

IDC/EOI/EQUITY-VALUATION/2024: INVITATION TO SUBMIT AN EXPRESSION OF INTEREST ON THE PROCUREMENT OF EQUITY VALUATION SERVICES FOR SUBSIDIARIES AND INVESTEE COMPANIES OF THE INDUSTRIAL DEVELOPMENT CORPORATION FOR YEAR ENDED 31 DECEMBER 2023

1. INTRODUCTION

Industrial Development Corporation Limited (IDC) is an Investment Holding company owned by the Government through the Minister of Finance pursuant to the Minister of Finance (Incorporation) Act Cap 349 of the Laws of Zambia. It was incorporated in January 2014 under the Companies Act of 1994 (as amended).

The mandate of the IDC is to create and maximize long term shareholder value as an active investor and shareholder of successful state-owned enterprises, undertake industrialization and rural development activities through the creation of new industries.

2. BACKGROUND

International Financial Reporting Standards (IFRS) 13 Fair Value Measurements require investments to be carried out at fair value. In compliance with the stated standard, IDC seeks services of a qualified independent valuation expert to undertake enterprise valuation of all the subsidiaries and investee companies as at 31 December 2023. IDC currently has 21 subsidiaries and 11 investee companies.

This invitation is requesting eligible firms to express their interest in providing the stated services.

3. SCOPE OF WORK

Undertake a desk top valuation of all investments to support an independent valuation opinion of IDC investments in accordance with IFRS 13 Fair Value Measurement. The valuation shall take into account the following:

- The prevailing circumstances, and availability of information.
- Assess the industry and macro economical information cardinal to each investment.
- Determine the appropriate valuation methodology for each investment in consultation with IDC management and external auditors.
- Determine and present to IDC management and external auditors the nature and extent of changes in valuation assumptions and relative valuation results.
- Perform an impairment test in line with IFRS 9 – Financial instruments.

4. PROCUREMENT METHOD AND BIDDING PROCESS

The procurement method is Open National Selection and is limited to citizen and local bidders in accordance with subsection 41 (3) of the Public Procurement Act No. 8 of 2020, as amended by the Public Procurement (Amendment) Act No. 17 of 2023. The bidding process shall be

conducted in accordance with Part VIII of the Public Procurement Regulations, Statutory Instrument No. 30 of 2022.

5. ELIGIBILITY AND REQUIREMENTS

Expressions of interest should include documentary evidence to confirm the following:

- (i) The firm's registration with PACRA
- (ii) Been in the investment advisory industry which includes but not limited to investment banking, corporate finance, corporate valuations, asset management, mergers and acquisitions for not less than 5 years.
- (iii) Been involved in providing equity valuation services to at least three (3) clients.
- (iv) That the firm's key staff on this assignment have the requisite qualifications and experience.

6. SUBMISSION INSTRUCTIONS

Expressions of Interest should be submitted on the electronic Government Procurement (eGP) platform. The deadline for submission of Expressions of Interest is 20th May 2024 at 10:00 hours.

Head – Procurement and Supplies
Industrial Development Corporation Limited
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LUSAKA