

Expression of Interest for Acquiring Shareholding in and Managing Loti Brick (Pty) Ltd

1. PURPOSE

The Loti Brick (Pty) Ltd, LB, is inviting submission of Expression of Interest (EOI) from interested and eligible companies or business entities to acquire an equity stake in and be a technical managing partner (i.e. have a management contract) in Loti Brick (Pty) Ltd. It is expressed that the investor should be a reputable key stakeholder; or otherwise have strong linkages to the brick making industry. The interested parties may collaborate with other parties to provide a complete solution. This invitation is exclusive to **companies and consortiums that are willing to offer MAJORITY-SHARES (51% and above) to INDIGENOUS BASOTHO or INDIGENOUS BASOTHO-owned Companies that are subject to Sesotho Law.**

Loti Brick (Pty) Ltd is the main manufacturer of clay bricks in Lesotho, founded in 1978. It has a variety of bricks such as face bricks, plaster bricks and pavers. Typical of this type of operation, its production flow line is characterized by the following: mining; raw material preparation and mixing; making; drying and firing; sorting and packaging; process monitoring and control.

Current shareholding of LB comprises Lesotho National Development Corporation (LNDC) with a shareholding of 74.16% and Ministry of Finance, which controls a 22.93% stake.

2. INSTRUCTIONS TO BIDDERS

The EOI should include the following:

1. Compliance and Instruction to Bidders

1. Company profile should strictly be limited to:
 - a. Company contacts
 - b. Shareholders/partners and identity documentation
 - c. Major business activities
2. Relevant company registration documentation including ownership.
3. Partnership agreement with Indigenous Basotho or Indigenous Basotho-owned companies and majority shareholding to be held by Indigenous Basotho.
4. Relevant Trading documents.
5. Tax clearance certificate

2. Additional Information Request

1. A brief statement from prospective bidders, not exceeding 500 words, expressing reasons and why they want to bid and be considered for a stake as equity partner to existing shareholders, and be delegated authority to run LB;
2. Experience of bidders for a similar business operation;
3. Certified qualifications of management comprising academic and professional documents, curriculum vitae and proven experience in managing and running a company similar to LB (Chief Executive Officer, Finance Manager, Manufacturing Manager, Engineering Manager, Quality Assurance Manager and Marketing Manager);
4. Proven track record expressing capability to enhance company value;
5. Possession of relevant industry experience and capability to run a company of assets worth a minimum of M70 million is a must;

6. Submission of certified copy of a continuous five year audited financial statements commencing with most recent filings required in accordance with the Companies Act 2011 as amended;

7. Contactable details of at least three (3) reputable references that can prove intimate knowledge and background of prospective bidder's management of a brick making business in the last 10 years.

3. SELECTION CRITERIA

The EOI is the first stage of the evaluation process of identifying the managing equity partner. The second stage will involve issuance of Request for Proposals (RFPs) prepared by eligible bidders identified through assessment of EOIs.

The evaluation of EOIs will seek to identify companies that have the necessary **financial resources** and **technical expertise** to become equity partner and run LB. The evaluation of EIOs will take into account FULL response to this enquiry.

A shortlist of eligible bidders will be compiled and they will be issued with a Request for Proposals (RFP), and a more detailed information dossier to enable preparation of the proposals. The RFPs will be assessed on the basis of demonstrated ability to turn the business around, and the eligible bidders will be given a chance to present their proposal after submission.

4. DEADLINE FOR SUBMISSION OF TENDERS

- **Not later than 12:00 hours, on 20th August 2021.**
- Emails which will be sent after this deadline will not be accepted.

5. INSTRUCTION FOR SUBMISSION OF TENDERS

- All submissions must be by email sent to email address: tenders@lndc.org.ls.
- **Subject Heading must read:** “EXPRESSION OF INTEREST FOR INVESTING IN AND MANAGEMENT OF LOTI BRICK”
- Ensure documents are scanned in portrait layout and all pages face the same direction

6. DISCLAIMER

Loti Brick (Pty) Ltd or its shareholders shall not be bound to disclose reasons for rejecting or accepting any tender. A debriefing meeting will be considered on request and is not automatic.

7. NOTICE OF RESULTS

Bidders will be contacted on the outcome of the EOI screening process. Only shortlisted bidders will be invited to prepare RFPs for the second stage of the evaluation.

8. TENDER SUBMISSION

Expression of Interest should be clearly marked “**EXPRESSION OF INTEREST FOR INVESTING IN AND MANAGEMENT OF LOTI BRICK**” addressed and directed to:

Chairman of The Board - Loti Brick (Pty) Ltd
C/O Chief Executive Officer
Lesotho National Development Corporation
Block A, Level 1
Development House
Kingsway, Maseru

For enquiries only; contact: r.lewaneka@lotibrick.co.ls or meko@lndc.org.ls respectively, or Tel: 22312012/22314225