

Dear

## Genesis Analytics in 2016

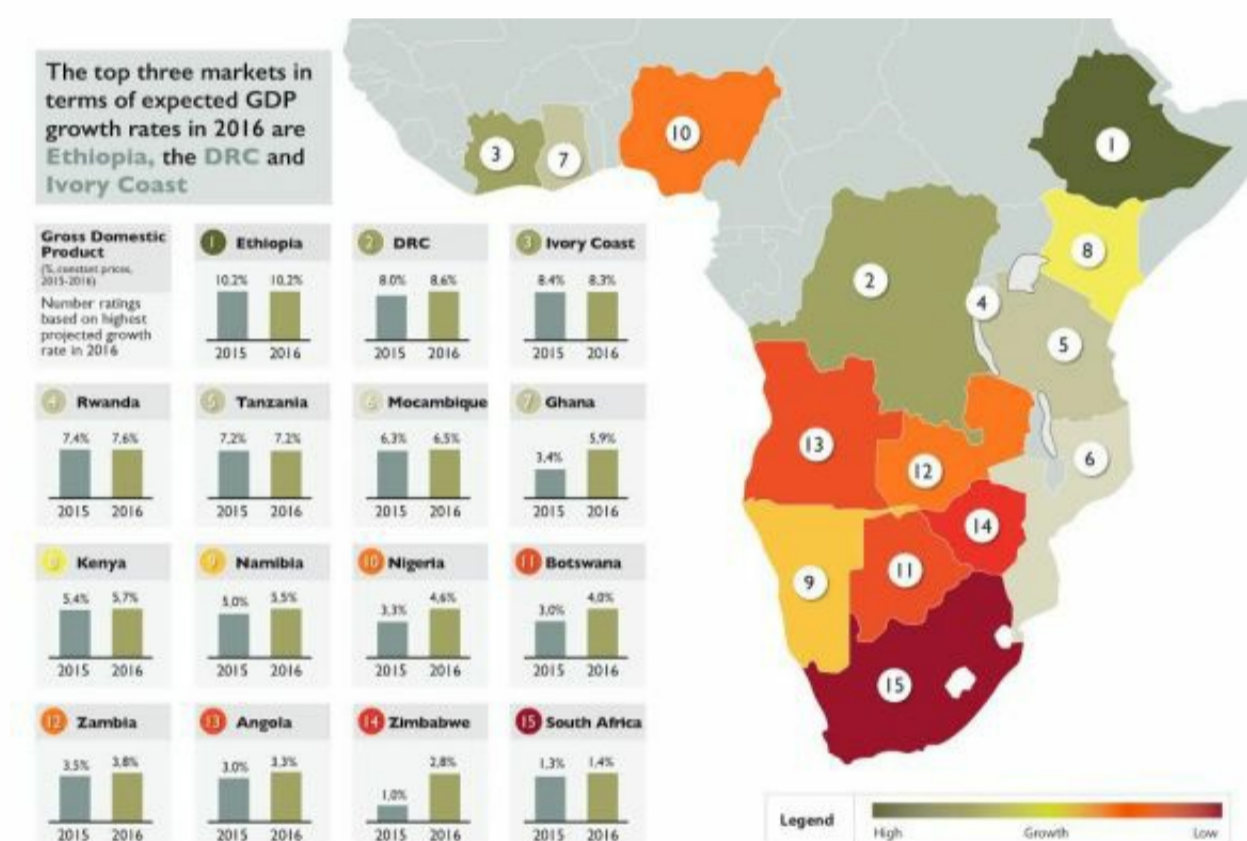
As a valued client, friend and colleague of Genesis Analytics, I would like to let you know about some of our plans for 2016.

First, some background on our growth over the last three years. In this period, our firm has doubled in size as we have added new capabilities and geographies. We are now more than a hundred staff, of which 85 are consultants. We have added thriving practices in **Infrastructure, Agriculture and Agribusiness, Energy and Transportation and Shared Value**. We also launched a pioneering **Applied Behavioural Economics** practice, which provides innovative solutions to consumer-facing companies.

Our regional footprint has also grown. Work outside South Africa now accounts for a full third of our revenues. In November last year, we opened an office in Nairobi to accommodate our expanding work in development and financial services work in East Africa. Just one example of the exciting opportunities in that market: we were appointed the lead transactional advisor on a project designed to address the student accommodation crisis in Kenya by creating accommodation for 34 000 students at five universities. We believe this initiative will provide new solutions to a need experienced in many other countries on our continent.

The year 2016 promises to be a challenging time in South Africa and beyond. Yet we have elected to continue to grow Genesis this year by investing in strong professionals, technical leadership and new areas.

- Our market-leading **Competition** practice now has six partners, and we are building skills in trade disputes, damages quantification, and tariff and price determination. All three of these areas are currently of prime importance to both our corporate and public sector clients.
- Our **Monitoring and Evaluation** team – which evaluates large development projects for governments, foundations and corporates - is adding staff in Johannesburg and East Africa to accommodate rapidly growing demand.
- Our **Financial Services** team, which worked in 24 countries last year, this month launched a strategic partnership with the international risk consultancy Parker Fitzgerald to jointly offer cutting edge risk analytical services.
- On 1 February, we are launching a **Health** practice. Headed by Dr Saul Johnson, a well-known epidemiologist, the new practice will focus on public health, particularly in the context of infectious diseases and – leveraging off our behavioural economics knowledge – behaviour change.



The map above neatly illustrates the 2016 story of promise amongst peril. Using World Economic Outlook data, it reports the expected growth in 2016 of a number of African economies. Southern Africa, buffeted by drought and other factors, is currently struggling, with Namibia and Mozambique notable exceptions. East Africa, on the other hand, remains surprisingly resilient, buoyed by strong agricultural sectors and increasingly diversified economies.

Our work helps clients facing both 'promise' and 'peril'. Our transactional advisory work with private equity firms focuses on financial sector and fintech markets that continue to expand. In Ghana and Nigeria, by contrast, we are helping banks with strategies for surviving in less buoyant markets.

We see that mix of resilience and initiative in many of our clients. They, in turn, inspire us to find opportunity and upside in market conditions such as these.

Warm regards,

Stephan Malherbe  
Chairman

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