Stock Exchanges Initiative (SSE).

About Longhorn Publishers

Longhorn Publishers is the only listed publishing house on the Nairobi Securities Exchange and has been growing minds since 1965.

Since it's listing in 2012, on the AIMS segment of the Nairobi Securities Exchange (NSE), Longhorn has embarked on various initiatives whose ultimate objective is product enhancement and regional diversification.

To this end, Longhorn has partnered with Bible Society of Kenya, Biblica, Scripture Union of Kenya, Cambridge University Press in the UK, Educat Publishers of Cape Town and BAKITA of Tanzania, in business deals worth over Kes.1.0 Billion over the next 3 years, to publish and distribute Bibles, Hymnals, Charts, Dictionaries and *Kamusi's* in the region.

Longhorn has also partnered with some counties in Kenya to run Early Childhood Development Education (ECDE) mentorship programs and distribution of County Specific Social Studies books in physical and digital format.

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