

AFRICA

GLOBAL FUNDS

INVESTING WITH IMPACT: BII Steps Up In African PE

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**BLENDING AFRICA'S
CAPITAL STACK FOR SCALABLE IMPACT**

Q&A:

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NEWS:

YANGO GROUP LAUNCHES YANGO VENTURES

Your Insight Into African Asset Management



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British International Investment (BII) has anchored Summit Private Equity Fund II to support SMEs in key sectors across Southern Africa, promote diversity, and empower women. Building on the success of Fund I, BII aims to mobilize more capital, especially for Black-owned businesses. BII prioritizes funds with strong ESG practices and focuses on themes like climate finance, inclusion, and innovation. Despite market challenges, it sees long-term growth in Africa's private equity landscape through local investor participation, improved exits, and continued DFI support. Read our interview with Sara Taylor, Head of Private Equity Funds and Co-Investments at BII on pp.14-15.

In this issue, we also hear from Catherine Cax, Managing Director, Investments at Soros Economic Development Fund, about the role of blended finance and how it can improve the risk-return profile for private investors (p.13).

In this month's edition, we also spoke with Kasief Isaacs, the new CEO of Creation Capital. Under his leadership, the firm aims to expand its R10bn+ AUM, launch infrastructure and SME-focused funds, and deepen its focus on tailored, transparent financing solutions. Isaacs plans to position Creation as the leading private credit manager in South Africa, leveraging strong origination, risk management, and ESG integration. Read on pp. 16-17.

In addition, we look into U.S. trade wars that are hitting African markets hard, causing investor pullback, currency drops, and falling commodity prices, especially in countries reliant on exports like South Africa and the DRC. However, shifting global supply chains offer new opportunities, with countries like Ethiopia and Benin attracting manufacturing investment (p.22).

On the fundraising front, Yango Group, a global tech company bringing advanced technology to local communities, has launched Yango Ventures, a corporate venture fund designed to empower promising startups across Sub-Saharan Africa (Read on p.4).

For more up-to-date news, analysis and insights visit africaglobalfunds.com and don't forget to follow the magazine @AfricaGlobFunds on Twitter.

If you would like to get in touch with any comments or suggestions for future issues, please e-mail myself at a.lyudvig@africaglobalfunds.com

Best regards,

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Yango Group Launches Yango Ventures



Daniil Shuleyko,
CEO
Yango Group

Yango Group, a global tech company bringing advanced technology to local communities, has launched Yango Ventures, a corporate venture fund designed to empower promising startups across Sub-Saharan Africa, as well as LATAM, MENAP, and other high-growth regions of the company's presence.

Yango Ventures aims to foster local innovation and entrepreneurial growth by providing both capital and leveraging its extensive experience and network, creating opportunities for startups to scale effectively. This support is designed to help them generate sustainable impact within their communities.

"We're more than a tech company; we are an ecosystem committed to empowering entrepreneurs worldwide. At Yango Group, we believe that technology is not just about innovation — it's a catalyst for tangible progress. Through Yango Ventures, we're sharing our expertise and network to help startups scale, thrive, and drive meaningful change in their communities. Our mission is simple: let people grow with us. By supporting local talent with the right tools and resources, we aim to foster sustainable business growth and contribute to resilient, inclusive economies across the globe," said Daniil Shuleyko, CEO of Yango Group.

Yango Ventures focuses on early-stage startups, from Seed to Series B, in the O2O (Online-to-Offline), B2B SaaS, and FinTech sectors.

While it starts with an initial fund of \$20m, the corporate venture fund is designed for scalability, with plans to expand its capital base

in the near future alongside the growing entrepreneurial ecosystems in dynamic, high-growth markets.

By investing in startups across the African region, Yango Ventures seeks to support tech-driven solutions that promote digitalization and stimulate economic development in the continent.

The board of experts behind Yango Ventures comprises a diverse team with deep expertise in transforming B2B SaaS and B2C technology into impactful services across various industries worldwide. The team has successfully developed and scaled platforms and products in sectors such as mobility, entertainment, fintech, AI, and beyond, both within the company and externally.

Adeniyi Adebayo, Chief Business Officer of Yango Group, said: "Africa has immense entrepreneurial potential, and we want to contribute to this momentum by providing resources and a strategic network. Our goal is not just to invest, but to be a true partner, helping startups navigate the challenges of scaling and building sustainable businesses that create lasting value for their communities."

Yango Ventures is part of Yango Group's broader strategy to empower entrepreneurs and drive digital transformation globally.

The company's approach combines cutting-edge technology, business expertise, and a commitment to local ecosystems, creating sustainable growth opportunities for people across diverse markets.

Beyond funding, the company is committed to actively supporting local communities in African markets through networking events, mentorship programs, and partnerships with educational institutions to host events that give future innovators practical skills, including some initiatives like Yango Education, Yango Fellowship or their urban mobility Hackathons.

DEALS

Actis-Led Consortium Completes Acquisition of Swiftnet

A consortium led by Actis, a global investor in sustainable infrastructure, has completed the acquisition of a 100% stake in Swiftnet, a telecom tower portfolio in South Africa, from Telkom for an enterprise value of c. \$370m (R6.75bn).

David Cooke, Partner at Actis, commented: "It's terrific to have completed the acquisition of Swiftnet, which we aim to establish as the leading independent Towerco in South Africa. The business benefits from great relationships with its anchor tenants and mobile network

operators, which we plan to reinforce. It has all the ingredients to help bridge the need for tower densification and increased coverage to meet rapidly growing internet usage and demand, while further helping to unlock the potential of the South African digital economy by providing reliable and fast mobile connectivity."

The consortium that includes international and local investors, including the Mineworkers Investment Company (MIC), a 100% black-owned broad-based South African investment holding company, now

Deals & Exits

owns 70% of Swiftnet, partnering with Royal Bafokeng Holdings as the 30% shareholder.

Swiftnet has more than 4,000 telecom tower sites across South Africa. The platform will retain strong relationships with Telkom and other current anchor tenants as it aims to become a leading towerco in the country, expanding coverage in rural areas and increasing access to the internet while driving the transitions from 3G and 4G technology to 5G.

The transaction reinforces Actis' position as an important investor in South African digital infrastructure, having previously experienced a successful investment in Octotel, a leading fibre network operator in the Western Cape, that the firm exited in 2024.

Matthew McCollum, Director at Actis, said: "We believe Swiftnet has a unique portfolio of tower assets across South Africa and has the potential to drive forward the mobile market, notably by expanding

coverage and increasing access to 5G technology. This represents another exciting investment in digital infrastructure for Actis, building on our experience in the sector, and we look forward to working with the Swiftnet team to fuel the platform's growth as we embark on this new chapter."

The deal also aligns with MIC's strategic investment focus and its commitment to diversifying its portfolio through exposure to sectors with significant structural tailwinds, including those providing enabling digital infrastructure such as Swiftnet.

Cynthia Pongweni, Acting Chief Executive Officer at MIC, said: "We are thrilled to partner with experienced, reputable players like Actis and Royal Bafokeng. This transaction marks a significant step forward in advancing South Africa's digital connectivity and 5G capabilities, while contributing to the ongoing growth and modernisation of the telecommunications infrastructure in the country."

DEALS

AfricInvest Leads \$4m Investment in PayTic



Hassane Muhieddine,

CEO
AXIAN

AfricInvest through their Cathay AfricInvest Innovation Fund (CAIF) has led a \$4m investment round in PayTic with participation from Build Ventures, Axian Group, Mistral, Island Capital Partners, and Concrete.

Founded in 2020 by Imad Boumahdi, PayTic has quickly established itself as an innovative force in the payments industry. The company's solution automates and modernizes day-to-day operations for financial institutions, enabling scalability of payments and eliminating manual processes, supporting clients in Morocco, the UK, the Middle East, and North America.

Lavanya Anand, Senior Manager at Cathay AfricInvest Innovation Fund, said: "We were surprised when we discovered that payment reconciliation is a challenge not only for African companies but globally. The status quo is back-office teams using manual processes and Excel, which is inefficient especially as companies start to scale. PayTic has a global vision to address this issue, initially starting with software to automate card payments reconciliation and chargeback management. The Cathay AfricInvest Innovation Fund (CAIF) is proud to back an incredible founder in Imad and leverage our deep networks to accelerate PayTic's expansion into new markets in the MEA region."

Leveraging more than three decades of experience in Africa's financial services sector and its extensive network, AfricInvest Group is uniquely positioned to support PayTic's regional expansion.

Through this investment, CAIF seeks to further drive financial inclusion in Africa by championing a startup that creates efficiencies within digital financial services.

Hassane Muhieddine, CEO AXIAN Financial Services, added: "Alongside AXIAN's investment and to create synergies, we have also engaged the group's banking subsidiaries with PayTic by signing a partnership agreement with BNI Bank and MVola Bank in Madagascar. We are fully convinced that PayTic will develop its offers on the African continent and beyond over the coming years."

Rob Barbara, Partner at Build Ventures, said: "Backing PayTic from the start and continuing our support in the seed extension is a testament to our confidence in the team's vision, execution, and ability to drive meaningful change in the industry. We believe PayTic is building something truly transformative, and we're excited to be part of their continued growth."

Through the 212 Founders program by CDG Invest, Managing Director Nawfal Fassi Fihri, stated: "We invested in PayTic due to its innovative approach and ability to address the evolving needs of the digital payments landscape. With a strong leadership team and a clear vision, PayTic is well-positioned to drive market disruption and capture significant growth in the years ahead, creating a transformative impact on businesses and consumers across borders."

PayTic differentiates itself in a market worth billions of dollars by targeting leaders who are driving innovation in the payment industry and are looking to implement solutions correctly from the start.

Industry leaders including ALLPAY, AFS, CFG Bank, CIH Bank, OGS (Operation Global Services), and WFC (Windsor Family Credit Union) have already recognized the value of PayTic's approach.

PayTic is accelerating the future of payment reconciliation with the imminent launch of its innovative, no-code, and processor-agnostic module. This leap forward promises to dramatically reduce

reconciliation times and complexity, delivering unparalleled agility for businesses in a rapidly evolving market.

"This investment represents global recognition of the progress we are making," said Imad Boumahdi, Founder of PayTic. "It also brings more expertise to the table which will help us shape PayTic's future together."

DEALS

Verdant Capital Hybrid Fund Makes Follow-On Investment in LOLC Africa

Verdant Capital Hybrid Fund, managed by Verdant Capital, has completed an additional investment of \$4.5 million in LOLC Africa Singapore. This investment brings the total investment in LOLC Africa to \$13.5 million. This follows the initial investment of \$9 million in LOLC Africa, completed in June 2023.

Both investments are structured as holding company loans, and they are being directed towards LOLC Africa's operating lending subsidiaries in Zambia, Rwanda, Egypt, Kenya, Tanzania, Nigeria, Malawi, Zimbabwe, Ghana, and the Democratic Republic of Congo. Founded in 1980 in Sri Lanka, LOLC entered the African continent in 2018. Verdant Capital Hybrid Fund is the first external investor in LOLC Africa's operations, reflecting the Fund's catalytic investment approach.

These investments are driving the expansion of LOLC Africa's micro, small and medium enterprises (MSMEs) financing footprint across the continent. Additionally, the Fund's Technical Assistance Facility (TAF) has offered financial support for LOLC Africa's Social Ratings and Client Protection Pre-Certifications for its subsidiaries in Zambia and Egypt, with further Technical Assistance initiatives in the pipeline.

LOLC is recognised as one of the top-performing global microfinance groups, and the Fund's investment aligns with its strategy of picking the top performers in each theme or category. LOLC's business model focuses on the "bottom of the pyramid", increasing access to MSME financing and customer deposits, thereby advancing financial inclusion, job creation, income generation, and economic growth.

The Fund's investment will provide LOLC Africa with more funding to support and expand the lending activities of its existing subsidiaries in Africa, primarily targeting MSMEs. Furthermore, the investment will strengthen the capital bases of the existing and potentially new subsidiaries in Africa.

LOLC's expansion of its MSME lending model is not only about pursuing its commercial ambition but is also a commitment to sustainable and socially responsible growth. This investment represents a diversified exposure to multiple African markets as LOLC continues to scale its operations. The Fund's investment is also yielding a return aligned with the Fund's return target, reinforcing the value of supporting high-impact financial inclusion initiatives in emerging markets.

DEALS

Janngo Capital - Led Investment Consortium Backs Djamo

Janngo Capital, with participation from SANAD Fund for MSMEs (managed by Finance in Motion), Partech, Oikocredit, Enza Capital and Y Combinator, have invested \$17m in Djamo, a financial services app revolutionizing mobile banking in francophone Africa.

"We are thrilled to lead the largest VC funding round in Ivory Coast and double down on Djamo, a mission-driven fintech transforming access to financial services across Francophone West Africa. Djamo serves 10,000 SMEs and over 1 million people in Ivory Coast and Senegal – 60% of whom were previously unbanked. In a region where less than a quarter of adults have access to formal financial services, and where women remain twice as likely to be excluded, this is a vital mission. With women representing a third of its users, Djamo is not only bridging the gender gap but also unlocking economic

opportunities at scale. We are proud to support their vision to accelerate access to finance across the region, in a more equal way," said Fatoumata Bâ, Founder and Executive Chair, Janngo Capital.

Founded by Régis Bamba and Hassan Bourgi, Djamo is building the future of banking for the next generation of African consumers.

By bridging the gap between traditional banking systems and the financial needs of digital natives, Djamo offers simple, affordable, and mobile-first banking solutions.

Since its launch in 2021, the company has expanded its operations in Côte d'Ivoire and Senegal, rapidly growing its customer base to over 1 million customers and 10,000 SMEs.

"Supporting SMEs is vital for economic stability and growth in the fund's target regions of MENA and select countries in SSA, and

especially so in vibrant regions like Western Africa,” said SANAD Board Chairperson Dr. Daniela Beckmann.

“The SANAD Fund's contribution underscores our commitment to fostering inclusive financial ecosystems and empowering small businesses through innovative solutions. We believe this partnership will help drive inclusive financial services to local entrepreneurs across the region.”

Djamo offers a complete range of services, including a personal account with a bank routing number and a Visa card, both free of monthly fees or overdraft charges.

Users can also access automated savings, an investment platform, and business banking solutions for SMEs, all through a single app.

The company has recently expanded its transfer-in options by allowing users to deposit funds directly with an agent at no cost, eliminating the need to visit bank branches or transfer from mobile money with additional fees. Additionally, Djamo is in the process of securing licenses that will enable it to offer essential banking services such as interest-bearing savings, and lending capabilities.

“Oikocredit is committed to continue supporting Djamo through this additional investment. Since our first investment in 2022, Djamo's founders and team have shown an impressive execution capability. We are well aligned with Djamo's mission to provide a wide range of affordable financial services to the unbanked population in West Africa,” said Sébastien Rigaud, Head of Equity investments for Africa at Oikocredit.

The new equity funding will enable Djamo to enhance its platform with best in class spending, saving, investing and borrowing features, delivering a seamless banking experience tailored to the needs of digital-first consumers.

“This investment is a major step toward our vision of building one of the most iconic financial services platforms in Francophone Africa”, said Hassan Bourgi, Co-founder & CEO of Djamo.

“Millions of people in our region remain underserved by traditional banks or stuck in mobile money ecosystems without access to wealth-building and fair financing opportunities. We are committed to providing them with seamless, affordable, and innovative banking that truly meets their needs.”

EXITS

uMunthu Fund Exits Baobab Nigeria

Altheia Capital and Goodwell Investments have announced the first exit of their joint uMunthu Fund - Baobab Nigeria, a financial institution creating meaningful impact in sub-Saharan Africa by providing inclusive banking services to individuals and MSMEs in underserved areas.

More than 12 years after investing in Baobab Nigeria (first via their GWAMDC fund and later uMunthu), Altheia and Goodwell have now

uMunthu represented the first private capital investors working in northern Nigeria (previously the realm of DFIs).

Additionally, Altheia and Goodwell were the first local, on-the-ground investors in Baobab - prior to this investment there were no Nigerian investors represented on the company's board.

Since that first investment, Altheia and Goodwell have poured hands-on, proactive expertise into Baobab.

“The impact of this now-completed partnership is far-reaching: from operating only in Kaduna state to 16 states in Nigeria, Baobab Nigeria has grown from serving 19,000 customers through a regional network of five branches to serving 230,000 customers through a national network of 38 branches

exited the investment.

The impact of this now-completed partnership is far-reaching: from operating only in Kaduna state to 16 states in Nigeria, Baobab Nigeria has grown from serving 19,000 customers through a regional network of five branches to serving 230,000 customers through a national network of 38 branches.

Significantly, this was achieved by continuing to serve Baobab's original, inclusive customer base, with average loan and deposit sizes remaining consistently small throughout the period of impressive growth.

A joint vision for inclusive financial services was the core motivation for Altheia and Goodwell's investment in Baobab (then trading under the name MicroCred) in 2012.

This led to a further investment through the uMunthu Fund in 2015.

uMunthu supported the bank's professionalisation, enabling improved governance at board and management level, driving its growth from a unit microfinance institution (MFI) to a top national MFI.

It also advised on financial structuring, and provided access to local networks and a deep understanding of the local business environment.

These improvements drove the bank's expansion within Nigeria, making it the jewel of the Baobab portfolio and emphasising the potential for sustainable success in emerging markets.

At the start of the investment relationship, up to 70% of Nigeria's overall population lacked access to financial services.

The numbers were even more drastic in northern Nigeria, Baobab's primary area of operation.

Over the past decade, Baobab Nigeria has played a significant role

in closing the financial inclusion gap, with government statistics citing that 26% of Nigerians lacked access to financial services in 2023 - a notable improvement.

Since the initial investment in 2012, Baobab has reached 12 times more customers through 7.6 times more bank branches, with the support of 3.2 times more staff. All this whilst the average loan and deposit sizes remained small, at NGN 2 million (EUR 1,250) and NGN 91,000 (EUR 58), confirming Baobab's ongoing commitment to reaching underserved audiences. During this time, the company's balance sheet increased 37 times and its loan book size increased 43.5 times.

The financial value of uMunthu's investment tripled in Naira value during the holding period, truly demonstrating what is possible with patient capital.

This exit marks a new phase for Baobab Nigeria, as uMunthu passes the baton to the holding company.

Now fully owned by the international Baobab Group, the Nigerian team plan to keep doing what works: serving the underserved,

positively impacting the businesses and communities that have come to rely on - or are just now learning of - Baobab's inclusive, scalable financial services.

"This was a bank that was operating out of a single room in northern Nigeria when we invested, and today it is top-three nationally licensed microfinance bank. We've walked a journey of leadership, governance, and financial and impactful growth, scaling from small beginnings through to the top-tier national microfinance bank that it is today. We're proud of what's been achieved together, and look forward to seeing where the future will take Baobab Nigeria," said Alitheia Managing Partner Tokunboh Ishmael.

The Alitheia and Goodwell teams are continuing this pragmatic, locally led, hands-on approach with the rest of the uMunthu portfolio, and are optimistic about the potential for additional exits in 2025.

Meanwhile, their uMunthu II Fund is entering its final fundraising phase; it is actively seeking investors who want to be involved in the kind of success and impact Baobab Nigeria has demonstrated.

INVESTORS

PIC Backs Africa50 with \$40m



Alain Ebobissé,
CEO
Africa50

The Public Investment Corporation (PIC), representing the Government Employees Pension Fund (GEPEF) of South Africa, has made a \$40m investment in Africa50 Group, a pan-African infrastructure investor and asset manager,

becoming its 36th shareholder.

Kabelo Rikhotso, PIC's Chief Investment Officer, said: "We are excited about the investment in Africa50, as it aligns with our rest of Africa Investment strategy. Africa50's extensive presence and expertise

as a shareholder is an important milestone and provides a significant boost to Africa50's mission of mobilizing African institutional investors to drive infrastructure development across the continent.

The PIC is South Africa's state-owned asset management company with \$141.5bn of assets under management (AuM).

The PIC's investment is a testament to Africa50 group's ability to unlock new and deep pools of capital for transformative infrastructure across the region.

As Africa50's 36th shareholder, the PIC joins 32 African states, the African Development Bank (AfDB), the Central Bank of West African States (BCEAO), and the Bank Al-Maghrib. The development reinforces Africa50's position as a pioneering infrastructure investor, asset

"Public Investment Corporation of South Africa's position as a shareholder sends a strong signal to the market about Africa50's ability to deliver value for investors and economies"

across the continent provides PIC with a valuable opportunity to achieve both financial and developmental objectives in line with our client mandates."

"This partnership will help address the slow pace of infrastructure development and address the significant infrastructure deficit in Africa. PIC remains committed to the African continent's growth and looks forward to a strong strategic collaboration with Africa50 and our other partners to drive sustainable infrastructure investment".

The PIC—one of Africa's largest asset managers—joining Africa50

manager and mobilizer of institutional capital.

Alain Ebobissé, CEO of Africa50, said: "As Africa's largest asset manager, the Public Investment Corporation of South Africa's position as a shareholder sends a strong signal to the market about Africa50's ability to deliver value for investors and economies. We see this development as a strategic partnership, where the PIC will benefit from Africa50's project development expertise and geographic footprint, as we seek to accelerate infrastructure delivery across Africa, fostering sustainable development and economic growth."

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INVESTORS

AfDB Mulls \$500m Facility to Mobilize Financing for Smallholder Farmers



Dr. Akinwumi Adesina,
President
AfDB

African Development Bank Group's President Dr. Akinwumi Adesina has announced plans to launch a \$500m facility designed to unlock \$10bn in financing for smallholder farmers and small agribusiness enterprises across Africa.

Speaking at the High-Level Conference on Scaling Finance for Smallholder Farmers in Nairobi, Adesina revealed that Bank management is currently consulting with its Board of Directors on establishing this groundbreaking facility.

The facility will deploy multiple financial instruments, including trade credit guarantees, first-loss coverage, blended finance

The Bank has approved 77 projects valued at \$3.9bn to support the implementation of Country Food and Agriculture Delivery Compacts across 32 countries, with an additional \$1.72bn in planned approvals this year.

The Bank has launched several major initiatives to strengthen smallholder farmers:

The Technologies for African Agricultural Transformation (TAAT) initiative has reached 25 million farmers with high-yield, climate-resilient crops, boosting Africa's food production by 120 million tons.

The African Emergency Food Production Facility, a \$1.5bn program, has delivered 459,000 tons of seed and 2.8 million tons of fertilizer to 12.3 million farmers, producing 37.6 million metric tons of food.

The Special Agro-Industrial Processing Zones initiative has invested \$934.51m, with \$938.27m in co-financing, supporting 27 projects in 11

“Speaking at the High-Level Conference on Scaling Finance for Smallholder Farmers in Nairobi, Adesina revealed that Bank management is currently consulting with its Board of Directors on establishing this groundbreaking facility

mechanisms, and origination incentives to reduce the high transaction costs of serving enterprises, complemented by technical assistance.

“We stand on the threshold of making history by pushing the boundaries of innovation and building extensive collaborative alliances to bridge the financing gap faced by smallholder farmers and agribusinesses,” said Adesina in his keynote address.

Organized in partnership with the Pan African Farmers' Organization (PAFO), the conference sought to address Africa's critical \$75bn annual financing gap for farmers and agricultural enterprises.

Adesina, who was recently awarded Kenya's highest national honor (<https://apo-opa.co/4b0A8Rm>) by President William Ruto—called for global action: “Together, let us unleash the potential of agriculture in Africa. Let us make Africa the breadbasket of the world. And together, let us feed Africa with pride!”

Adesina highlighted substantial progress since the 2023 Dakar 2 Feed Africa Summit, where 34 African heads of state committed to ensuring food security and sovereignty.

Financial commitments from development partners have surged from an initial \$30bn to \$72bn in less than a year, with the African Development Bank pledging \$10bn.

countries.

The Affirmative Finance Action for Women in Africa (AFAWA) program has approved \$2.52bn in funding for 24,000 women-led businesses.

The African Fertilizer Financing Mechanism has implemented trade credit guarantees in nine countries, distributing 125,193 metric tons of fertilizer worth \$62.8m to 776,971 smallholder farmers.

The Inputs Supplier Risk Sharing Program, a \$600m initiative, is working to de-risk input supply chains in Uganda, Kenya, Tanzania, Ghana, and Zambia.

The Mobilizing Access to the Digital Economy (MADE) Alliance Africa, in partnership with Mastercard, has seen the Bank commit \$300m to integrate 3 million farmers in Kenya, Tanzania, and Nigeria into the digital economy.

Currently, only 6% of African smallholder farmers have access to credit, and less than 20% use improved seeds. Financial institutions often perceive smallholder farmers as high-risk borrowers due to climate variability and lack of collateral. Bank lending to agriculture remains low, accounting for less than 5% of total loan portfolios in many African countries, despite the sector being a major economic driver.

“For some of you, these numbers may sound familiar; for the rest

of us, they should be frustrating to hear. We must act now to change this reality," urged Dr. Beth Dunford, Vice President for Agriculture, Human, and Social Development at the Bank, speaking at the opening session on Monday.

Development, Senator Mutahi Kagwe, called for urgent implementation: "If we prioritize innovative, practical measures, we will transform agriculture into a thriving business. Let's commit to ensuring that no farmers are left behind due to lack of finance."

"If we want to save our continent from hunger, malnutrition, and poverty, we must create jobs in the agricultural sector. There is no other sector capable of doing this"

PAFO President Ibrahima Coulibaly

PAFO President Ibrahima Coulibaly urged stakeholders to take bold action: "If we want to save our continent from hunger, malnutrition, and poverty, we must create jobs in the agricultural sector. There is no other sector capable of doing this."

Kenyan Cabinet Secretary for Agriculture and Livestock

On Tuesday, a panel of leading global and African financial experts also issued a resounding call to align financial structures with the needs of smallholder farmers. They underscored the crucial role of government in creating an enabling environment for financial institutions to expand agricultural lending.

INVESTORS

Norfund Commits \$7.5m to Inside Equity Fund II



Jérôme Lagesse,
Managing Partner
Inside

Norfund has announced a \$7.5m investment in Inside Equity Fund II, a private equity fund dedicated to supporting small and medium-sized enterprises in some of the most underfinanced and least developed markets in Southeast Africa.

"We look forward to seeing Inside Capital Partners continue its important work, driving economic growth and sustainable impact in Africa's least developed countries," Norfund said in a statement.

This investment brings the fund's total capital to at least \$62m, strengthening its ability to provide long-term financing to businesses that drive job creation, waste reduction, access to clean energy, and gender equality.

Access to finance remains one of the biggest barriers for SMEs in Africa's least developed countries. Many businesses with strong strategic and growth potential struggle to secure the capital needed to scale, particularly in high-risk markets where private equity funding is scarce.

Inside Equity Fund II addresses this gap by targeting one of the most

challenging SME segments, providing financing to businesses that can drive economic transformation. The fund prioritizes sectors that contribute to sustainable development, such as recycling, renewable energy, and sustainable construction, fostering both economic and environmental progress.

The fund will initially invest in Madagascar, Zambia, and Mauritius, potentially with opportunities for expansion into Mozambique and Tanzania—countries where SME growth is equally critical to economic resilience.

This partnership builds on the success of Inside Capital Partners' first fund, which supported high-impact businesses across the region. Our investment was formalized in Lusaka, Zambia, reinforcing our commitment to financing SMEs that strengthen local economies and create opportunities in underserved communities.

"At Inside, we view investment as a powerful catalyst for transformation. By welcoming Norfund as a Limited Partner, we are deepening our commitment to sustainable growth in Africa's most underfinanced markets and leveraging our collective expertise to drive meaningful change. Together, we are channeling capital into high-impact SMEs, creating lasting economic opportunities and advancing sustainable development across the region," said Jérôme Lagesse, Managing Partner at Inside.

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Blending Africa's Capital Stack for Scalable Impact



Catherine Cax,
Managing Director

Investments at Soros Economic Development Fund

Africa stands at a pivotal moment in its economic journey. With a young, rapidly growing population, abundant natural resources, and accelerating digital transformation, the continent holds immense promise. However, unlocking this potential requires a fundamental shift in how capital is mobilized and deployed.

Central to this shift is the need to diversify Africa's capital sources and leverage blended finance to de-risk investments, optimize returns, and build scalable, resilient economic systems.

Blended finance offers a powerful solution by strategically combining concessional and commercial capital to reduce risk and enhance the bankability of projects. Through mechanisms such as guarantees, subordinated debt, technical assistance, and first-loss capital, blended finance can improve the risk-return profile for private investors, encouraging their participation in sectors and regions they might otherwise avoid.

Africa Global Funds's Anna Lyudvig spoke with Catherine Cax, Managing Director, Investments at Soros Economic Development Fund, to learn more.

ANNA LYUDVIG (AL): HOW DO YOU VIEW THE ROLE OF BLENDED FINANCE IN BRIDGING THE GAP BETWEEN TRADITIONAL INVESTMENT APPROACHES AND IMPACT INVESTING, PARTICULARLY IN AFRICA'S UNDERSERVED SECTORS?

CATHERINE CAX (CX): Blended finance (BF) can be critical to bridging the gap between traditional and impact investments by lowering risks (actual and perceived) for traditional investment and expanding impact potential for impact investment.

BF can encourage greater financial innovations (downside risk protection, returns enhancement, structured liquidity/exit events, etc.) to better mobilize traditional investment.

BF also enables impact investors to expand impact potential by channeling traditional investors into markets and sectors that are often overlooked by traditional investors, but have high impact potential (climate and gender investing from early stage to growth stage investing).

AL: GIVEN YOUR EXPERIENCE IN STRUCTURING INVESTMENTS, WHAT DO YOU BELIEVE IS THE IDEAL BLENDED FINANCE STRUCTURE FOR AFRICA?

CX: There is no one ideal BF structure for Africa and BF structures are still being innovated, but generally traditional investors are concerned about downside risk protection. For fund investment, first loss structures are increasingly being developed. However, a balance needs to be struck between the level of concessionality required to mobilize senior capital and the extent to which senior capital should in fact be exposed to some level of underlying risk.

AL: BLENDED FINANCE IS OFTEN USED TO MITIGATE RISK FOR PRIVATE INVESTORS. WHAT ARE SOME OF THE UNIQUE RISKS THAT PRIVATE INVESTORS FACE IN AFRICAN MARKETS, AND HOW CAN THE USE OF FIRST-LOSS TRANCHEs OR OTHER MECHANISMS REDUCE THESE RISKS WHILE ENSURING ATTRACTIVE RETURNS?

CX: No risks are unique to the continent, but what we see is that the traditional PE model is not working as anticipated, which calls for more reflection and innovation in terms of structures that can cope with volatile macro environments, further stressed by current geo-politics.

AL: IN YOUR EXPERIENCE, WHAT STRATEGIES HAVE BEEN MOST SUCCESSFUL IN MOBILIZING CAPITAL FROM A DIVERSE GROUP OF INVESTORS—SUCH AS DEVELOPMENT FINANCE INSTITUTIONS, IMPACT, AND COMMERCIAL INVESTORS - FOR BLENDED FINANCE INITIATIVES IN AFRICA?

CX: The presence of concessional capital alone is not sufficient to mobilize commercial capital at scale. We need strengthened collaboration amongst investors to streamline processes to accelerate timelines.

AL: LOOKING AHEAD, WHAT DO YOU THINK NEEDS TO CHANGE IN TERMS OF CAPITAL FLOWS OR FINANCING STRUCTURES TO BETTER MEET AFRICA'S LONG-TERM DEVELOPMENT NEEDS?

CX: We all need to lean in more and accept more risk and be more transparent about our respective risk tolerances. We also need to be more open when it comes to learning and sharing of success/failure stories for BF in Africa. We need to keep things simple when possible!

INVESTING WITH IMPACT: BII Steps Up In African PE

British International Investment (BII), the UK's development finance institution (DFI) and impact investor, has recently acted as an anchor investor in the new Summit's Private Equity Fund II. Africa Global Funds' Anna Lyudvig spoke with **Sara Taylor, Head of Private Equity Funds and Co-Investments, British International Investment**, to learn more about investing in PE funds and emerging trends that are shaping how DFIs invest in private equity in Africa.



Sarah Taylor,
Head of Private Equity Funds and Co-Investments
British International Investment

ANNA LYUDVIG (AL): PLEASE TELL US ABOUT YOUR LATEST INVESTMENT IN THE SUMMIT AFRICA FUND. WHY DID YOU CHOOSE TO BE THE ANCHOR INVESTOR?

SARA TAYLOR (SG): Building on the strong impact and financial performance of Summit Private Equity Fund I, which BII backed in 2021, we have stepped in as an early anchor investor in Fund II. This will support SMEs in key sectors, such as financial services, ICT, food and agriculture, that improve the livelihoods of people in South Africa and the Southern African region. We aim to unlock more capital from other DFIs and local institutional investors.

BII's investment reinforces our commitment to increasing investment in Black-owned and led businesses in Africa, who often face challenges in accessing capital. We will also support women empowerment as the Fund is qualified as a 2X investment. A core focus for Summit over the life of each investment is increasing representation from a race, gender and inclusion perspective.

AL: WHAT CRITERIA DO YOU USE TO SELECT PRIVATE EQUITY FUNDS FOR INVESTMENT?

SG: We are an impact investor. We look for fund investments that can help channel our capital to impactful businesses and projects addressing some of the most pressing global development challenges, such as tackling climate change, driving inclusion, addressing infrastructure gaps, or supporting food security. We also seek partners with a strong commercial track record, including successfully growing and exiting companies.

Through fund investments, we also seek opportunities to partner through other products and tools, such as debt, equity co-investments and technical assistance. We want to support the creation of capable PE fund managers with the right skills, networks and strong internal systems (risk, E&S, business integrity) that can attract capital and invest responsibly.

AL: HOW HAS YOUR INVOLVEMENT IN AFRICAN PRIVATE EQUITY FUNDS EVOLVED OVER THE PAST YEARS?

SG: Since the 1990s, BII has played a pioneering role in developing the private equity industry in many of the regions where we operate. We made our first fund investment in 1996 and have historically been the largest fund investor in Africa.

The industry is now bigger and more diverse than 20 years ago, bringing economic development benefits to the countries in which we operate, such as job creation and tax revenues. As the industry evolves, so has our strategy.

Our strategy focuses on working with partners that share our values and can deliver transformational economic, social, and environmental change. This includes co-investing as a way of targeting our capital towards our key impact objectives. Our partnership with GPs gives us access to local market expertise and industry specialisation that is additive to what we have in-house. Investing in funds helps us mobilise new capital into our markets from investors looking for an entry point to invest in emerging markets and/or who do not have direct investment capacity.

Another way is through LP secondary transactions which can help to attract new investors by giving them visibility into a portfolio of fund investments. Last year, we completed our first such transaction, selling part of our stake in three funds across Africa and Asia to Blue Earth Capital.

AL: WHAT TYPE OF FUNDS ARE YOU PRIORITISING FOR INVESTMENT IN THE COMING YEARS?

SG: We support a broad spectrum of funds across our sector verticals, from private equity and infrastructure to private credit and venture capital, with capital pools of different risk appetites. Some key themes, amongst others, include climate, diversity, gender, SMEs, and reaching low-income segments.

In some cases, we will work with partners to build entirely new intermediated structures to address particular impact and market needs – for example, Symbiotics Green Basket Bonds and Growth Investment Partners to support SMEs.

AL: WHAT ARE THE BIGGEST CHALLENGES FACING PRIVATE EQUITY INVESTORS TODAY?

SG: Firstly, the macroeconomic environment remains challenging, with foreign exchange and inflation risks as well as ongoing global trade uncertainty. Execution challenges of underlying business models and limited exit opportunities prolong holding periods, ultimately impacting net returns for LPs. This creates a difficult fundraising climate for many funds in our markets. While it is harder to raise funds, it is also harder to mobilise private capital to the market.

As an industry, there is increased focus on mobilising additional pools of capital to ensure the growth and sustainability of the private capital ecosystem. Some of the barriers to this mobilisation include, but not limited to, the lack of available performance benchmark data for African private capital funds and regulation. The lack of benchmark data amplifies the difficulty in market comparison for Africa-focused funds and the opportunity for Africa to market itself amongst other emerging markets particularly.

AL: WHAT EMERGING TRENDS ARE SHAPING HOW DFIS INVEST IN PRIVATE EQUITY IN AFRICA?

SG: Climate finance is becoming increasingly important. We focus on decarbonising emissive sectors and investing in climate technology, leading to the rise of both mainstream and new funds dedicated to climate strategies.

This requires innovative thinking and groundbreaking solutions to unlock more climate finance into emerging economies.

AL: HOW CAN DFIS IMPROVE COLLABORATION WITH AFRICAN GOVERNMENTS, REGULATORS, AND INVESTORS TO SUPPORT PRIVATE EQUITY GROWTH?

SG: As the UK's DFI, we continue to support the development of the fund industry more broadly, so that more investors have the confidence to invest in emerging economies. This includes sharing best practices and providing guidance on some of the key areas mentioned above like ESG and climate risk as mentioned above.

There are pools of homegrown capital that can be further unlocked and directed towards private capital and ultimately promoting economic development on the continent.

We have been supporting industry associations on this front. For example, we supported the pilot launch of AVCA's [Knowledge Exchange Initiative](#) in Ghana. The 12-month fellowship helps corporate trustees in Ghana with the foundational knowledge of the private capital asset class practical skills and access to peer investor expertise to navigate the risks and reward of allocation.

Finally, we are also finding ways to partner with other investors, mainly DFIs, in being more efficient as we process investment opportunities, for example, sharing diligence reports or more syndications on the debt side.

AL: HOW DO YOU SEE THE PRIVATE EQUITY LANDSCAPE IN AFRICA EVOLVING OVER THE NEXT DECADE?

SG: The continent's strong fundamentals of a growing and young population, urbanisation and digitisation will continue to drive opportunities and demand across sectors such as financial services,

“The continent's strong fundamentals of a growing and young population, urbanisation and digitisation will continue to drive opportunities and demand across sectors such as financial services, manufacturing, energy, and consumer markets

Sara Taylor, Head of Private Equity Funds and Co-Investments, British International Investment

Earlier this year, we issued a [call for proposals](#) for our recently launched Mobilisation Facility to work with asset managers and achieve this goal.

To attract more private capital to Africa, we also work with fund managers to refine their strategies and strengthen their responsible investing practices and corporate governance with our series of toolkits on ESG, TCFD and gender. Our [Climate Investment Playbook](#) also helps guide investors in enhancing climate investments. This goes beyond just providing capital. By helping them build operating capacities, we can have a lasting impact beyond the life of our direct relationship as an investor in their funds.

The venture capital ecosystem in Africa is growing. DFIs, including ours, are actively interested in this space and continue to explore investment opportunities to encourage innovation in nascent sectors and as a way of enhancing inclusion. At BII we are also interested in reaching lower income countries, which may lend itself to intermediated investing. As mentioned earlier, we also expect to see more secondary transactions that build the liquidity required for a healthy, growing private equity market.

manufacturing, energy, and consumer markets.

In terms of exits, we see continue to see the majority to strategic/trade and financial investors with a smaller portion in IPOs. We hope to see revitalisation of stock markets such as the Casablanca Exchange in Morocco. Stable governance, currency, and investor confidence will provide positive exit channels.

Increased investment from local institutional investors will be important. This is an area we are supporting with the AVCA Knowledge Exchange Initiative as mentioned above. We hope to see a more diverse and inclusive market, tapping broader opportunities.

Consolidation among managers is likely, helping to build track records and attract investors. While established managers will lead growth, we will support first-time managers where the impact and commercial case is strong.

Overall, the African private equity industry will continue to benefit from DFI capital in the near future, addressing the more limited risk capital from commercial sources, though we hope to see an increase in international capital following some trends like capital from the Middle East and Japan. BII remains committed to the African private equity sector and to backing funds across our markets.

SOUTH AFRICAN PRIVATE CREDIT FIRM'S NEW CEO REVEALS BOLD VISION FOR GROWTH AND INNOVATION



Creation Capital was founded in 2017 to provide sustainable funding solutions to the underbanked middle corporate market. The asset manager is a majority black-owned with a 7-year track record. Since inception, Creation Capital has sustained more than 3,400 jobs while delivering attractive, uncorrelated returns to clients. Africa Global Funds's Anna Lyudvig spoke with Kasief Isaacs, a recently appointed Chief Executive Officer, about the firm, his vision and opportunities and challenges in private credit markets.

ANNA LYUDVIG (AL): HOW DOES CREATION CAPITAL DIFFERENTIATE ITSELF FROM OTHER PRIVATE CREDIT PLAYERS IN TERMS OF DEAL SOURCING AND STRUCTURING?

KASIEF ISAACS (KI): While we source investment opportunities using various channels, we focus on quality investments that come from our trusted network of borrower companies, introducers, and peer investment managers. This process aligns with our partnership approach to financing that emphasises direct engagements with investees to craft tailored and innovative financing solutions that align interests, minimise risk, and promote sustainable finance.

AL: WHAT LESSONS FROM YOUR PREVIOUS EXPERIENCE WILL YOU BRING TO YOUR ROLE AS CEO?

KI: Infrastructure is particularly important to me given its core attributes such as steady predictable returns, significant downside protection, long-dated nature and ability to deliver tangible social impact both as a critical catalyst for economic growth and the ability to create and sustain significant employment levels. We aim to mobilise and deploy circa R5bn in the infrastructure space over the next several years.

AL: WHAT IS YOUR VISION FOR CREATION CAPITAL UNDER YOUR LEADERSHIP, AND HOW DO YOU PLAN TO DIFFERENTIATE THE FIRM IN THE PRIVATE CREDIT SPACE?

KI: South Africa's private credit space is fragmented with limited established institutional players. As CEO, my vision is to establish the firm as the preferred private credit asset manager in South Africa known for innovation, delivering superior risk-adjusted returns and tangible social impact while keeping our clients and our people at the heart of what we do.

WE AIM TO DIFFERENTIATE OURSELVES IN 3 SPHERES:

Enhanced transparency – Private credit, much like the rest of private markets, are still seen as opaque, murky and difficult to understand. We aim to change that by offering clearer reporting, deeper insight into our funds, governance, fees, our performance, our strategy and

our philosophy.

Meaningful relationships – Firstly, with investors and asset consultants to broaden understanding of and appetite for the sector and its fit in their strategies. Secondly, with borrowers and other stakeholders to sustain a deep pool of investment opportunities for our funds. Origination is critical part of what we do. To flip an adage on its head. "Quality in, quality out".

Laser focus – We will continue deepening our expertise in private credit, developing bespoke tailored solutions in senior debt, mezzanine debt and structured products, while prioritising the South African market where we can leverage our understanding of the market to unlock value for clients before expanding into other markets on the continent.

AL: WHAT DO YOU SEE AS THE BIGGEST OPPORTUNITIES AND CHALLENGES FOR PRIVATE CREDIT?

KI: The size of the global private credit market was estimated at \$1.4trn at the start of 2023 by Bloomberg while Moody's expects the market to grow to \$3trn by 2028. This rapid growth is fuelled by growing demand for private credit as commercial banks have limited appetite for the sector due to inter alia Basel III requirements and increasing economic uncertainty. Private credit offers superior risk-adjusted returns compared to traditional fixed income while delivering tangible impact benefits to clients. The interest rate environment is conducive for strong returns especially where products are priced off a floating rate base.

Challenges include macro-economic risks in the form of increased global economic uncertainty from excessive tariffs, low local GDP growth forecasts, deteriorating electricity, water and logistics infrastructure. Geo-political risks have changed materially due to deteriorating relationships with the U.S., a major trading partner, an unstable GNU and 2026 local government elections. There is also growing regulatory risk caused by increasing regulatory and compliance burdens. To mitigate these challenges, it is essential that investors work with asset managers that have strong track records and robust risk management capabilities.

AL: WHAT TYPES OF INVESTMENT OPPORTUNITIES ARE YOU CURRENTLY FOCUSED ON, AND HOW DO YOU SEE THE MARKET EVOLVING?

KI: We will shortly be launching an infrastructure focused credit fund. In addition to this, our priorities include finalising the launch of our Creation Yield Fund to partner with institutional investors in addressing the SME financing gap, recognising their crucial role in economic growth and innovation.

On market evolution, we foresee private credit market growth filtering into the SA market, boosting the competitive landscape and offering investors a wider range of funds for portfolio diversification.

AL: WHAT ARE THE KEY FACTORS INSTITUTIONAL INVESTORS SHOULD CONSIDER WHEN ALLOCATING CAPITAL TO PRIVATE CREDIT?

KI: *Portfolio level considerations* - Private credit is an attractive

ability to intervene earlier and more decisively than in the syndicated environment. Finally, the illiquid nature of private credit investments provides inherent protection against panic/ sentiment driven selloffs that are typical in public markets. The proof of the pudding is largely self-evident. Looking at recent very large corporate failures such as African Bank, Consolidated Infrastructure Group, Tongaat and even SA Taxi, the reality is that the commercial banks' exposures and listed credit exposures were significantly higher than private credit exposures in the same assets.

AL: HOW DO YOU SEE REGULATORY CHANGES IMPACTING PRIVATE CREDIT?

KI: Sector-specific regulation is highly likely. Given the bespoke features highlighted above, regulation needs to be tailored to take in specific characteristics of private markets vs. listed markets. As

“Private credit has on-going, continuing access to management and underlying performance indicators, giving us the ability to intervene earlier and more decisively than in the syndicated environment

Kasief Isaacs, Chief Executive Officer, Creation Capital

diversifier when compared to traditional asset classes. The asset class offers a higher yield potential when compared to fixed income due to illiquidity premiums, direct origination (when compared to the typical listed bond syndication model) and a higher exposure to floating rate linked instruments. The higher exposure to floating rate instruments also offers a natural hedge against both rising interest rates and inflation. Private credit will also continue to exhibit a lower correlation to equities and traditional fixed income.

Manager selection - Institutional investors should not lose sight of traditional factors such as team experience, track record and a rigorous investment process, to name a few whenever they allocate capital to a strategy. For private credit, investors should also consider more nuanced factors such as whether managers have experience of investing through different credit cycles, experience in managing non performing loans, managing workouts, breaches of agreements, etc.

AL: WHAT ARE SOME OF THE KEY DIFFERENCES BETWEEN PRIVATE CREDIT MARKETS COMPARED TO LISTED DEBT MARKETS?

KI: Fundamentally, the risk of a systemic market failure linked to private credit is significantly lower for several reasons. These include: Private credit is largely driven by idiosyncratic borrower and lender specific factors rather than general market movements or market sentiment. Private credit agreements are bilateral agreements between lender and borrower and designed at the outset to be held to maturity which reduces the potential contagion effect typically seen in public markets. Therefore, the risk of a single fund or instrument being large enough to cause a market failure is exceedingly unlikely.

Private credit providers typically have explicit, deal-specific covenants that borrowers must adhere to, stronger security packages including in some instances personal sureties from stakeholders in the borrower. Private credit has on-going, continuing access to management and underlying performance indicators, giving us the

a relatively nascent, but fast-growing sector in the SA market, we should, as a sector, look to collaborate with regulators and investors to deepen understanding of private credit and assist in shaping the regulatory framework.

AL: WITH ESG BECOMING A KEY CONSIDERATION FOR INVESTORS, HOW DO YOU BALANCE FINANCIAL RETURNS WITH RESPONSIBLE INVESTING?

KI: Achieving that balance is the essence of what we do. We understand that institutional investors' primary focus remains superior risk-adjusted financial returns and that is the primary value we offer to clients. Investors should not be expected to trade financial returns for social impact. The benefit of doing so via private credit is that we can deliver both financial returns and tangible social impact.

AL: DO YOU HAVE PLANS TO EXPAND CREATION CAPITAL'S REACH?

KI: As mentioned, we will shortly be launching an infrastructure focused credit fund. Given the significant infrastructure funding gap in South Africa and government's commitment to partner with the private sector in developing infrastructure, the need for credit solutions in this space is clear. Priority areas include water, affordable accommodation, energy generation and grid infrastructure.

Geographically, we are evaluating expanding into the common monetary area in the next few years and potentially into the broader SADC region in the long-term.

AL: WHAT ARE THE KEY STRATEGIC PRIORITIES FOR THE COMPANY OVER THE NEXT THREE TO FIVE YEARS?

KI: We are targeting to grow to a R10bn+ AUM firm within the next 5 years, respected and recognised for innovation, transparency, delivering superior risk-adjusted returns, and tangible social impact through private credit.

AFRICAN MARKETS PERFORMANCE

AFRICA SOVEREIGN BOND INDICES (TOTAL RETURNS USD %)

Country	March	3-Month	1-Year
Botswana	-1.37%	-0.16%	-0.68%
Egypt	2.88%	10.06%	27.26%
Ghana	7.69%	17.02%	24.91%
Kenya	1.91%	7.25%	37.78%
Mauritius	2.54%	1.26%	4.19%
Morocco	4.79%	7.29%	13.21%
Namibia	1.26%	3.94%	23.64%
S&P/FMDQ Nigeria	-1.35%	7.08%	6.12%
South Africa	1.17%	3.30%	24.05%
Tanzania	0.94%	-1.73%	14.60%
Uganda	0.75%	5.18%	20.18%
Zambia	5.77%	7.77%	20.72%

Source: S&P Dow Jones Indices

AFRICA EQUITY INDICES (BMI GROSS TOTAL RETURNS USD %)

Country	March	3-Month	1-Year
Botswana	1.01%	2.96%	23.78%
Cote d'Ivoire	-0.35%	4.70%	47.52%
Egypt	5.19%	7.87%	9.27%
Ghana	9.80%	16.66%	54.46%
Kenya	-0.90%	4.84%	29.53%
Malawi	0.53%	83.05%	209.77%
Mauritius	1.23%	6.36%	20.24%
Morocco	10.17%	26.82%	46.15%
Namibia	4.90%	9.25%	15.30%
Nigeria	-3.47%	6.33%	-2.69%
Rwanda	-0.44%	-2.26%	11.00%
South Africa	5.13%	7.73%	28.84%
Tanzania	0.03%	-1.51%	11.81%
Tunisia	6.43%	12.50%	22.05%
Uganda	0.01%	4.19%	58.60%
Zambia	5.71%	2.68%	29.27%

Source: S&P Dow Jones Indices

Exchange Rate (bid) vs US Dollar

Source: Refinitiv

Country	US dollar	4 weeks	52 weeks	Country	US dollar	4 weeks	52 weeks
	Latest	% change			Latest	% change	
Algerian dinar	132.80	0.60	1.52	Mauritian rupee	45.10	0.33	3.15
Angolan kwanza	921.12	0.00	-8.60	Moroccan dirham	9.30	4.22	9.48
Botswana pula	13.83	-1.43	-0.07	Mozambican metical	63.91	0.00	-0.05
CFA franc	579.06	4.19	6.60	Nigerian naira	1,604.09	-4.31	-28.00
Comorian franc	434.29	4.19	6.60	Rwandan franc	1,416.00	-0.37	-8.74
Congolese franc	2,873.00	-0.36	-3.16	Seychellois rupee	14.81	-0.71	-2.54
Egyptian pound	50.97	-0.64	-5.35	South African rand	19.00	-4.35	0.14
Ethiopian birr	132.72	-1.07	-57.15	Sudanese pound	600.50	0.08	-2.41
Ghanaian cedi	15.48	0.13	-13.11	Tanzanian shilling	2,678.00	-1.33	-3.70
Kenyan shilling	129.70	-0.19	1.00	Tunisian dinar	3.00	2.70	5.48
Libyan dinar	5.48	-12.26	-11.90	Ugandan shilling	3,666.00	-0.03	3.97
Malawian kwacha	1,735.00	-0.12	-0.07	Zambian kwacha	28.37	0.92	-11.70

PRIVATE EQUITY FUNDS & DEALS

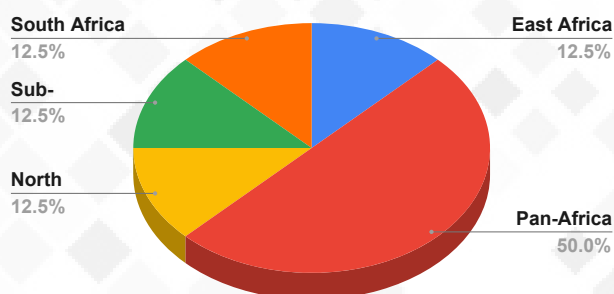
(as of the end of March 2025)

DEALS

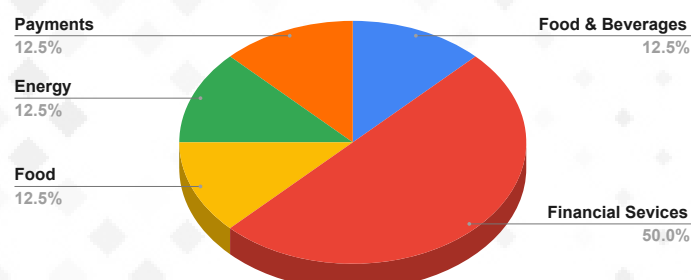
For more information on each transaction, visit Africa Global Funds's website

Company	Investment	Industry	Country	Deal Type	Deal Value
Alterra // Phatisa	Java House Africa	Food & Beverages	East Africa	Buyout	Undisclosed
BII	Alterra Accelerator Africa Fund	Financial Services	Pan-Africa	Equity	\$20m
DEG	Mediterranea Capital Partners	Financial Services	North Africa, West Africa	Follow-On	€15m
Emerging Africa & Asia Infrastructure Fund	CrossBoundary Energy Holdings	Energy	Pan-Africa	Debt	\$45m
Norfund	Inside Equity Fund II	Financial Services	Pan-Africa	Equity	\$7.5m
Renew Capital	NjiaPay	Payments	South Africa	Growth Capital	Undisclosed
Sahel Capital	MM LEKKER	Food	Sub-Saharan Africa	Growth Capital	\$400k
Swedfund	AfricInvest Small Cap Fund	Financial Services	Pan-Africa	Equity	€15m

DEALS BY COUNTRY



DEALS BY INDUSTRY



FUNDRAISING

Company	Fund	Geography	Style	Sectors	Final Close	Target Size
LoftyInc Capital	LoftyInc Alpha Fund	Nigeria, Egypt, Kenya, and Francophone Africa		Technology	\$43m	
Summit Africa	Summit's Private Equity Fund II	South Africa and the Southern African region	Growth Capital	Financial Services and ICT		R2.5bn
The Nigeria Sovereign Investment Authority (NSIA), Sustainable Energy for All (SEforALL), the International Solar Alliance (ISA) and Africa50	DRE Nigeria Fund	Nigeria		Renewable energy		\$500m
Yango Group	Yango Ventures	Sub-Saharan Africa, LATAM, MENAP	Seed to Series B	O2O (Online-to-Offline), B2B SaaS, and FinTech sectors		

EXITS

Company	Divestment	Industry	Geography	Buyer (s)	Nature of exit
Actis	Java House Africa	Food & Beverages	East Africa	Alterra // Phatisa	Secondary Buyout
Alitheia Capital // Goodwell Investments	Baobab Nigeria	Financial Services	Nigeria		

Source: AGF

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
337 Frontier Capital - Kimberlite Frontier Africa Fund (as-of 2025-03-31)										
7.32	3.05	29.32	12	11.87		Equity	Africa ex-SA	Cayman Isl.	Open-End	06/14
African Domestic Bond Fund (as-of 2025-02-28)										
	1	6.8	20.7	-11.5		ETF - local currency FI	African region	Mauritius	Open-End	9/18
African Lions Fund (as-of 2025-03-31)										
	1.2	25.21	38.12		37.34 (03/25)	Equity	SSA ex-SA	BVI	Open-End	10/20
Allan Gray Africa Bond Fund (as-of 2025-03-31)										
2.6	0.4	8.9	6	9.3	322.00 (03/25)	Fixed Income	Africa ex-SA	Bermuda	Open-End	3/13
Allan Gray Africa ex-SA Equity Fund (as-of 2025-03-31)										
7.09	3.66	9.41	-0.32	12.35	405.00 (02/25)	Equity	Africa ex-SA	Bermuda	Open-End	1/12
Commonwealth Africa Fund (as-of 2025-04-16)										
5.03	5.03	25.61	-2.53	15.14	3.98 (03/25)	Equity	African region	USA	Open-End	11/11
Coronation Africa Frontiers Fund (as-of 2025-03-31)										
7.01	2.96	19.61	-0.9	8.27	353.09 (01/25)	Equity	Africa ex-SA	Ireland	Unit Trust	10/08
DWS Invest Africa (as-of 2025-04-16)										
9.34	-2.55	16.39	-0.96	5.08	27.42 (03/25)	Equity	African region	Luxembourg	SICAV	07/08
EFG-Hermes MEDA Fund (as-of 2025-04-16)										
-3.4	-0.68	8.16	11.76	24.21		Equity	Africa & Middle East	Bermuda	Open-End	12/11
Enko Africa Debt Fund (as-of 2025-02-28)										
8.07	3.33	34.17	18.94	16.05	812.50 (02/24)	Fixed Income	Africa ex-SA	Mauritius	Open-End	10/16
Fidelity Funds - Emerging Europe, Middle East and Africa Fund A (as-of 2025-04-16)										
5.73	-4.68	11.16	3.62	2.5	245.76 (03/25)	Equity	EMEA	Luxembourg	SICAV	06/07
Imara African Opportunities Fund (as-of 2025-02-28)										
0.12	-1.95	-6.83	-12.7	-6.2		Equity	African region	BVI	Open-End	06/05

DISCLAIMER: All data is provided "as is" for your information and personal use only, and is not intended for trading purposes or advice.

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
Laurium Africa USD Bond Fund (as-of 2025-03-31)										
1.5	-1.5	6.8	3.9		50.50 (03/25)	Fixed Income ex South Africa	African region	Ireland	UCITS	04/21
Laurium Limpopo Master Fund (as-of 2025-03-31)										
8.72	3.7	27.43	9.87	8.99	198.30 (02/25)	Equity	Africa ex-SA	Cayman Isl.	Open-End	01/14
Mazi Capital Africa Fund (as-of 2025-03-31)										
8.86	4.2	16.58	-4.69	1.04		Equity	Africa ex-SA	South Africa	Open-End	01/16
MCB Africa Bond Fund (as-of 2025-02-28)										
	0.5	-3.2	-31.2	-28.9		Fixed Income	African region	Mauritius	Open-End	2/14
Ninety One Premier - Africa Fund A (as-of 2025-02-28)										
4.05	3.37	11.08	-14.36	-23.33	0.52 (02/25)	Equity	African region	Guernsey	Open-End	01/07
Old Mutual African Frontiers Flexible Income Fund (as-of 2025-02-28)										
	0.9	16.7			27.92 (02/25)	Fixed Income	African region	Ireland	OEIC	05/22
Old Mutual African Frontiers Fund (as-of 2025-03-31)										
8.09	3.27	27.19	4.38	8.46	278.09 (1/25)	Equity	Africa ex-SA	Ireland	Open-End	5/10
Sanlam Africa Equity Fund (as-of 2025-03-31)										
7.22	3.36	13.35	0.68	10.84		Equity	Africa ex-SA	Ireland	Open-End	07/15
Steyn Capital Africa Fund (as-of 2025-03-31)										
11.75	6.22	30.49	8.02	12.55	170.00 (01/25)	Equity	Africa ex-SA	Malta	SICAV	09/11
Sustainable Capital Africa Alpha Fund (as-of 2025-03-31)										
1.04	0.22	13.76	0.69	13.47		Equity	Africa ex-SA	Mauritius	Open-End	02/12
TCM Africa High Dividend Equity (as-of 2025-03-31)										
7.3	1.56	21.55	-1.51	4.08		Equity	Africa ex-SA	Holland	Open-End	03/08
T. Rowe Price Africa & Middle East Fund (as-of 2025-03-31)										
6.54	2.73	10.44	1.91	16.27	94.73 (03/25)	Equity	MENA & SSA	United States	Open-End	10/11

CAUGHT IN THE CROSSFIRE: AFRICAN MARKETS REACT TO US TRADE WARS

By: Anna Lyudvig, Africa Global Funds

Global trade tensions, particularly those driven by US tariff policies, rarely remain contained within the borders of the nations involved. What begins as a bilateral economic dispute between major powers—such as the United States and China—often sends ripple effects across global markets, including those in Africa.

The most immediate impact of U.S. tariff increases is the deterioration of global investor sentiment. Risk aversion rises with every tariff announcement, pushing investors toward safe havens like U.S. Treasuries and away from riskier frontier markets. This redirection of capital affects African exchanges, particularly the more globally integrated Johannesburg Stock Exchange (JSE).

In early April 2025, following the U.S. decision to hike tariffs on Chinese imports to 125%, the JSE recorded its sharpest single-week decline of the year—dropping more than 9% in market capitalization. This was compounded by South Africa itself becoming a target, with

suppresses domestic equity valuations.

LIGHT IN THE TUNNEL

However, not all outcomes are negative. There are emerging opportunities amid the disruption. With global supply chains shifting away from China, several African countries are positioning themselves as alternative low-cost manufacturing hubs. Ethiopia is making headway in solar panel component manufacturing, while Benin is investing in a vertically integrated textile industry geared toward global brands seeking diversification.

Foreign direct investment (FDI) in Africa's manufacturing sector is expected to increase by around 4% in 2025, according to the Pan-African Manufacturers Association. This shift is driven not only by U.S.-China tensions but also by the growing credibility of the African Continental Free Trade Area (AfCFTA), which offers a 1.4 billion-consumer market and

“There are emerging opportunities amid the disruption. With global supply chains shifting away from China, several African countries are positioning themselves as alternative low-cost manufacturing hubs

U.S. tariffs of 30% levied on its aluminum and steel exports. Such moves send strong signals to institutional investors, leading to abrupt capital outflows and increased volatility.

Many African stock markets are tied to the fortunes of commodities. Countries like Nigeria (oil), Zambia (copper), and the Democratic Republic of Congo (cobalt) are particularly sensitive to shifts in global demand, especially from China. As trade frictions slow global growth, commodity prices tend to weaken.

For instance, cobalt—vital for electric vehicle batteries and heavily exported by the DRC—has fallen from over \$90,000 per tonne to just under \$28,000 per tonne in 2025, largely due to waning Chinese industrial demand. This price collapse is being felt on the DRC's stock exchange, which is dominated by mining-linked equities and financial institutions with exposure to the sector.

The economic uncertainty triggered by the trade war has fueled local currency depreciation across the continent. In South Africa, on April 7, the rand fell to its weakest level since October 2023, trading at 19.4025 against the U.S. dollar, a 1.5% drop from the previous close. In Nigeria, the Naira has weakened significantly, amplifying the inflationary impact of imported goods and eroding real returns for investors in naira-denominated assets.

This depreciation also raises the cost of servicing foreign-denominated debt—a burden for several African countries that ramped up Eurobond issuance in recent years. As inflation rises, central banks are often forced to tighten monetary policy, a move that typically

promises easier intra-African logistics and trade.

African governments are responding by diversifying their trade partnerships and focusing on domestic market development. South Africa, for example, has ramped up outreach to new trading partners in Asia, the EU, and the Middle East, while also investing in infrastructure to support local industrialization.

Regionally, the AfCFTA presents a significant buffer. By reducing tariffs and trade barriers within Africa, the agreement aims to build internal resilience against external shocks. Efforts to deepen local capital markets, improve monetary policy credibility, and increase pension fund participation in equities can also help shield African stock markets from abrupt capital flight.

The outlook for African stock markets in the context of ongoing U.S. trade wars is mixed but evolving. While in the short term volatility is likely to remain high, over the medium to long term, Africa may benefit from a global realignment. With multinational firms seeking to “China-plus-one” their supply chains, Africa's role in global manufacturing could expand. The success of AfCFTA will be pivotal here. If effectively implemented, it could transform Africa from a passive price-taker into an active participant in global value chains.

The transformation won't be automatic. Structural reforms, policy clarity, improved ease of doing business, and infrastructure investment are all prerequisites. But with global economic centers shifting and traditional trade relationships in flux, Africa stands at a unique crossroads.

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