

# AFRICA

## GLOBAL FUNDS

# PRIVATE CREDIT OVERTAKES PRIVATE EQUITY

- **AQUA-SPARK BETS ON AFRICA'S AQUACULTURE FUTURE**
- **RESHAPING THE AFRICAN INVESTMENT LANDSCAPE**
- **CLOSING THE PUBLIC SECTOR IMPLEMENTATION GAP**
- **UGANDA'S FORESTS SHOW CLIMATE FINANCE CAN WORK IF THE WORLD PAYS ATTENTION**
- **DEPLOYMENT STRENGTHENS AS LIQUIDITY REMAINS CONSTRAINED IN PRIVATE CAPITAL MARKETS**

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**T**here is a growing shift toward private credit across Africa's private markets, as investors increasingly prioritize yield, downside protection and faster capital deployment over traditional private equity models. With slower exits, tighter fundraising conditions and a vast financing gap across the continent, private lending strategies are moving from niche allocations to a more mainstream source of capital and opportunity. Read more on p.14.

In this month's issue, we speak with Mike Velings, CEO of Aqua-Spark, after the Aqua-Spark Africa Fund reached its first financial close at \$48 million, an important milestone in its ambition to build a \$250 million platform supporting sustainable aquaculture across Sub-Saharan Africa over the next decade. (p.12).

In addition, Clément Marchand, Partner at Enexus, examines how Africa's investment landscape is being reshaped as European multinationals retreat and investors from the Gulf, Morocco, Asia and within Africa expand their presence. Read on p.13.

In this issue, Africonology explores how African governments can close the public sector implementation gap as digital transformation agendas accelerate across the continent. (p.15).

Meanwhile, Dr. Alfred Okot Okidi argues that Uganda's forests demonstrate how climate finance can deliver real results when backed by governance, credible monitoring and long-term policy commitment. Read on p.16.

Finally, we examine the AVCA 2026 Investors Sentiment & Outlook report, which shows Africa's private capital markets gaining momentum as deployment strengthens despite continued liquidity constraints on p.22.

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**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](mailto:a.lyudvig@africaglobalfunds.com)**

Best regards,  
**Anna Lyudvig**  
 Managing Editor

# Novastar Ventures Closes \$147m Africa-Focused Fund III



**Andrew Carruthers**  
Co-Founder and Managing Partner  
Novastar

**N**ovastar Ventures, one of Africa's pioneering and largest venture capital firms, has announced the final close of its third fund, Novastar Ventures Africa People and Planet Fund III (NVIII), at \$147 million.

The fund represents a 40% increase over Novastar's previous Fund II and is among the largest Africa-focused venture capital funds raised to date.

NVIII marks a significant evolution in Novastar's strategy. For the first time, the firm will deploy capital across the entire African continent, moving beyond its traditional focus on East and West Africa.

The fund targets businesses that align the economic interests of Africa's growing population with planet-positive technologies, supporting companies that generate both financial returns and sustainable impact.

The fund attracted commitments from both long-standing limited partners and a diverse global investor base, including a growing group of Japanese institutions. Development finance partners include British International Investment, Norfund, Swedfund, Proparco, and COFIDES, alongside private capital. Several new investors are making their first-ever commitments to an Africa-focused venture capital fund, signaling growing confidence in the continent's entrepreneurial ecosystem.

New investors include the Green Climate Fund, SBI Holdings,

Sumitomo Mitsui Banking Corporation, Mitsubishi Corporation, Mitsui O.S.K. Lines, and the Japan International Cooperation Agency.

NVIII will invest across seed to scale stages, with ticket sizes ranging from US\$1 million to \$8 million. The fund has already backed six high-growth companies transforming their sectors, including Breadfast and Chowdeck, two rapidly scaling food and grocery delivery platforms; Greenwheels and ARC Ride, advancing electric mobility solutions in Africa; MoPhones, expanding access to affordable, high-quality smartphones; and Sistema.bio, a global leader in climate-smart solutions for family farmers.

Andrew Carruthers, Co-Founder and Managing Partner at Novastar, said: "Novastar's investment approach has always focused on transformative businesses that generate lasting financial, social, and environmental value for the common good. NVIII is a natural progression of that strategy, leveraging over a decade of experience backing businesses addressing Africa's biggest challenges, while driving a sustainable development pathway for Africa, and the world."

Steve Beck, Co-Founder and Managing Partner, added, "We are deeply grateful to our investors for their continued trust and shared conviction in the power of Africa's entrepreneurs. We're ever closer to realizing our vision of an entrepreneurial revolution on the continent, a revolution that creates lasting value for people and planet for good."

The closing of NVIII underscores the growing momentum of impact-driven venture capital in Africa, highlighting strong international confidence in the continent's entrepreneurial ecosystem and its potential to deliver both economic and environmental impact.

## DEALS

# Mediterrania Capital Partners Acquires 100% of Amcor Flexibles Mohammedia

**M**editerrania Capital Partners (MCP), a private equity firm focused on growth investments in Africa, has announced the signing of a Share Purchase Agreement for the acquisition of 100% of Société Marocaine des Manufactures de Mohammedia (SMMM), the holding company of Amcor Flexibles Mohammedia (AFM), from Amcor Group.

AFM is a Moroccan manufacturer of flexible packaging solutions, primarily serving the dairy industry, as well as the pharmaceutical, food and home and personal care sectors.

Based in Mohammedia, the company operates a fully integrated

industrial platform and enjoys a long-standing industrial heritage dating back to 1949.

Since joining Amcor in 2010, AFM has developed into a recognised player in the Moroccan packaging industry, supported by strong operational capabilities and high-quality standards.

"AFM represents a solid industrial platform in a resilient sector, with opportunities to further expand its product offering and customer base. This acquisition reflects our firm's strategy of investing in market-leading mid-sized companies across Africa and supporting

## Deals &amp; Exits

their next phase of growth," said Albert Alsina, Founder and CEO, Mediterrania Capital Partners.

MCP acknowledged the "remarkable development" achieved by AFM under Amcor's ownership over the past few years.

Amcor has played a key role in strengthening the company's operational excellence, industrial capabilities and positioning in the market.

MCP extended its "sincere appreciation to Amcor and to the entire AFM team for building a high-quality business with strong foundations, a culture of safety and long-standing customer relationships".

"I'm incredibly proud of the team at Mohammedia and what they achieve together. This new chapter with MCP is an opportunity to build on that momentum, continuing a strong safety culture and a clear focus on customers," said Mustapha Adiane, Plant General Manager of AFM.

As it becomes the new owner of AFM, MCP is fully committed to ensuring continuity and building on these strong foundations.

The firm takes this responsibility seriously towards all its stakeholders - employees, customers, suppliers and partners.

MCP intends to work closely with the existing management team to support the company's development, maintaining its high standards in safety, quality and customer service, while accelerating growth through targeted investments, operational enhancements and strengthened governance.

Building on its experience in the packaging sector and its broader track record across Africa, MCP aims to position AFM as a leading flexible packaging platform in Morocco and beyond.

"Together with AFM's management, we will focus on expanding the company's production capabilities, enhancing operational efficiency and supporting the diversification of its product portfolio and client base. This transaction also aligns with MCP's hands-on investment approach, which aims to create sustainable value and promote industrial champions across the region," concluded Hatim Ben Ahmed, Managing Partner at Mediterrania Capital Partners.

## DEALS

## Amethis Acquires Majority Stake in ADEMAT



**Christophe Giovacchini**  
CEO  
ADEMAT

**A**methis, a pan-African private equity firm, has acquired a majority stake in ADEMAT, a power security solutions provider in Côte d'Ivoire, from SPE Capital, marking a pivotal moment in the company's development.

"We are delighted to partner with Christophe and the ADEMAT team as we support the company's transition toward low-carbon energy solutions and expand its footprint across West and Central Africa," said Khady Koné-Dicoh, Senior Partner at Amethis.

Founded in 1983, ADEMAT operates across the full power security value chain, including generation, stabilization, transformation, procurement, installation, maintenance, consulting, training, and equipment rentals. Under SPE Capital's ownership since April 2021, the company has significantly strengthened its position in the market.

During this period, ADEMAT launched its proprietary brand, diversified its offering to include gas-powered generators and solar panels, and modernized its operations through ERP upgrades and the digitalization of commercial processes. It also implemented a comprehensive ESG strategy, reinforcing its standing as a reference provider of power security solutions in Côte d'Ivoire.

With Amethis now as majority shareholder, the company is set

to accelerate its growth strategy. The firm will partner with CEO Christophe Giovacchini and the management team to expand ADEMAT's solar photovoltaic offering, strengthen its presence in the low- and medium-capacity generator segments, and further scale its proprietary brand.

Regional expansion will also be a priority, with plans for targeted acquisitions and strategic partnerships across West and Central Africa. Alongside this, Amethis will support an ambitious ESG roadmap aimed at advancing ADEMAT's transition toward lower-carbon energy solutions and strengthening energy resilience across the region.

"Over the past five years, ADEMAT has successfully executed its growth strategy, grounded in product and client diversification," said Giovacchini. "With Amethis, we are opening a new chapter focused on accelerating both organic and external growth across the region."

SPE Capital Managing Partner Stéphane Heuzé noted that the firm's partnership with ADEMAT had helped reposition the company and build a stronger, more resilient platform capable of capturing growth opportunities in West Africa.

The transaction was supported by a range of advisors. SPE Capital was advised by KPMG, Gide, and Adna, while Amethis was advised by DLA Piper, Oderis, EY, OnPoint Africa, and IBIS Consulting.

The deal highlights continued investor interest in Africa's energy sector, particularly in scalable and sustainable power solutions that address growing demand across the region.

## DEALS

# AXIAN Investment Backs Hamilton Labs

**A**XIAN Investment, the venture capital arm of the AXIAN Group, has committed an undisclosed investment to Hamilton Labs to support the large-scale deployment of its USDh stablecoin, a permissionless digital dollar designed to provide on-chain access to sovereign yield opportunities.

This is AXIAN's second investment in stablecoin infrastructure, reflecting its ongoing focus on digital financial solutions for emerging markets.

The funding will enable Hamilton to expand through integrations with fintech platforms, serving African consumers and businesses seeking dollar-denominated savings tools.

"For millions of people in Africa, access to stable dollars and reliable savings tools remains limited," said Mo Kasstawi, co-founder and CEO of Hamilton. "We believe programmable dollars

like USDh can broaden access to the global financial infrastructure and help individuals protect and grow their savings, wherever they are."

Through its permissionless USDh stablecoin, pegged 1:1 to the US dollar and fully redeemable, Hamilton connects emerging markets to sovereign yield opportunities historically reserved for institutional investors. These opportunities exist within a global sovereign debt market exceeding \$100 trillion.

"We are pleased to welcome Hamilton to our portfolio because we believe in the potential of digital assets," said Hassane Muhieddine, CEO of AXIAN Financial Services. "They are a key lever to support financial inclusion in Africa and beyond. Our mission at AXIAN is to strengthen African markets through accessible, efficient, and secure fintech solutions."

## INVESTORS

# BII Targets £9 Billion for Africa Under New Five-Year Investment Strategy



**Chris Chijutomi**

Managing Director and Head of Africa

**BLL**

**B**ritish International Investment (BII), the UK's development finance institution and impact investor, has launched a new five-year strategy aimed at mobilising £9 billion of capital into Africa to support economic growth, with a stronger focus on frontier markets, climate finance and private sector development.

BII said it would contribute nearly £5 billion of the total, with the remainder expected to come from private investors in Africa and globally.

"Africa has been at the heart of BII's work since our inception," said Chris Chijutomi, Managing Director and Head of Africa at BII.

"That long track record has given us deep experience of investing through economic cycles and a clear understanding of what businesses need to grow in some of the continent's most challenging markets.

"This strategy builds directly on that experience. By sharpening our focus on frontier markets, investing in high-impact sectors and mobilising domestic and international private capital, we are concentrating our efforts where our capital and expertise can make the greatest difference for African economies."

A central pillar of the strategy is accelerating the flow of private capital into African economies where financing remains scarce. BII said it would use its balance sheet, partnerships and ability to take risk to attract investors into underserved sectors and markets.

The institution also announced a deeper commitment to frontier markets, with at least 25% of new investments by value allocated to countries classified by the United Nations as Least Developed Countries.

These markets, home to more than one billion people, often face structural barriers that deter private investment despite significant demand for capital.

BII said it would focus particular attention on a select number of African frontier markets, including Sierra Leone and Zambia, combining investment with policy engagement, technical assistance and partnerships designed to strengthen investment climates and deepen capital markets.

Across the continent, BII plans to channel capital into sectors it believes can generate the greatest economic and social returns, including financial services, power, transport, trade, digital infrastructure and sustainable industries.

The strategy also raises BII's climate finance ambition. At least 40% of new investments are expected to qualify as climate finance, up from a 30% target in the previous strategy period.

With nearly 600 million people in Africa still lacking access to electricity, BII said it would support renewable energy projects, grid improvements and clean energy access, while working with partners to advance Mission 300's goal of connecting 300 million people in Africa to electricity by 2030.

Minister for Development Jenny Chapman said the strategy reflected a broader shift in the UK's approach to development.

"Over the past few months, I have been setting out the need for a new UK approach to development - one moving from traditional aid grants to long-term partnerships that bring investment, expertise and international finance reform together," she said.

"BII sits right at the heart of this approach, and its new strategy is pulling in the same direction we have set as a Government. I know BII will lead from the front in turning our joint ambitions into genuine results over the next five years."

BII also said it would expand its use of "market-level impact" investments, designed to develop entire sectors rather than support only individual companies.

In addition, the institution plans to strengthen its gender-lens investing strategy, with 30% of new investments expected to qualify under the 2X Challenge, a global initiative aimed at increasing capital flows that support women.

## INVESTORS

# South African Family Businesses Defy Uncertainty With Strong Growth



## Lucia Bergh

Southern Africa Family Business Director,

**PwC South Africa**

In a time of uncertainty and rapid change, South African family businesses are showing exceptional resilience and growth. While family businesses generate around two-thirds of global GDP and 60% of jobs, according to the United Nations, many face increasing challenges. However, South African family business leaders reported double-digit sales growth in 2025, highlighting the country's enduring strength.

PwC's South African Family Business Survey reveals what truly sets top-performing family businesses apart in today's challenging market. While global uncertainty puts pressure on growth, 37% of

purpose. This shared purpose supports the capabilities required to enable and sustain growth, anchoring businesses in values while boosting innovation, long-term vision, and trust," said Lucia Bergh, Southern Africa Family Business Director, PwC South Africa.

However, South African family businesses lag in sharing their purpose externally, with only 28% doing so compared to 45% globally, and 62% communicating it internally versus 64% worldwide. This gap is a missed chance to build trust and strengthen their brand amid today's demand for transparency and authenticity.

While South African family businesses are still working on sharing their purpose externally, they have clearly proven their agility in the face of tough economic conditions, political uncertainty, and COVID-19 disruptions. Nearly half (46%) describe themselves as agile or very agile, matching the global average of 45%.

**"The survey highlighted five key areas driving success for top family businesses, which include embracing agility through streamlined decision-making, deploying long-term capital amid uncertainty, protecting and leveraging their reputation, managing tax strategically as more than just a cost, and communicating a clear, structured purpose"**

Lucia Bergh, Southern Africa Family Business Director, PwC South Africa

South African family firms report double-digit sales increases by confronting their vulnerabilities and leveraging unique strengths.

"The survey highlighted five key areas driving success for top family businesses, which include embracing agility through streamlined decision-making, deploying long-term capital amid uncertainty, protecting and leveraging their reputation, managing tax strategically as more than just a cost, and communicating a clear, structured

"What sets agile South African family businesses apart is their ability to innovate products and services, embrace new technologies, enter new markets, and secure strategic partnerships, areas where they consistently outperform global peers. These strengths are at the heart of what makes them truly agile and ready to seize new opportunities," said Herman Eksteen, Southern Africa Family Business Leader, PwC South Africa.

He added that agility starts with strong governance. Great boards help family businesses make faster, smarter decisions that align with their future goals.

“To get there, businesses should clarify decision roles, delegate authority, and spend 30-40% of board time on forward-looking strategy. Running quick 90-day sprints and bringing in outside experts keeps things fresh and ready for whatever comes next,” Eksteen said.

Although family businesses are traditionally characterised by agility and a preference for long-term patient investment, this orientation is less evident in South Africa than globally. While global peers continue to prioritise long-term objectives over short-term gains, only around one in four (26%) South African family businesses report focusing on the long term, with a larger share placing greater emphasis on immediate or short-term returns.

To stay ahead, family businesses should set aside 1-2% of revenue for a future fund targeting AI and digital transformation, diversify capital sources, and adopt a “twin-horizon” strategy that balances today's core operations with tomorrow's growth opportunities.

“While diversifying capital leads to growth opportunities, family businesses must navigate an increasingly complex tax landscape, with stricter SARS enforcement and new rules like transfer pricing and the global minimum tax. Embracing technology in both operations and tax compliance boosts efficiency, transparency, and strategic decision-making,” said Duncan Adriaans, Africa Private Leader, PwC South Africa.

Jabu Masondo, Southern Africa Private Family Business Tax Leader, PwC South Africa, said tax should be seen not just as a cost or compliance issue but as a strategic tool aligned with long-term goals. Yet only 37% of South African businesses view paying their fair share as good corporate citizenship. By staying audit-ready, engaging proactively with SARS, and managing tax wisely, family businesses can reduce risk, build trust, and turn tax into a driver of sustainable growth.

This approach has a significant impact on the business's reputation and sustainability. For family businesses, reputation is more than legacy – it is a key asset and driver of growth. South African leaders cite political, social, and labour issues as top concerns but believe they earn greater trust from customers, employees, and communities than non-family businesses.

Giving back builds this trust, with 80% supporting their communities through philanthropy, well above the global average. To strengthen their reputation further, businesses should move beyond donations to active partnerships with schools and local enterprises, fostering long-term trust and reducing tensions.

“At a pivotal moment, family businesses that unite purpose, agility, patient capital, trusted reputation, and strategic tax planning into a clear strategy will lead the way. This means planning beyond founders, enabling fast decisions, investing long-term, sharing consistent community values, and viewing tax as a value driver, not just a cost,” Bergh concluded.

## INVESTORS

# SEDF Invests \$7m In Persistent's \$70m Africa Climate Fund

**T**he Soros Economic Development Fund (SEDF), the impact investment arm of the Open Society Foundations, has committed \$7m to Persistent's Africa Climate Venture Builder Fund (ACV Fund), a \$70m blended finance vehicle aimed at scaling early-stage climate innovation across Africa.

The investment forms part of SEDF's broader push into locally led climate and development strategies on the continent.

To date, the organisation has committed \$55m to similar initiatives backed primarily by African investors and entrepreneurs, with further commitments expected.

Georgia Levenson Keohane, Chief Executive of the Soros Economic Development Fund, said: “SEDF is proud to invest in Persistent's Africa Climate Venture Builder Fund, which will help to scale early-stage climate solutions, unlock private capital, and build a resilient, climate-positive future for communities across the continent.”

The Persistent ACV Fund will focus on early-stage climate ventures across Africa, investing from pre-seed through to Series A.

Target sectors include e-mobility, commercial and industrial solar, residential solar, energy efficiency, productive use of energy, and businesses supporting resource transition such as recycling and waste management.

In addition to providing capital, Persistent will support portfolio companies through a venture building programme designed to strengthen operational capacity and accelerate scaling. The fund

aims to combine investment with hands-on support in order to help address financing gaps in Africa's early-stage climate ecosystem.

Investee companies are expected to contribute to emissions reduction, strengthen community resilience to climate risks, create green jobs, advance gender impact outcomes, and support the development of the region's early-stage investment landscape.

The fund has set targets including mitigating 17 million tonnes of greenhouse gas emissions, reaching 7 million beneficiaries, creating 60,000 direct jobs, economically impacting 400,000 people, delivering new or improved electricity access to 420,000 households, and catalysing \$450 million in additional investment.

SEDF joins a group of co-investors in the fund that includes FSD Africa Investments, the African Development Bank, the Nordic Development Fund, the Japan International Cooperation Agency, Impact Fund Denmark, the Schmidt Family Foundation and the Cottier Donze Foundation, with additional investors expected to participate.

Persistent Managing Partner Tobias Ruckstuhl said: “We are excited to achieve the milestone of the first close of the Persistent ACV Fund. The fund is uniquely capable of growing early-stage climate businesses across Africa through our combination of investment capital and venture building. We hope that our fund will have a significant impact on the climate venture space by bringing early-stage capital to companies, follow-on investing, and venture building,

which are all very much needed. We are grateful for the trust that our investors, including significant private sector capital, have shown in the Persistent team by committing their capital to the Persistent ACV

Fund. We are particularly grateful to SEDF for being a global leader in private impact investing in climate and sustainable development in Africa.”

## INVESTORS

# Axis Pension Trust and Norfund Commit \$20m to Growth Investment Partners

**A**xis Pension Trust and Norfund have joined Growth Investment Partners (GIP) as new investors, committing a combined \$20m to the Ghana-focused platform in a move that signals growing confidence in locally driven investment solutions for the private sector.

“We are pleased to partner with GIP as it scales its investment platform in Ghana,” said Naana Winful Fynn, Regional Director for West Africa at Norfund.

“Access to flexible, long-term capital remains a key constraint for many growing businesses. GIP’s approach provides an effective model for addressing this gap for SMEs, whilst delivering both development impact and sustainable returns.”

The investment strengthens GIP’s capital base and reinforces its mission to bridge the financing gap between traditional bank lending and private equity by deploying flexible, local currency capital to high-potential Ghanaian businesses.

“GIP has built a strong team to execute its investment strategy, and we are confident in their ability to deliver decent financial returns as well as real economic impact,” added Afriyie Oware, CEO of Axis Pension Trustees. “For us, this partnership reflects our strategic focus on real sector investments that support productive local enterprises and drive sustainable economic growth.”

Growth Investment Partners, established by British International Investment, has built a growing presence since its launch in 2023, with a portfolio of 16 companies and more than \$40m deployed.

Its investments have supported over 3,356 direct jobs, including 533 newly created roles across sectors such as manufacturing, agriculture, financial services and healthcare.

The platform’s model combines financing with operational and

strategic support, offering tailored “partnership capital” designed to help businesses scale sustainably while minimising exposure to foreign exchange risk.

Jacob Kholi, CEO of Growth Investment Partners Ghana, said the new investment marks a pivotal step in the platform’s growth.

“The addition of Axis Pensions and Norfund marks an important milestone for GIP and reflects growing confidence in our investment model,” he said. “This new capital positions us to scale that impact further.”

Leslie Maasdorp, CEO of British International Investment, added that the development reflects broader ambitions to crowd in diverse pools of capital.

“The entry of Axis Pension Trustees and Norfund is particularly significant, demonstrating growing interest in building a stronger base of long-term capital and technical support to help pioneering Ghanaian businesses succeed,” he said.

GIP was established to address a critical financing gap faced by small and medium-sized enterprises (SMEs) in Ghana, offering longer-tenor, flexible funding solutions in local currency. Its portfolio includes companies such as Maagrace Garments Industries Limited, Truecoco and eServices Africa Limited.

Beyond financing, the platform provides support across strategy, governance, financial management and environmental and social performance, helping portfolio companies strengthen operations and scale effectively.

Looking ahead, GIP aims to expand its portfolio and continue backing high-growth businesses that drive job creation, local manufacturing and economic development in Ghana.

## INVESTORS

# AfDB Backs Three African PE Funds

**T**he African Development Bank Group has approved a series of equity investments totaling over \$37m to support high-growth and early-stage enterprises across Africa.

The approvals include a \$15m investment in the Alterra Africa Accelerator Fund L.P., a \$15m investment in the SPE PEF III private equity fund, and a €7.5m investment in the Breega Africa Seed I Fund.

The Alterra Africa Accelerator Fund is a multi-sector private equity fund focused on scaling mid-sized, high-growth enterprises across Africa. The Bank’s participation is expected to mobilize additional institutional capital and strengthen the Fund’s capacity

to provide long-term growth financing to companies with strong expansion potential, particularly those driving innovation, regional expansion, and job creation. The Fund has also adopted gender and social inclusion commitments, including initiatives to improve representation in leadership roles and expand procurement from women-led enterprises.

The SPE PEF III fund focuses on growth-stage businesses, primarily in North Africa, with selective exposure to high-growth markets in sub-Saharan Africa. It is structured around three strategic pillars: manufacturing and processing, including fast-moving

consumer goods, packaging, and food processing; business and industry services, including third-party logistics, business process outsourcing, and niche financial technologies; and human capital, covering pharmaceuticals, health services, and education. The Bank's investment aims to accelerate enterprise development, broaden access to capital, facilitate expansion into new markets, and stimulate job creation across these resilient sectors.

The Breega Africa Seed I Fund will support early-stage technology start-ups across Africa. The Bank will invest €5m in equity capital and €2.5 million in a junior tranche on behalf of the European Commission as part of the Boost Africa Initiative. The Fund will target fintech, insurtech, agritech, healthtech, logistics, diversity and inclusion,

edtech, and climate tech, with a focus on five key markets: Nigeria, South Africa, Kenya, Egypt, and Francophone Africa. The investment aims to expand access to essential services, create jobs for women and youth, and promote climate-resilient infrastructure and sustainable value chains.

These investments align with the African Development Bank Group's Four Cardinal Points strategic framework, supporting enhanced access to capital, Africa's demographic transformation, climate resilience, and value addition across key economic sectors. Through these initiatives, the Bank aims to strengthen Africa's entrepreneurial ecosystem and foster inclusive and sustainable economic growth.

## MARKETS AND INDUSTRY NEWS

# Liquid Intelligent Technologies Raises \$660m in Debt Refinancing



## Hardy Pemhiwa

Group Chief Executive

### Liquid Intelligent Technologies

**L**iquid Intelligent Technologies has completed a \$660 million debt refinancing, anchored by a \$300 million Eurobond that was oversubscribed 2.5 times, in a sign of investor confidence in Africa's digital

infrastructure sector.

The bond, listed on Euronext Dublin and issued under Rule 144A/Regulation S, formed the centrepiece of a broader refinancing by the pan-African fibre and technology group, which is owned by Cassava Technologies.

The transaction replaces the company's previous debt obligations, extends its maturity profile and strengthens its balance sheet, giving management greater flexibility to pursue growth opportunities across the continent.

"This refinancing is a significant milestone, not just financially, but strategically," said Hardy Pemhiwa, Group Chief Executive of Liquid Intelligent Technologies.

"A stronger, more sustainable balance sheet gives Liquid the platform it needs to pursue the full scope of digital transformation opportunities across Africa, from fibre and cloud to cyber security and AI-enabled infrastructure. The quality of the institutions that participated in this transaction is a statement of confidence in Liquid's fundamentals and in Africa's digital growth story," he said.

The strong demand for the Eurobond came despite challenging global capital market conditions and suggested that international institutional investors remain willing to back African infrastructure

assets with stable long-term prospects.

Liquid operates a 115,000-kilometre fibre network spanning more than 25 countries and has expanded into cloud services, cybersecurity and AI-related infrastructure.

Alongside the bond issuance, the refinancing package included syndicated ZAR and USD term loan facilities.

A \$210 million ZAR syndicated term loan was provided by Nedbank, Rand Merchant Bank, Standard Bank and the International Finance Corporation. The facility provides a natural currency hedge against Liquid's South African revenues, helping reduce foreign exchange risk.

A separate \$150 million syndicated term loan was arranged by Ninety One, through its own funds and the Emerging Africa and Asia Infrastructure Fund, together with The Mauritius Commercial Bank Limited.

Cassava Technologies also injected \$195 million in fresh equity as part of the refinancing.

Together, the measures are expected to lower leverage and improve the group's financial profile.

Development finance institutions also played a prominent role in the deal, with anchor orders in the Eurobond placed by institutions including DEG, Germany's development finance institution.

Their participation indicated support for Liquid's role in expanding digital connectivity and infrastructure across African markets.

Ahead of the transaction, Fitch Ratings upgraded Liquid Intelligent Technologies, while Moody's placed the company on review for a potential upgrade.

J.P. Morgan, Rand Merchant Bank and Standard Bank acted as Joint Global Coordinators and Joint Bookrunners on the transaction.

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# AQUA-SPARK BETS ON AFRICA'S AQUACULTURE



Aqua-Spark Africa Fund has reached its first financial close at \$48 million, marking a key step toward building a sustainable aquaculture industry across Sub-Saharan Africa. The fund aims to grow into a \$250 million platform over the next decade, supporting entrepreneurs who are shaping the future of African aquaculture. Africa Global Funds's Anna Lyudvig spoke with **Mike Velings, CEO of AquaSpark**, to learn more.

**ANNA LYUDVIG (AL):** WHEN WAS THE AQUA-SPARK AFRICA FUND LAUNCHED, AND WHAT KEY FACTORS MOTIVATED ITS CREATION?

**MIKE VELINGS (MV):** We officially closed February 28th of 2026, which is the moment the fund became operational, but started working on it already years ago. Throughout we have been investing in Africa with Aqua-Spark Global.

**AL:** HOW DOES AQUA-SPARK'S FUNDRAISING STRATEGY REFLECT THE OPPORTUNITIES AND CHALLENGES OF INVESTING IN A NICHE SECTOR LIKE AFRICAN AQUACULTURE?

**MV:** In aquaculture in general and in the African context more particularly you need longevity and sustained firepower over time. Building agricultural infrastructure takes time and patience. This is why we have an open ended structure that allows us to raise additional funds over time, and have flexible investment timelines, to optimize for the desired outcomes

**AL:** WHAT FACTORS ENABLED THE FUND TO REACH ITS FIRST \$48 MILLION CLOSE, AND HOW CAN THESE LESSONS GUIDE FUTURE FUNDRAISING ROUNDS?

**MV:** Persistence, a strong believe in the opportunity and need, and first and foremost a good and strong team.

**AL:** HOW DO CORNERSTONE INVESTORS LIKE KFW, AGRIFI, GATSBY AFRICA, AND THE LIVELIHOOD IMPACT FUND INFLUENCE BOTH FUNDRAISING SUCCESS AND DEAL-MAKING CREDIBILITY?

**MV:** We expect that being backed by DFI's with such strong reputation alongside professional large family offices and funds will positively affect our ability to raise additional funds over time.

**AL:** SINCE AQUACULTURE IS A NICHE MARKET, WHAT STRATEGIES CAN THE FUND USE TO ATTRACT ADDITIONAL CAPITAL TO REACH ITS \$250 MILLION TARGET?

**MV:** Making good investments that show the desired outcomes, from a financial, an industry and an impact perspective. The target is a long term target, but all things considered, it is not a super large amount, if you take the opportunity and the capital intensity of sustainable aquaculture into consideration. We hope we spark a multitude of this amount from others into this topic over time.

**AL:** WHAT TYPES OF COMPANIES, TECHNOLOGIES, OR INFRASTRUCTURE PROJECTS WITHIN AQUACULTURE ARE MOST LIKELY TO ATTRACT FUNDING, AND WHY?

**MV:** Aqua-Spark Africa focuses on 3 themes: 1. Building infrastructure so a aquaculture industry can grow and thrive. Investing in regional vertically integrated production hubs that can provide seed, feed, distribution, knowledge etc. to outgrowers; 2. Investing in standalone farms that grow from small to a medium size business to show what is possible; 3. The value chain of African aquaculture. Feed ingredients to become less dependent on international value chains and commodities, distribution, technology etc.

**AL:** WHAT ARE THE KEY RISKS AND CHALLENGES IN MAKING DEALS IN THIS NICHE MARKET, AND HOW MIGHT THE FUND MITIGATE THEM?

**MV:** We have been doing this for well over a decade. You start small, focus on the right team and then build step by step, while building a supportive ecosystem around it. One of the key challenges is to make investors understand, keep them aligned, that the 'hockey stick' works differently and takes much longer to mature than for example with investing in software or fintech.

**AL:** WHAT ARE THE MAIN GOALS AND EXPECTATIONS FOR THE FUND OVER THE NEXT 12 MONTHS?

**MV:** Making our first new investments with the fund! Exciting times!



Chicoa fish farm; Mozambique

# RESHAPING THE AFRICAN INVESTMENT LANDSCAPE

## FROM EUROPEAN RETREAT TO A NEW GENERATION OF INVESTORS



By: **Clément Marchand**

Partner  
**Enexus**

**A**frica's investment landscape is undergoing a profound transformation. Over the past five years, a convergence of structural shifts – the retreat of European multinationals, the advance of Middle Eastern,

Moroccan, and Asian capital, and the rise of increasingly confident local champions – has begun to reshape who owns, operates, and builds businesses across the continent.

The exit of European multinationals from African markets is one of the defining corporate stories of the past half-decade. The reasons are varied but interrelated. Managing subsidiaries in small, fragmented markets from distant headquarters has proved structurally difficult: overheads are often disproportionately high, responsiveness is sluggish, and adapting global processes to volatile local contexts – erratic regulation, foreign-exchange scarcity, persistent inflation, and chronic power outages – has stretched centralized management models. To illustrate how this complexity can become disproportionate to economic contribution, one transaction we acted as sell-side advisor highlights the imbalance: of the 70 countries in which Air Liquide once operated, its 13 African operations sold represented less than 1% of the group's consolidated turnover. Air Liquide is not an isolated case. In recent years, European groups including BNP Paribas, Société Générale, TotalEnergies, Holcim and Egis, among others, have undertaken similar divestments of African operations that, while often strategically relevant locally, remained small within their global portfolios. Strategic refocusing has been another driver. Groups are concentrating on higher value-added, higher-barrier businesses, shedding activities that no longer fit their core identity. In West Africa, we have observed this dynamic through several transactions in which we were involved alongside selling shareholders: Castel divested its water-bottling unit in Côte d'Ivoire to refocus on its glass-bottle beer business; Touton exited its palm oil and rubber activities; and Groupe Duval divested its African drilling operations.

While European groups pull back, a new cohort of investors is moving in the opposite direction. Investors from the Gulf, Morocco, and Asia view Africa less through the lens of complexity and cost than of opportunity: high-growth markets, improving frameworks, and competitive dynamics often more favorable than in their home regions. Several landmark transactions reflect this shift. In one transaction we acted as advisor alongside the selling shareholders, Baobab, the largest microfinance group in Africa, was acquired by

Beltone, an Egyptian financial platform backed by IHC, the second-largest listed conglomerate in the Middle East. In another, Avisen, a Senegal-based animal feed producer, was sold to Olam Agri, the Singapore-based agricultural trader backed by SALIC. The broader trend extends well beyond these transactions. DP World's acquisition of Imperial Logistics, IHC's joint venture with Sudan's Dal Group through InVictus, and the continued expansion of Moroccan groups such as Addoha all reflect the growing presence of Middle Eastern and North African capital in African markets. Asian capital is also becoming more visible across sectors, illustrated in healthcare by the expansion of Fosun Pharma and Indian players such as Cipla and Apollo Hospitals, alongside investments in infrastructure, industrials and consumer sectors.

### THE RISE OF THE LOCAL CHAMPION

Perhaps the most consequential shift is the rise of Africa's own business groups. Having operated for decades in challenging environments, local players have developed agility and resilience their multinational predecessors often lacked. The withdrawal of European groups has created openings, and local champions have moved quickly to seize them, both by acquiring divested assets and by filling manufacturing and distribution gaps. The trajectory of Tolaram in Nigeria illustrates where this dynamic can lead. Having built strong manufacturing and distribution capabilities over decades, Tolaram has become the partner of choice for global brands – Kellogg's, Colgate-Palmolive, Arla. Its acquisition of a majority stake in Guinness Nigeria further illustrates the ability of local groups not only to partner with, but also to acquire global players. This shift is increasingly visible across the continent. In Côte d'Ivoire, Unilever's local subsidiary was acquired by a consortium led by SDTM/Carré d'Or, one of Ivorian's largest FMCG groups. In Nigeria, Air Liquide's operations were taken over by Oak Heirs, a Nigerian family trust. Groupe Duval's drilling subsidiary FFA was acquired by the Adeoti Group, a Beninese construction company. We acted as advisor on these transactions, and they point to a common pattern: local acquirers combining deep market knowledge with long-term capital and execution flexibility, enabling them to absorb, scale and integrate divested assets.

What emerges from these transactions is not a picture of African markets in decline, but of a continent undergoing a healthy, if disruptive, ownership transition. Capital that understands Africa – whether local, Moroccan, Gulf-based, or Asian – is replacing capital that has struggled to make the economics work. For those active on the ground, this reshaping of African business is still in its early chapters and offers significant opportunity for those willing to engage on its own terms.

# PRIVATE CREDIT OVERTAKES PRIVATE EQUITY

## AS AFRICA INVESTORS SEEK YIELD, CONTROL AND FASTER DEPLOYMENT

By Anna Lyudvig

**P**ivate credit is gaining momentum across African private markets as investors increasingly favor debt strategies over traditional private equity amid slower exits, higher global interest rates and a more selective fundraising environment.

The shift reflects a broader reassessment of how investors access growth opportunities in emerging and frontier markets. While private equity has historically been a key channel for institutional capital entering Africa, many allocators are now placing greater emphasis on strategies that can generate contractual income, downside protection and potentially shorter-duration returns.

Traditional private equity models have typically relied on acquiring stakes in businesses, improving operations and exiting through trade sales, secondary sales or public listings. That model has faced pressure globally as distributions have slowed and holding periods have lengthened.

Data from the Global Private Capital Association showed private capital investment across GPCA markets rose 33% to \$150.3 billion in 2025, while deal count fell 10%. GPCA also said private credit reached a record \$22.3 billion and infrastructure investment climbed to an all-time high. The figures indicate that investors committed larger sums to fewer transactions while increasing exposure to strategies centered on income generation and asset backing.

For Africa-focused investors, those trends are particularly relevant. Many domestic equity markets remain relatively small, IPO windows can be limited, and cross-border mergers or acquisitions often require longer execution timelines. Private credit offers a way to participate in business growth without relying primarily on exit valuations.

### FINANCING GAP CREATES OPPORTUNITY

One of the strongest structural arguments for private credit in Africa is the longstanding financing gap facing small and medium-sized enterprises. The African Development Bank (AfDB) has said the continent's SME financing gap exceeds \$330 billion annually, with access to credit remaining one of the largest constraints on private-sector growth. Many commercial banks across the region remain conservative on loan tenor, collateral requirements and sector exposure, particularly for mid-sized companies operating in manufacturing, agribusiness, logistics, healthcare and renewable energy.

That gap has created room for non-bank lenders to provide tailored financing solutions ranging from senior secured loans and working-capital facilities to acquisition finance and trade-related lending. For business owners seeking growth capital without diluting equity stakes, such structures can be particularly attractive.

From an investor perspective, the appeal is equally clear. Private credit can provide regular coupon income rather than relying on back-ended exits, while lenders typically benefit from seniority in the capital structure and negotiated covenant protections. In a period of volatile public markets and uncertain exit conditions, those characteristics have become more valuable.

The strategy is also drawing attention from investors seeking diversification within private markets. Because returns are often linked to negotiated loan terms rather than public market multiples, private credit can offer a different risk-return profile from traditional buyout funds. In Africa, where many businesses remain underbanked despite solid operating fundamentals, lenders may be able to secure attractive pricing while financing companies with clear expansion potential.

The International Finance Corporation (IFC) has repeatedly said expanding access to private-sector finance is essential in emerging markets where traditional banking systems often cannot meet long-term capital needs on their own. That view has reinforced institutional interest in private lending strategies across developing economies, including Africa.

Another driver is infrastructure demand. The AfDB estimates the continent's infrastructure needs at between \$130 billion and \$170 billion a year, with a financing gap of as much as \$100 billion annually. The shortfall spans transport, power, water, telecommunications and logistics. As a result, private debt strategies linked to infrastructure, trade corridors and energy assets are attracting investors seeking predictable cash flows backed by essential assets.

Challenges remain. Currency volatility continues to be one of the most significant risks, particularly when hard-currency investors lend into businesses generating local-currency revenues. Legal enforcement regimes also differ widely across jurisdictions, while deal sourcing often depends on local relationships and specialist underwriting expertise.

Those factors mean manager selection is critical. Investors increasingly favor firms with strong origination networks, restructuring experience, currency risk management capabilities and deep knowledge of local markets.

Private equity is likely to remain an important part of Africa's investment landscape, particularly for long-term control and growth strategies. But in 2026, many investors are reassessing how they access the continent's opportunity set. For allocators seeking income, capital protection and exposure to underserved markets, private credit is moving from a niche allocation toward a more mainstream strategy.

# CLOSING THE PUBLIC SECTOR IMPLEMENTATION GAP



By TJ Hanekom, COO, Africonology

**A**cross the world, governments are accelerating their digital transformation agendas. From modernising service delivery to building resilient digital infrastructure, public sector institutions are investing in technologies that can improve efficiency, transparency, and citizen

experience.

Yet the success of digital government depends on more than technology alone. International organisations such as the OECD emphasise that effective digital government requires strong governance frameworks, coordinated strategies, and robust digital public infrastructure. Similarly, Deloitte's research shows that while governments often have clear technology priorities, the real opportunity lies in aligning investments, redesigning processes, and strengthening delivery capabilities.

For many governments across Africa, this moment represents an important shift from digital ambition to digital implementation.

Technology selection is rarely the biggest challenge. The real opportunity lies in ensuring that governance, architecture, and delivery capability are aligned before systems are implemented. When these foundations are in place, governments can unlock the full value of their technology investments.

## STRENGTHENING GOVERNANCE FOR SUSTAINABLE TRANSFORMATION

Digital transformation programmes in the public sector often span multiple departments, stakeholders, and policy objectives. As a result, governments are increasingly focusing on strengthening governance structures that enable clearer accountability and coordinated decision-making.

Across Africa, national digital strategies and policies are actively addressing this need. Lesotho's 2024 National Digital Policy, for example, highlights the importance of strengthening institutional frameworks for digital government, infrastructure, and services. Similar initiatives across the continent reflect a growing commitment to building the governance foundations that support sustainable digital transformation.

These governance frameworks help ensure that transformation initiatives remain aligned with national priorities while maintaining the flexibility required to adapt as programmes evolve.

## MODERNISING LEGACY SYSTEMS WHILE MAINTAINING CONTINUITY

Legacy systems remain an essential part of public sector infrastructure. Many government ERP platforms, procurement systems, and national data infrastructures have been supporting core services for years, making continuity a key priority during modernisation efforts.

Rather than replacing these systems wholesale, many governments are adopting incremental modernisation strategies that allow legacy platforms to evolve while maintaining stability.

A disciplined architecture strategy allows governments to

modernise in stages. By designing systems that can integrate effectively, institutions can extend the value of existing infrastructure while gradually introducing more flexible and scalable capabilities.

Modular, cloud-enabled and API-driven architectures are increasingly supporting this approach, allowing systems to be upgraded and integrated without disrupting essential public services.

## BUILDING DELIVERY CAPABILITY

Successful digital transformation also depends on strong delivery capability. Governments are increasingly recognising the importance of embedding quality assurance, testing, and change management throughout the implementation lifecycle.

When these disciplines are integrated early in projects, they help ensure that digital platforms perform reliably and can scale to meet the demands of public service delivery.

Public sector organisations are also strengthening their internal technology capabilities while working with specialised partners who can bring additional expertise in areas such as systems integration, testing, and digital architecture.

## A NEW PHASE OF DIGITAL GOVERNMENT

South Africa's own roadmap for digital transformation reflects many of these principles. Inspired by successful international models in countries such as India, Brazil, and the United Kingdom, the strategy emphasises agile delivery, clear governance, and measurable outcomes.

The first phase prioritises social protection and its links to education and employment opportunities, areas where digital platforms can have a direct impact on millions of citizens.

The approach is pragmatic. Start with programmes that deliver clear value, build capability through delivery, and expand from there.

## FROM STRATEGY TO IMPLEMENTATION

As governments continue their digital transformation journeys, the focus is increasingly shifting from strategy to execution. Success often depends on three critical factors: strong governance, well-designed digital architecture, and the delivery capability required to implement complex programmes effectively.

This is where experienced technology partners can play an important role.

Public sector transformation works best when advisory begins early in the process. When governance, architecture, and delivery are considered together, governments can modernise incrementally, reduce risk, and ensure that digital platforms deliver meaningful outcomes for citizens.

With the right foundations in place, digital transformation has the potential to strengthen public institutions, improve service delivery, and support inclusive economic growth across the continent.

# UGANDA'S FORESTS

## SHOW CLIMATE FINANCE CAN WORK IF THE WORLD PAYS ATTENTION



By Dr. Alfred Okot Okidi, Permanent Secretary, Ministry of Water and Environment, Uganda

Loss has dominated conversations about tropical forests for many years. Declining tree cover, rising emissions, and the pressure on governments struggling to balance development with conservation have shaped the narrative. Uganda knows these challenges well. But the global discussion often omits how countries are responding and the progress being made.

Uganda's forests currently cover an estimated 2.4-2.7 million hectares, equivalent to roughly 12-13% of the country's land area, down from about 24% (approximately 4.9 million hectares) in 1990, with most of this long-term decline driven by agricultural expansion, charcoal production, and biomass extraction.

However, focusing only on historical loss obscures an important shift. Over the past several years, Uganda has moved from fragmented, project-based forest protection toward a coordinated national approach grounded in policy reform, robust monitoring, and accountability. That shift matters, particularly as the international community debates new mechanisms such as the Tropical Forest Forever Facility (TFFF), which aims to reward countries that maintain forests through predictable, long-term finance.

Since 2022, Uganda has sustained and protected approximately 2.5 million hectares of forest and other natural landscapes through a nationwide, jurisdictional approach led by the Ministry of Water and Environment. This progress shows an ongoing national effort aligned with Uganda's National REDD+ Strategy and its Nationally Determined Contribution under the Paris Agreement and forms part of a longer-term commitment to continue protecting forest landscapes.

Central to this effort has been the strengthening of forest governance and monitoring systems. Uganda's National Forest Monitoring System, operated by the Department of Forest Management under the Ministry of Water and Environment, draws on long-running forest inventories, biomass assessments, and satellite data to track land-use change and emissions. The results are independently verified and publicly reported, reflecting international standards for measurement, reporting, and verification. These systems were originally developed through engagement with the UN-REDD Programme and have continued to evolve in response to growing expectations around transparency and integrity.

Policy action has also targeted the underlying drivers of deforestation. Protection and enforcement measures have been combined with demand-side interventions, including alternative livelihood programmes and efforts to reduce reliance on charcoal

and fuelwood. In 2023, a presidential executive order addressed the environmental damage linked to the charcoal trade, while climate-smart agriculture, agroforestry, and land-use planning initiatives were expanded to improve productivity without further encroachment on forests.

None of this suggests that the challenge has been solved. Uganda continues to lose forest cover each year, and pressures from population growth, urbanisation, and energy demand remain real. According to satellite-derived monitoring by Global Forest Watch, Uganda continues to experience annual natural forest loss at a level of tens of thousands of hectares, an estimated 27,000 hectares in 2024 alone.

But climate outcomes are shaped by trajectories, not snapshots. The direction of travel, and the capacity to measure and manage it, is what matters.

This is where emerging mechanisms such as the Tropical Forest Forever Facility deserve serious attention. TFFF proposes a shift away from short-term, fragmented funding toward long-term, performance-based finance linked to verified forest outcomes. Eligibility is expected to depend on demonstrated forest cover, declining deforestation trends, and credible national monitoring systems.

These are demanding criteria, but they are precisely the areas where Uganda has invested institutional effort over the past decade.

Equally important is the question of trust. Forest finance only works when communities see tangible benefits and governance systems ensure accountability. Uganda's safeguards framework, hosted within the Ministry of Water and Environment, addresses land tenure, access to information, consultation, grievance mechanisms, and anti-corruption measures. Any revenues generated through forest-based climate finance are intended to be reinvested into continued protection, enforcement, and livelihood support, reducing the risk of reversal and ensuring long-term impact.

Uganda's experience shows that forest conservation at scale is not a theoretical ambition. It is a practical exercise in governance, data, and political will. The country's forests regulate water systems, support biodiversity, underpin rural livelihoods, and contribute to national economic resilience. They are also part of a global climate system that depends on standing forests far beyond national borders.

If the world is serious about building a credible next generation of forest finance, it must look beyond rhetoric and recognise countries that are putting durable systems in place. Uganda's progress does not claim perfection, but it does demonstrate readiness. Facilities like TFFF will ultimately succeed or fail based on whether they reward that kind of sustained national effort; not promises, but proof.



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# AFRICAN MARKETS PERFORMANCE

## AFRICA SOVEREIGN BOND INDICES (TOTAL RETURNS USD %)

Country	March	3-Month	1-Year
Botswana	-3.88%	-7.59%	-9.14%
Egypt	-12.58%	-9.58%	11.81%
Ghana	-3.76%	6.35%	130.62%
Kenya	-0.58%	4.90%	19.62%
Mauritius	-0.92%	0.72%	4.58%
Morocco	-3.39%	-3.69%	4.21%
Namibia	-12.45%	-7.38%	17.94%
S&P/FMDQ Nigeria	-1.70%	10.78%	42.91%
South Africa	-13.26%	-6.41%	27.92%
Tanzania	3.28%	8.86%	44.44%
Uganda	-5.39%	5.27%	20.22%
Zambia	-0.19%	24.39%	95.82%

Source: S&P Dow Jones Indices

## AFRICA EQUITY INDICES (BMI GROSS TOTAL RETURNS USD %)

Country	March	3-Month	1-Year
Botswana	-2.65%	-4.45%	10.73%
Cote d'Ivoire	-3.58%	11.30%	46.45%
Egypt	-19.42%	-3.97%	38.91%
Ghana	-4.15%	44.08%	263.54%
Kenya	-11.31%	3.88%	65.15%
Malawi	-0.57%	-6.95%	104.91%
Mauritius	-7.36%	-9.07%	-9.87%
Morocco	-7.15%	-10.65%	-0.27%
Namibia	-4.51%	1.31%	37.77%
Nigeria	-0.19%	38.73%	122.71%
Rwanda	5.12%	16.74%	45.23%
South Africa	-17.24%	-4.88%	42.30%
Tanzania	-8.11%	43.94%	117.46%
Tunisia	-1.03%	13.79%	50.97%
Uganda	-2.12%	23.13%	59.76%
Zambia	-2.26%	26.96%	151.50%

Source: S&P Dow Jones Indices

## MARKETS:

### Agency banking platforms are scaling across North and Southern Africa

By Stears

The stronger signal in agency banking is coming from how intensively existing networks are used. In South Africa, platforms such as Kazang operate large merchant networks handling high volumes of prepaid, bill payment and transaction services, while [TymeBank](#) has scaled to around 9–10 million customers through more than 1,000 retail kiosks and partner locations. In North Africa, recurring bill payments, utility collections and over-the-counter transactions are already concentrated through large platforms such as [Fawry](#), Aman and Masary, supported by clearer regulation and expanding payment account bases in markets such as Morocco and Egypt.

Value is concentrating with the platforms that control transaction throughput, settlement reliability and merchant relationships. In North Africa, licensing and compliance requirements limit the number

of scaled operators. In Southern Africa, retail partnerships and embedded merchant distribution create similar defensibility. This makes agent count a weaker signal than transaction activity, service breadth and control of the last mile.

This is where the upside becomes more strategic. Basic payments still generate the volume, but commissions typically range between 0.5% and 2%, keeping margins tight. The step-up in earnings comes as operators layer additional services such as merchant tools, lending and collections onto existing transaction flows. The report's thesis is clear: across both North and Southern Africa, platforms that increase usage within established networks and expand service offerings are better positioned to improve revenue per outlet and capture more value from existing infrastructure.

# PRIVATE EQUITY FUNDS & DEALS

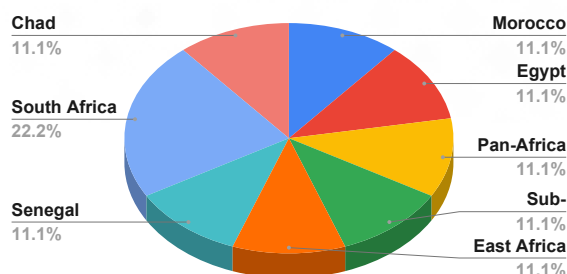
(as of the end of March 2026)

## DEALS

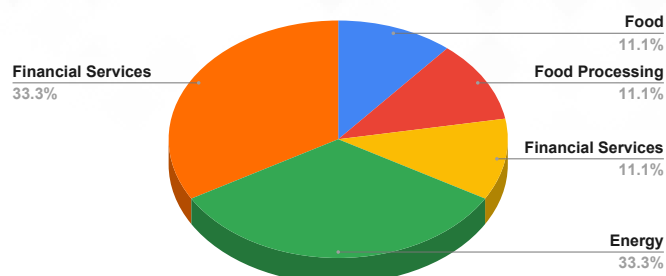
For more information on each transaction, visit Africa Global Funds's website

Company	Investment	Industry	Country	Deal Type	Deal Value
Adenia Caital	Maymana	Food	Morocco	Growth Buyout	Undisclosed
Amethis	Tiba	Food Processing	Egypt	Growth Capital	Undisclosed
AXIAN Investment	Hamilton Labs	Financial Services	Pan-Africa	Venture Capital	Undisclosed
British International Investment	Starsight Energy Africa Group	Energy	Sub-Saharan Africa	Mezzanine Debt	\$15m
British International Investment / ILX	Undisclosed	Financial Services	East Africa	Debt	\$15m
Partech / Futuregrowth Asset Management, 4Di Capital, E4E Africa, Equitable Ventures, Felix Strategic Investments.	Happy Pay	Fintech	Pan-Africa	Seed Capital	\$5m
Private Infrastructure Development Group	Afreenergy Solar	Energy	Senegal	Growth Capital	€4.3m
Vantage Capital	Commercial Energy South Africa	Energy	South Africa	Mezzanine Debt	R635m
Vista Group Holding	Banque Agricole et Commerciale	Financial Services	Chad	Buyout	Undisclosed

## DEALS BY COUNTRY



## DEALS BY INDUSTRY



## FUNDRAISING

Company	Fund	Style	Sectors	First Close	Target Size
Adenia Caital	Adenia Entrepreneurial Fund I	Control-oriented growth capital	Sector Agnostic	\$180m	
Aqua-Spark	Aqua-Spark Africa Fund	Growth Capital	Aquaculture	\$48m	\$250m

## EXITS

Company	Divestment	Industry	Geography	Buyer (s)	Nature of exit
Inspired Evolution	Commercial Energy SA	Energy	South Africa	SolarAfrica Energy	Trade Sale
Phatisa	Copperbelt Agri Holdings		Zambia	Vanden Avenne Group	Trade Sale

Source: AGF

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
<b>337 Frontier Capital - Kimberlite Frontier Africa Fund (as-of 2026-03-31)</b>										
11.29	-6.82	75.80	36.88	22.58		Equity	Africa ex-SA	Cayman Isl.	Open-End	06/14
<b>African Domestic Bond Fund (as-of 2026-02-28)</b>										
6.00	3.00	35.50	11.50	2.20	48.90 (02/26)	ETF - local currency FI	African region	Mauritius	Open-End	9/18
<b>African Lions Fund (as-of 2026-03-31)</b>										
	-4.06	80.13	35.46		82.30 (02/26)	Equity	SSA ex-SA	BVI	Open-End	10/20
<b>Allan Gray Africa Bond Fund (as-of 2026-02-28)</b>										
5.40		29.30	19.10	9.60	421.00 (02/26)	Fixed Income	Africa ex-SA	Bermuda	Open-End	3/13
<b>Allan Gray Africa ex-SA Equity Fund (as-of 2026-03-31)</b>										
7.40	-6.94	63.40	20.28	13.31	604.00 (3/26)	Equity	Africa ex-SA	Bermuda	Open-End	1/12
<b>Commonwealth Africa Fund (as-of 2026-03-31)</b>										
-1.90	-13.94	41.43	19.38	9.82	6.92 (03/26)	Equity	African region	USA	Open-End	11/11
<b>Coronation Africa Frontiers Fund (as-of 2026-03-31)</b>										
2.87	-10.14	56.80	21.94	9.88	636.00 (1/26)	Equity	Africa ex-SA	Ireland	Unit Trust	10/08
<b>EFG-Hermes MEDA Fund (as-of 2026-04-23)</b>										
-3.11	-5.48	-7.66	6.80	11.94		Equity	Africa & Middle East	Bermuda	Open-End	12/11
<b>Enko Africa Debt Fund (as-of 2026-03-31)</b>										
4.71	-4.98	30.69	29.76	18.06	1008.00 (03/26)	Fixed Income	Africa ex-SA	Mauritius	Open-End	10/16
<b>Fidelity Funds - Emerging Europe, Middle East and Africa Fund A (as-of 2026-04-23)</b>										
-0.38	13.87	46.18	21.79	1.35	397.86 (03/26)	Equity	EMEA	Luxembourg	SICAV	06/07
<b>Imara African Opportunities Fund (as-of 2026-03-31)</b>										
-0.14	-12.70	56.30	14.04	0.44		Equity	African region	Cayman Isl.	Open-End	06/05
<b>Imara Zimbabwe Fund (as-of 2026-01-30)</b>										
24.40	24.40					Equity	Zimbabwe	BVI	Open-End	03/07
<b>Laurium Africa USD Bond Fund (as-of 2026-03-31)</b>										
-2.10	-4.30	15.70	14.00		42.30 (3/26)	Fixed Income ex South Africa	African region	Ireland	UCITS	04/21

**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
<b>Laurium Limpopo Africa Fund (as-of 2026-03-31)</b>										
4.85	-10.59	51.40	28.83	14.00	389.50 (03/26)	Equity	Africa ex-SA	Cayman Isl.	Open-End	01/14
<b>Mazi Capital Africa Fund (as-of 2026-03-31)</b>										
6.37	-7.26	51.90	15.01	6.06		Equity	Africa ex-SA	South Africa	Open-End	01/16
<b>MCB Africa Bond Fund (as-of 2026-02-28)</b>										
1.50	1.30	7.90	0.10	-20.30		Fixed Income	African region	Mauritius	Open-End	2/14
<b>Old Mutual African Frontiers Flexible Income Fund (as-of 2026-04-23)</b>										
1.24	1.48	34.33			115.63 (03/26)	Fixed Income	African region	Ireland	OEIC	05/22
<b>Old Mutual African Frontiers Fund (as-of 2026-03-31)</b>										
2.22	-10.41	44.30	27.51	12.43		Equity	Africa ex-SA	Ireland	Open-End	5/10
<b>Robeco Afrika (as-of 2026-02-28)</b>										
20.57	11.77	99.11	34.67	20.41	62.50 (02/26)	Equity	African region	Netherlands	Open-End	06/08
<b>Sanlam Africa Equity Fund (as-of 2026-03-31)</b>										
7.19	-9.42	60.00	23.51	13.43		Equity	Africa ex-SA	Ireland	Open-End	07/15
<b>Sanlam Allianz Africa Equity Fund (as-of 2026-02-28)</b>										
19.57	9.15	70.41	16.25	9.08	78.64 (11/25)	Equity	Africa ex-SA	Cayman Isl.	Open-End	05/19
<b>Steyn Capital Africa Fund (as-of 2026-03-31)</b>										
13.88	-3.06	72.70	30.62	21.03		Equity	Africa ex-SA	Malta	SICAV	09/11
<b>Sustainable Capital Africa Alpha Fund (as-of 2026-03-31)</b>										
25.30	-2.99	94.60	30.60	16.77		Equity	Africa ex-SA	Mauritius	Open-End	02/12
<b>TCM Africa High Dividend Equity (as-of 2026-02-28)</b>										
12.90	7.11	60.34	21.00	8.25		Equity	Africa ex-SA	Holland	Open-End	03/08
<b>T. Rowe Price Africa &amp; Middle East Fund (as-of 2026-03-31)</b>										
-0.26	-8.41	16.24	12.96	9.75	108.62 (03/26)	Equity	MENA & SSA	United States	Open-End	10/11

# AVCA 2026 INVESTORS SENTIMENT & OUTLOOK: DEPLOYMENT STRENGTHENS AS LIQUIDITY REMAINS CONSTRAINED

By: Africa Global Funds

**A**frica's private capital markets are showing signs of increased deal activity, even as liquidity constraints continue to limit fundraising and exits, according to the *AVCA 2026 Investors Sentiment & Outlook report*.

The report indicates that stronger deal pipelines and more attractive entry valuations, combined with stabilising macroeconomic conditions, are supporting an active investment environment. However, liquidity remains a key constraint. Slow capital recycling and challenging exit conditions are continuing to affect fundraising and the pace of allocations.

Long-term commitment to the region remains stable. The survey

found that 87% of LPs plan to maintain or increase allocations over the next three years, despite short-term caution. Performance metrics also show improvement, with a higher proportion of LPs and GPs reporting double-digit net internal rates of return (IRRs), contributing to expectations for higher distributions.

Private credit is emerging as a more significant component of investor portfolios, with increased allocations to debt aimed at improving income visibility and providing downside protection. The report also notes that Africa's private capital ecosystem is becoming more locally anchored, as domestic institutional investors play a growing role in supporting long-term market participation.

## KEY FINDINGS

- DEPLOYMENT CONVICTION IS STRENGTHENING, EVEN AS LIQUIDITY REMAINS CONSTRAINED**

Both LPs and GPs expect an active deal environment in 2026, supported by improving sentiment, stronger pipelines, and more attractive entry valuations.

- LIQUIDITY, NOT OPPORTUNITY, REMAINS THE BINDING CONSTRAINT**

Challenging exit conditions and slower capital recycling continue to weigh on fundraising and allocation pacing, driving more disciplined portfolio strategies.

- LONG-TERM COMMITMENT REMAINS RESILIENT DESPITE NEAR-TERM CAUTION**

While 27% of LPs expect to slow commitments in 2026, 87% plan to maintain or increase allocations over the next three years, underscoring continued confidence in the asset class.

- RETURN PERFORMANCE IS IMPROVING, SUPPORTING HIGHER DISTRIBUTION EXPECTATIONS**

A growing share of LPs and GPs reported double-digit net IRRs in 2025, underpinning expectations of stronger distributions as portfolios mature.

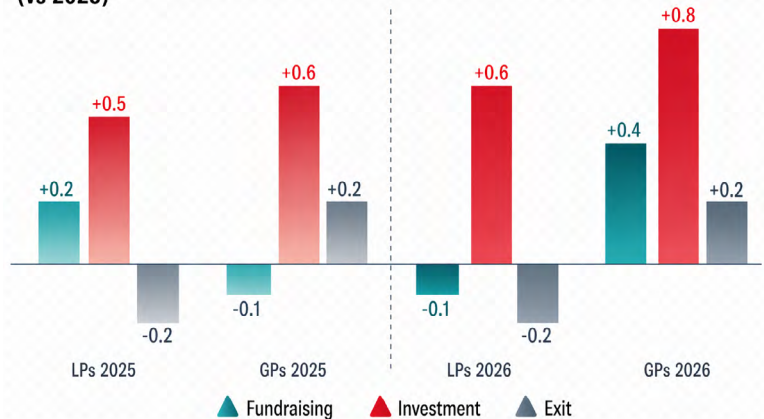
- PRIVATE CREDIT IS MOVING FROM COMPLEMENTARY TO STRATEGIC**

Investors are increasing allocations to private debt, reflecting its role in providing income visibility, downside protection, and alignment with prolonged exit timelines.

- AFRICA'S PRIVATE CAPITAL ECOSYSTEM IS BECOMING MORE LOCALLY ANCHORED**

Rising participation from African institutional investors is reinforcing long-term capital commitment and contributing to a structurally more resilient market.

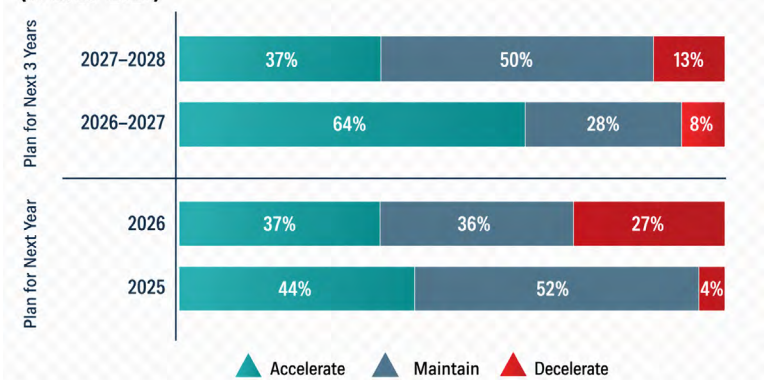
Figure 1: Investors' Net Sentiment towards African Private Capital Activity in 2026 (vs 2025)\*



\*A value of 1 = unanimously optimistic sentiments, while a value of -1 = unanimously pessimistic sentiments

Source: AVCA

Figure 6: LPs' Plans for the Pace of Private Capital Allocation in Africa, 2026-2028 (vs 2025-2027)



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