

Jambojet targets holidaymakers with more flights

BY MUTTHOKI NUMO

Budget airline Jambojet has increased flight frequency on all its destinations to take advantage of the holiday travel rush.

In a statement yesterday, the company said it would increase flights to Mombasa from 22 weekly to 31. It has also increased weekly flights to Kisumu, Eldoret and Ukunda to 20 per week. Jambojet will now be flying to Malindi 16 times per week up from 13 times.

"We are cognisant of the increased demand for flights during the festive season as people go on holiday or travel back home," said Jambojet chief executive Willem Hondius.

Jambojet, which has been in operation for two years, is the subsidiary of the troubled national carrier Kenya Airways (KQ). In the year to March 2016, the company reported a Sh126 million profit after recording a Sh287 million loss last year.

The airline had grown its passenger numbers nearly 20 per cent to 572,010 and increased its staff at a time when its parent company, KQ, was weathering a storm.

NSE-listed Atlas doubts return to London bourse after suspension

BY VICTOR JUMA

Nairobi Securities Exchange-listed Atlas African Industries says it is doubtful of a return to the London Stock Exchange where it was suspended on October 17 following the resignation of its nominated adviser (Nomad).

The company also halted trading on the NSE's Growth Enterprise Market Segment (GEMS) the next day, making the stock illiquid for existing and prospective shareholders.

Atlas' suspension was to last until it hired a new Nomad but the company says it is uncertain the appointment will be done, adding that it is looking at listing at another exchange other than the London Alternative Investment Market (AIM).

Among other roles, a Nomad advises its clients on their listing obligations including compliance with the Capital Markets (Securities) (Public Offers, Listing and Disclosure) Regulations, 2002.

Atlas said its Nomad, Stifel Nicolaus Europe Limited, resigned because its speciality in the oil and gas industry did not match the company's current prin-

About the company

■ Atlas African Industries invested Sh50 million to acquire a 13.5 per cent equity in BonanzaWin, a Nigerian gaming company.

■ Atlas' shares last traded at Sh1.05 on the Nairobi Securities Exchange (NSE), representing a major plunge from the listing offer price of Sh11.5.

■ The company raised \$5 million (Sh505 million) from Kenyan investors in a private placement ahead of its listing on the NSE.

■ The firm has also transformed from an oil and gas logistics firm in Kenya to a glass bottles maker in Ethiopia.

cial activity of sports betting.

"We cannot confirm that we will retain our AIM listing following this date," the company wrote to shareholders on Friday, adding that it remains committed to a London-based listing in the short term.

"Specifically, shareholders should take note that we have consulted with a number of corporate advisers regarding alternative options to an AIM listing; we are carefully considering these with a view to ensuring shareholders' long term interests are protected."

Atlas is unlikely to qualify for listing on the LSE's Main Market, leaving it with the option of seeking a spot on Euronext London which is part of the pan-European Euronext bourse.

The LSE's Main Market is reserved for larger, more established companies and is home to some of the world's largest and best known corporations.

Atlas says it will maintain its Kenyan listing as it seeks to rejoin the LSE's AIM market in the short term with a view to finding an alternative bourse in the long run.

"In the event of cancellation of admission of the company's shares to trading on AIM, the company will continue to be subject to the applicable provisions of Guernsey law and the rules applicable to GEMS," Atlas said.

The company added that it would continue to hold meetings and post information on its website regularly, noting that it would not be mandatory to include all corporate developments as required by AIM rules.

The loss-making Atlas has had a troubled short history since listing on the NSE in December 2014.

Act 2016 and will see betting firms part with a sizeable chunk of their revenues every month besides paying the annual corporate tax. Under the new legal regime, companies will pay a 7.5 per cent betting tax, 12.5 per cent gaming tax and five per cent lottery tax on revenues earned.

Mr Karauri said that betting firms have boosted the sports industry, created jobs and helped launch and grow sporting careers.

"We submit weekly returns to our regulator, the Betting and Licensing Control Board. In addition all our betting platforms are mobile phone based. Therefore it is very easy for KRA to track our revenues and the issue of tax evasion should not arise," he said.

"Most of the engagement we have had with KRA are threats and audits and this needs to change. We are a major taxpayer and are doing lots of work to improve and develop sports in this country."

Experts had earlier described the tax measures as punitive, indicating that the government may have overreacted to a recent public uproar over the rapid growth of betting and gaming.

Kenya has 30 licensed bookmakers, 10 of which operate online platforms.

SportPesa was launched in Kenya in February 2014 by local company Pevans East Africa and is among betting firms which have witnessed exponential growth. It now has tens of thousands of unique users and its monthly net revenues are estimated at Sh1 billion.