

 Early Warning System

IFC-44830

Liquid Telecom South Africa Term Loan



Quick Facts

Countries	South Africa
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2020-10-30
Borrower	LIQUID TELECOM SOUTH AFRICA
Sectors	Communications
Investment Type(s)	Loan
Investment Amount (USD)	\$ 75.00 million
Project Cost (USD)	\$ 225.00 million



Project Description

Liquid Telecommunications Holdings Limited (Liquid, LTH or the “Company”) is the leading pan-African provider of wholesale voice, wholesale data and internet protocol (IP) services. The company invited IFC to: (i) participate in its new bond offering to up to US\$100 million (the Bond), and (ii) provide up to US\$75 million (ZAR equivalent) of an IFC A Loan (Term Loan), to fully refinance the company’s existing Eurobond and revolving credit facilities (the “Project”). The Bond was subscribed to during February 2021 at the LTH level, with the Term Loan (at the Liquid Telecommunications South Africa level) to follow in the coming months. Liquid Telecommunications South Africa (or “LTSA”) is a subsidiary of LTH.

The investment aims at freeing up Liquids current debt stock to unlock more free cash flow for capital expansion plans across Africa over the next few years. Such expansion includes furthering Liquids fiber network and digital footprint of services across markets including DRC, Angola, South Sudan, Nigeria and such other markets as deemed appropriate from time to time. The funding would allow for the necessary capex expansion plans to be funded over the next few years and contribute to Liquid remaining active and competitive in the Pan-African markets they operate in. This project is linked to <https://disclosures.ifc.org/project-detail/SII/44798/liquid-telecom-bond>



Investment Description

- International Finance Corporation (IFC)



Private Actors Description

LTH is a privately owned company which was established in 2004 as an independent telecommunications provider of international, voice, internet and data transmission using fiber and satellite technologies. The company is ultimately owned by shareholders including Royal Bafokeng Nation, CDC Group, Gateway Partners, the Masiyiwa Family, and the Rudnick Family.

Liquid operates its own fiber optic and wireless networks in South Africa, Kenya, Tanzania, Rwanda, Uganda, Botswana, DRC, Zambia, South Sudan and Zimbabwe, with further commercial presence in Nigeria, Mauritius, United Arab Emirates and the United Kingdom. The Company also has a point of presence in Mozambique. Liquid has also built Africa's largest independent fiber network, approaching 73,000 km, and operates state-of-the-art data centers in Johannesburg, Cape Town and Nairobi, with a combined potential 19,000 square meters of rack space and 80 MW of power.

The scope of services offered by Liquid's operations varies from country to country; however, its main focus is provisioning mobile operators, carriers, enterprise, media and content companies and retail customers with high-speed, reliable connectivity, hosting and co-location and digital services.



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Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Liquid Telecommunications Holdings Limited	Client	-



Contact Information

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