Rwanda Capital Market Authority (CMA), the regulatory body of Rwanda's capital market industry, has granted an approval for a cross listing by the first South African company, RH Bophelo Limited (RH Bophelo) on the Rwanda Stock Exchange (RSE). This marks the first cross listing on the local bourse by a company incorporated and listed outside the East African Community (EAC). South African company on the local bourse.

RH Bophelo, incorporated in South Africa and listed on the Johannesburg Stock Exchange (JSE) since July 2017, is an investment company whose principal activity is to invest in the healthcare in a manner that promotes access to quality healthcare services. RH Bophelo's strategy also aims at attracting viable returns whilst encouraging quality and cost-effective healthcare services and as a result, the Company is constantly looking at opportunities within the healthcare ecosystem with synergies that will deliver value to the lower and middle-income brackets. The strategy is built on three (3) main pillars, which are as follows: (i) Owned and operated – hospital infrastructure network, (ii) Co-owned and operated, (iii) Management contacts and (iv) Healthcare access and insurance.

Eric Bundugu, Ag. Executive Director of the Capital Market Authority (CMA) in Rwanda commenting on the cross-listing of RH Bophelo on the local stock market, said: "The cross-listing of RH Bophelo is a critical milestone in positioning Rwanda as an entryway for regional and international capital flows by developing a creative and diverse set of products that encourage investor confidence in issued products. This new development reconfirms Rwanda's leading position towards maintaining itself as the leading investment choice destination and an international financial center of excellence by fostering cross-border trade and investments."

According to a statement from RH Bophelo, the Company's intent is to grow beyond the borders of South Africa in the next stage of its evolution. The Company believes that Rwanda continues to position itself as an epicentre of East Africa, and a leader on the African continent. Rwanda proves to be a jurisdiction in which RH Bophelo can unlock capital and listing at the Rwanda Stock Exchange (RSE) will facilitate this as well as acting as an initial springboard in the rest of Africa says the statement. The purpose for RH Bophelo to cross list at the RSE is to diversify the company's investor base and to facilitate RH Bophelo's Ordinary Shares availability to the wider East African public as well as providing an easy and efficient way for RH Bophelo's stakeholders and partners in the region to participate beneficially in the growth and fortunes of RH Bophelo through ownership.

Eric Bundugu added: “the Cross-Listing at the RSE will be done by way of an introduction and as a result, no capital will be raised on the local stock market on the day of the RSE Listing. RH Bophelo confirmed that a specific capital raise targeting local, regional and foreign investors will follow in the near future”.

The Rwanda’s stock market has so far registered eight (8) listed companies including four (4) cross-listed companies from the Nairobi Securities Exchange (NSE). RH Bophelo’s cross listing, scheduled for Monday June 1st 2020 at the Rwanda Stock Exchange, will be the first one by a company incorporated and listed outside the East African Community (EAC) and will increase the total number of listed companies to the Rwandan stock market to nine (9).

The Capital Market Master Plan, a 10-year development strategy of Rwanda’s capital market industry, 2018 – 2028), sets out the steps which the Government of Rwanda (GoR) intends to undertake in order to be able to exploit the tools of capital market finance to unleash the full potential of the economy and to enable Rwanda to play its role as a financial hub within the economy of East Africa.

“The objective of the Rwandan Capital Market Master Plan is to make capital markets work for Rwanda. With the implementation of the Capital Market Master Plan in its high gears, the Capital Market Authority (CMA) continues to maintain a conducive legal and regulatory framework to promote market development while fostering investor protection in line with easing access to long-term and patient capital through the local stock market by local, regional and international private sector businesses” Bundugu added.