

AFRICA

GLOBAL FUNDS

AFRICA'S CEOs FACE THE SHIFT FROM RESILIENCE TO REINVENTION



**FROM LEAPFROG TO LEADERSHIP:
AFRICA'S NEW ERA IN ASSET MANAGEMENT**

**AGAINST THE ODDS: WHY SOUTH AFRICA MAY BE
MORE READY FOR THIS MOMENT THAN WE THINK**

**DELISTING AND TAKE-PRIVATE
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Africa's CEOs are optimistic about economic recovery and revenue growth in 2025, but remain cautious in their investment and innovation strategies. While they recognise acquisitions, new markets, and AI as key to future competitiveness, many prioritise protecting core operations amid uncertainty, skills shortages, and geopolitical risks. The main challenge ahead is turning resilience and confidence into bold, large-scale transformation, particularly in AI, to ensure long-term competitiveness. Find more on (pp.14-15)

In this month's issue, Deniz Omer of Multifonds writes that Africa's asset management industry is entering a new growth phase. As investors move beyond traditional savings, markets are modernising, some upgrading legacy systems, others leapfrogging to agile, cloud-based platforms (p.13).

Meanwhile, our market feature focuses on South Africa that is emerging stronger than expected, with recent milestones, including exiting the FATF greylist, a ratings upgrade, easing debt concerns, stabilising inflation, and strong equity and currency performance. Yet, according to Samantha Pokroy of Sanari Capital, on-the-ground economic indicators, such as PMI and employment, show that real momentum is still building. Read on pp.16-17.

Finally, Nanga Kwinana of Bowmans writes that South Africa's JSE is seeing a trend of delistings and take-private transactions, driven by companies seeking strategic focus, long-term growth, and value creation amid global pressures and digitisation. Read on p.22.

For more up-to-date news, analysis and insights visit africaglobalfunds.com and don't forget to follow the magazine @AfricaGlobFunds on X and LinkedIn (Search for Africa Global Funds).

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,

Anna Lyudvig
 Managing Editor

Phatisa Food Fund 3 Reaches \$86m First Close, Signs First Investment



Roman Frenkel

Director and Head of Food, Agriculture and Natural Capital
British International Investment (BII)

Phatisa Food Fund 3 (PFF 3) has reached an \$86m first close, with commitments from a group of leading development finance institutions and impact investors - British International Investment (BII), FinDev Canada, Norfund, Swedfund, the IFC

and Phatisa.

Roman Frenkel, Director and Head of Food, Agriculture and Natural Capital at British International Investment (BII), said: "Africa's food systems need investment that strengthens resilience and productivity across the value chain. We are delighted to renew our commitment through Phatisa Food Fund 3, building on our positive experience in Fund 2, and to support a commercially driven strategy that advances climate outcomes and inclusive growth."

Paulo Martelli, VP and Chief Investment Officer, FinDev Canada said:

fertiliser and agri-tech) and downstream activities such as processing, food production, cold chain, storage, logistics, food distribution and retail as well as related services. The Fund will not invest in primary agriculture.

Simultaneously with the first close, the Fund has signed legal agreements for its first investment, to acquire Zaad Group, one of Africa's leading independent seeds and crop protection platforms, alongside management, WIPHold, the Public Investment Corporation and the Industrial Development Corporation.

The Zaad investment provides early validation of PFF 3's investment strategy, targeting critical inputs at the foundation of food security, productivity and climate resilience with the transition from open pollinated to hybrid seeds, across rapidly growing African markets.

Africa's food sector is being shaped by powerful long-term demand drivers. The continent has the youngest and fastest-growing population globally, by 2050 one in four people will live in Africa, and it is urbanising rapidly, with more than half of its population projected

We are delighted to renew our commitment through Phatisa Food Fund 3, building on our positive experience in Fund 2, and to support a commercially driven strategy that advances climate outcomes and inclusive growth

Roman Frenkel, Director and Head of Food, Agriculture and Natural Capital at BII

"We are thrilled to partner with Phatisa, a long-standing leader in the African agribusiness. FinDev Canada recognises the importance of the food value chain, and the critical role it plays in advancing food security, climate action, and gender equality. Through our continued partnership, we can strengthen inclusive economic growth, while expanding our agribusiness equity portfolio through a pan-African platform."

PFF 3 is targeting rolling closes over the next 12 months and is actively engaging with a robust pipeline of prospective investors, with a hard cap of \$300m.

The first close represents a significant milestone for the Fund and reflects strong investor confidence in Phatisa's strategy, track record and on-the-ground presence across Africa.

Building on the strategy and performance of its predecessor funds, PFF 3 will invest across Africa's food value chain, targeting scalable businesses that combine strong commercial fundamentals with measurable impact.

The Fund focuses on agri-inputs (including seeds, crop protection,

to live in cities by 2035. At the same time, Africa remains significantly reliant on food imports, with \$43bn spent annually, forecast to reach \$110bn by 2030, providing rapid growth opportunities through import substitution.

Meeting rising food demand requires sustained investment to address structural constraints, including limited adoption of yield-improving technologies, high levels of food loss and waste, and inefficient supply chains.

Through its investments across the food value chain, Phatisa seeks to back businesses that improve productivity, resilience and affordability, while supporting inclusive economic growth.

PFF 3 builds on Phatisa's established track record. Phatisa's Fund 1 is nearing completion, and Food Fund 2 has already returned approximately 40% of invested capital following two recent exits, while maintaining a diversified remaining portfolio including Artcaffé, FES, IFS, Java House, Lona Group and MHL International.

The Fund is commercially disciplined and impact-aligned, with

a strong climate focus and a clear ambition to achieve Gender 2X certification, building on the success of its predecessor fund.

Stuart Bradley, Managing Partner, Phatisa, said: “Investing successfully across Africa's food value chain requires deep local experience, strong partnerships and disciplined execution. Food Fund 3 builds on over 15 years of sector focus and reflects our ability to originate proprietary opportunities, back high-quality management teams and build resilient, representative businesses that deliver both returns and impact.”

Pindie Nyandoro, Regional Director, Southern Africa, Norfund, commented: “Competitive food value chains are critical to job creation and economic development in Africa. Norfund is pleased to continue to support Phatisa through Fund 3 and work with a manager that can originate, structure and actively build businesses across key segments of the food system.”

Sebastian Süllmann, Investment Manager, Food Systems, Swedfund,

said: “Swedfund is pleased to join Phatisa Food Fund 3 as a new investor. Strengthening sustainable food systems is central to our mandate, and this Fund's focus on agri-inputs and downstream food infrastructure can contribute to improved food security, reduced losses and stronger resilience—while supporting the growth of competitive African companies.”

Farid Fezoua, Global Director, Private Equity and Venture Capital, IFC, added: “Growing Africa's food and agribusiness sector requires long-term capital and strong partners who can help companies scale and compete. The World Bank Group's Agri Connect initiative reflects our commitment to developing the continent's agribusiness ecosystem, supporting market growth, and mobilizing capital. IFC is supporting this first close to help catalyze additional investment from both development and commercial investors, driving growth in an attractive and high-potential market.”

FUNDRAISING

XSML Closes Fund IV at \$142m

XSML Capital has reached the final close of its fourth vehicle, African Rivers Fund IV, at \$142m, surpassing its \$135m hard cap.

The close marks a key milestone for the Africa-focused investment manager and comes against the backdrop of a difficult global fundraising environment, underscoring continued investor support for XSML's SME-focused private credit strategy.

African Rivers Fund IV provides long-term growth capital to small and medium-sized enterprises operating in frontier markets across Central and Eastern Africa. The fund targets investments ranging from \$300,000 to \$10 million and benefits from XSML's on-the-ground presence in Angola, the Democratic Republic of the Congo, Kenya, Uganda, and Zambia.

Since its first close, the fund has attracted three additional development finance institutions, including one new DFI investor, alongside two German family offices, further diversifying and strengthening its limited partner base.

Commenting on the close, managing partner Barthout van Slingelandt said the fund's performance reflects continued investor

confidence in XSML's model, which combines private credit with hands-on operational support.

He noted that the approach allows local entrepreneurs to scale their businesses without diluting ownership, while accessing flexible, long-term financing. He added that XSML's ability to provide earlier liquidity remains a differentiating factor in African markets where exits are still limited.

African Rivers Fund IV is expected to build a portfolio of more than 50 companies. As of December 2025, the fund had committed \$85 million, representing around 60% of its total investable capital. Current allocations are weighted towards the DRC at 47%, followed by Angola at 22%, Uganda at 17%, and Zambia at 14%. Key sectors include manufacturing, retail, beverages, food processing, and pharmaceuticals.

Over the past 15 years, XSML Capital has invested in more than 100 SMEs across Central, East, and Southern Africa. By the end of 2024, portfolio companies employed over 8,500 people and had created more than 4,100 jobs.

FUNDRAISING

HAVAÍC's African Innovation Fund 3 Achieves Third Close

Cape Town-headquartered venture capital (VC) firm HAVAÍC has announced the third close of its \$50m African Innovation Fund 3, securing over \$30m in commitments following the entry of South African impact investor E Squared Investments.

The African Innovation Fund 3 is on track to achieve its \$50m target for its fourth and final close in August this year.

Established by Allan Gray in 2007, E Squared channels catalytic capital in support of responsible entrepreneurship and inclusive

economic growth in South Africa.

“HAVAÍC's track record of backing African innovation that translates into sustainable, real-world outcomes strongly reflects our investment philosophy,” said Pyi Maung, Chief Investment Officer at E Squared.

“Their combination of capital and strategic support enables Africa-born startups to scale responsibly and access global markets, which aligns closely with E Squared's focus on long-term value creation. We

look forward to being a part of their continued impact through our investment in Fund 3.”

E Squared joins existing cornerstone investors Fireball Capital, Universum Wealth, the SA SME Fund, and Sanlam Multi-Manager. Sanlam Multi-Manager's 2024 investment, ahead of Fund 3's second close in July 2025, marked the group's first allocation to South Africa's VC industry and a notable step for institutional participation in this burgeoning asset class.

Commitments from long-time partners Fireball Capital and Universum Wealth build on their investments in HAVAIC's predecessor funds, while the SA SME Fund's backing underscores its continued commitment to unlocking institutional capital in the local VC ecosystem.

Launched in March 2023, the US\$50 million African Innovation Fund 3 is on track to complete up to 15 investments in early-stage, high-growth, post-revenue African startups with regional and global growth potential.

To date, Fund 3 has deployed \$10m in eight companies.

Recent investments include SAPay, the Johannesburg-based fintech digitising minibus taxi fares, and Stellenbosch-born fraud-prevention fintech Entersekt.

Recent follow-on investments include doubling down on sports data and analytics platform Sportable and international calling app Talk360.

Earlier Fund 3 investments saw Pan-African payments platform NjiaPay and fast-growing livestock trading platform SwiftVEE join HAVAIC's 23-strong portfolio of African technology startups.

Earlier follow-on investments include RNR App, RapidDeploy, hearX Group, and AURA.

Ian Lessem, Managing Partner at HAVAIC, said: “We look forward to accelerating our portfolio's impact with the support of E Squared's investment and doubling down on our strategy to grow local innovation by unlocking international markets. As evidenced by our portfolio companies' growth and enduring positive returns, the African VC industry has the talent, technology, and opportunities to catalyse sustainable job creation and social empowerment on the continent. This is where investors with a strong appetite for creating impact should be deploying their capital.”

The announcement follows HAVAIC's strongest year to date, underpinned by RapidDeploy's sale to U.S.-listed Motorola Solutions and the hearX Group's merger with Eargo to form LXE Hearing, representing two of the most significant technology transactions in Africa's history.

DEALS

Harith to Acquire FlySafair

Harith and its affiliates have entered into a Sale and Purchase Agreement to acquire FlySafair, the airline confirmed today, in a transaction subject to the required regulatory approvals.

Under the proposed deal, FlySafair will continue to operate under its existing brand, leadership and strategy. For customers, employees and partners, the airline said it will be business as usual, maintaining its focus on affordable fares, reliable operations and strong on-time

airline for long-term sustainability.

Emile du Toit, Chief Investment Officer at Harith General Partners, shared on social media: “Very proud to invest in the leading airline in South Africa! Their business model perfectly matches our infrastructure objectives of connecting people and businesses at the lowest possible cost and efficiency!”

A regulatory process relating to FlySafair's structure, following

“Very proud to invest in the leading airline in South Africa! Their business model perfectly matches our infrastructure objectives of connecting people and businesses at the lowest possible cost and efficiency”

performance.

The acquisition marks 20 years of Harith's activity as a long-term investor mobilising capital for infrastructure developments across Africa. The firm said the proposed investment aligns with its strategy of building an integrated transport ecosystem across the continent and supports FlySafair's existing trajectory of operational discipline and sustainable growth. By providing patient, long-term capital, Harith intends to back the airline's current strategy, with an emphasis on affordability, reliability and connectivity.

The proposed transaction reflects confidence in FlySafair's operating model, workforce and strategic focus, positioning the

findings issued by the Air Services Licensing Council in early 2025, remains ongoing. The airline said the proposed transaction was not initiated in response to those findings, which are subject to legal review. It noted that transactions of this scale are typically developed over an extended period and had been under discussion for some time. While the deal would result in FlySafair being owned by South African investors, it does not automatically resolve the matters under consideration by licensing authorities, which will assess the proposed structure in line with their statutory mandates. The parties said they respect the independence of those institutions and will continue to engage as required.

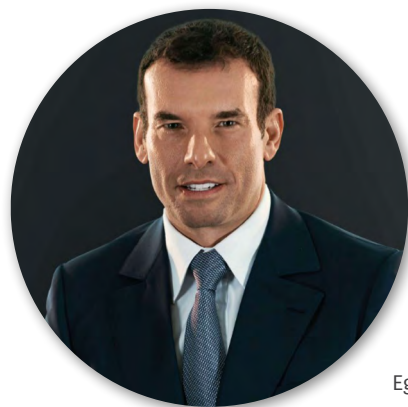
Completion of the transaction remains subject to customary regulatory approvals, including review by the Competition Commission and relevant aviation authorities. Timelines for conclusion will depend on the outcome and duration of those processes.

Harith said its investment approach focuses on acquiring

established businesses with proven operating models and supporting them over time. In the case of FlySafair, the firm cited the airline's brand strength and disciplined operating formula, adding that it intends for the carrier to continue under its existing strategy and leadership while focusing on sustained performance and long-term value creation.

DEALS

DPI Invests in Alameda Healthcare



Dr. Fahad Khater

Chairman

Alameda Healthcare

Development Partners International (DPI) has completed a \$190m investment in Alameda Healthcare, Egypt's private healthcare group.

Ziad Abaza, Partner at Development Partners International, said: "We are

pleased to finalise this milestone transaction and look forward to our partnership with Dr. Fahad Khater and his team in delivering world-class healthcare across Egypt and the GCC."

This investment, which is primarily a capital raise, marks the largest healthcare investment of its kind in Egypt to date.

The new funding and DPI's partnership is set to fuel Alameda Healthcare's strategic expansion within Egypt and across the Gulf Cooperation Council (GCC) region and Africa.

Since DPI signed the agreement in July 2025, Alameda has continued to execute on its growth strategy by expanding its footprint in sub-Saharan Africa with a clinic in Kenya.

The group is also seeing significant growth in the number of international patients travelling from across the region to access high-quality specialist care at Alameda's Joint Commission International (JCI) accredited hospitals.

Alameda is actively pursuing further opportunities for growth

across the region, including international partnerships which enhance care and optionality for patients. In January, Alameda announced a multi-year strategic partnership with Houston Methodist which focuses on advancing high-quality, patient-centered care at the Madinaty Hospital in New Cairo, Egypt.

DPI will collaborate closely with Alameda Healthcare's executive team led by Chairman Dr. Fahad Khater, who retains his position as the majority shareholder.

Dr. Fahad Khater, Chairman of Alameda Healthcare, said: "With DPI's support we have already begun to execute on our growth strategy and our partnership with Houston Methodist is a testament to that. DPI's support and deep regional networks will help us treat more patients and will expand access to high-quality healthcare across Egypt, especially in underserved areas. We look forward to launching into our next phase of growth across the KSA, UAE, and the wider GCC markets."

EFG Hermes acted as the Sole M&A Financial Advisor on the Transaction. Addleshaw Goddard LLP acted as international legal counsel, while ALC Alieldean Weshahi & Partners and Matouk Bassiouny & Hennawy as local legal counsels to Alameda Healthcare. White & Case LLP acted as international and local legal counsel to DPI. PricewaterhouseCoopers (PwC), Debevoise & Plimpton LLP and Rothschild & Co. were also members of DPI's consortium of advisors.

DEALS

PIDG Exits InfraCredit Nigeria

The Private Infrastructure Development Group (PIDG), through its project development solution, InfraCo has exited its preference share investment in InfraCredit Nigeria for \$26m, achieving a strong return despite challenging macroeconomic conditions.

InfraCo continues to hold ordinary shares following InfraCredit Nigeria's listing on the NASD OTC Securities Exchange in 2025.

PIDG had partnered with the Nigeria Sovereign Investment Authority to establish InfraCredit in 2017 as the first local currency guarantee facility in the world targeting infrastructure in frontier

markets.

Philippe Valahu, Chief Executive Officer, PIDG said, "PIDG has demonstrated how to successfully use increasingly scarce capital to unlock domestic institutional finance. InfraCredit's strong performance serves as a template for how such entities can be built in the future. With this transaction, we can now redeploy our investment for further action on climate and sustainable development in low- and middle-income countries".

InfraCredit is a specialised institution that provides Naira-

denominated guarantees to enhance the credit quality of local currency debt instruments issued to finance infrastructure projects in Nigeria.

Since its establishment, it has expanded its guarantee portfolio and enabled domestic investors to participate in infrastructure finance, unlocking ₦327bn (approximately \$516m equivalent, indexed at issuance) from more than 20 institutional investors in sectors including renewable energy, transport, logistics, and telecommunications.

Through this time, PIDG played an active role as an investor, including through representation on InfraCredit's board and key committees.

PIDG also supported the development of InfraCredit's impact management and HSES frameworks covering important aspects across measurement, gender empowerment and climate, to enable

best in class projects.

Chinua Azubike, CEO of InfraCredit said, "The completion of PIDG's preference share investment marks an important milestone in InfraCredit's development. PIDG has been a foundational partner since inception, supporting InfraCredit through its early stages as we built the institutional strength and market credibility required to become a publicly listed company and operate at scale. As InfraCredit continues to evolve as a more established, market-anchored institution, we value the continuation of this relationship and the role it plays in advancing our long-term mandate."

The partnership between PIDG and InfraCredit has played a transformational role in Nigeria's infrastructure finance landscape, making projects more bankable and attracting vital domestic capital.

This association will continue, with future collaborations planned even after PIDG's exit.

DEALS

Sahel Capital Provides \$2.4m Loan to SEFAA

Sahel Capital, an investment manager focused on the food and agriculture sectors across sub-Saharan Africa, has successfully closed a \$2.4m working capital loan to Kuapa Kokoo through its Social Enterprise Fund for Agriculture in Africa (SEFAA).

The facility represents a renewal of Sahel Capital's earlier financing to KKL and will support the company's increased working capital needs for cocoa procurement.

Deji Adebosoye, Partner at Sahel Capital, said: "Kuapa Kokoo remains a strong example of a farmer-owned institution that delivers real value to smallholder

farmers. This renewed facility reflects our confidence in KKL's operating model and ensures that farmers within the KKFU network continue to have reliable access to markets."

Kuapa Kokoo is a licensed buying company (LBC) based in Ghana and plays a critical role in the country's cocoa supply chain.

The company is largely owned by the Kuapa Kokoo Farmers Union (KKFU), the largest farmer cooperative in West Africa, comprising over

100,000 certified cocoa farmers.

Kuapa Kokoo purchases cocoa beans from its farmer members and supplies them to the Ghana Cocoa Board (COCOBOD) for export to international

markets at regulated prices.

Emmanuel Arthur, Managing Director of Kuapa Kokoo, said: "The renewal of this facility strengthens our ability to support our farmers during the cocoa season. This partnership with Sahel Capital enables us to continue serving our farmer members efficiently and at scale."

Sahel Capital currently manages three funds: the Fund for Agricultural Finance in Nigeria (FAFIN), which invests in agribusiness SMEs in Nigeria; the Social Enterprise Fund for Agriculture in Africa (SEFAA), which primarily provides structured debt to agribusiness SMEs across 13 countries in sub-Saharan Africa; and the Sahel Capital Agribusiness Fund II (SCAF II), which provides private equity investments in agribusiness SMEs in West Africa.

Jackson, Etti & Edu (JEE) advised SEFAA on this transaction.

EXITS

DPI Exits Atlantic Business International to BCP

Development Partners International, an investment firm focused on Africa, has announced that ADP II Holding 7 L.P (ADP II), one of the investment vehicles of African Development Partners II, DPI's second flagship fund, sold its 20.17% stake in Atlantic Business International (ABI) to Banque Centrale Populaire Group (BCP).

Following this sale, BCP now owns 100% of ABI's share capital.

The transaction, valued at over \$200m, represents a valuation for ABI above \$1bn.

It ranks among the largest private equity exits in Africa this year and marks DPI's full exit from its investment in the company.

Established in 1978, ABI is a leading financial services provider in West Africa and Central Africa, serving over 850,000 customers across eight countries.

ADP II made its investment in ABI in 2017.

Together with ABI's management team, DPI leveraged its experience of building successful regional champions and helped support ABI's sustainable growth and positive social impact.

ABI now operates through ten banks and four insurance companies in Côte d'Ivoire, Senegal, Burkina Faso, Benin, Togo, Guinea-Bissau, Mali, Republic of Guinea and Niger.

Investors

DPI also supported ABI's commitment to promoting financial opportunities and growth for local communities while enabling investment for small businesses.

Babacar Ka, Partner at DPI, said: "We are pleased to have sold our stake in Atlantic Business International to Banque Centrale

Populaire. We have worked closely with ABI's management team and fellow shareholders at BCP to strengthen and grow the business into one of the leading banking groups in the UEMOA region. We wish the company continued success as it enters its next phase of growth."

INVESTORS

BII and Alexforbes Back Revego Africa Energy Fund



Chris Chijiutomi

Managing Director and Head of Africa

BII

British International Investment (BII), the UK's development finance institution and impact investor, and Alexforbes Investments (Alexforbes), South Africa's largest multimanager, have each committed R500m to

the Revego Africa Energy Fund.

It marks a pivotal step in developing South Africa's secondary market for renewable energy assets.

This landmark investment of R1bn will support the expansion of Revego's portfolio of renewable energy projects, thus laying the groundwork for a more liquid and accessible secondary market.

Funds like Revego create pathways for ownership to transition from developers to long-term investors.

Through this investment, BII and Alexforbes are helping to unlock the liquidity needed to be recycled into new greenfield renewable

of sustainable infrastructure, accelerating the country's just energy transition, and encouraging further market participation.

It also exemplifies our commitment to supporting women empowerment through the 2X Challenge qualification, as well as black-owned and led businesses in Africa.

Chris Chijiutomi, Managing Director and Head of Africa, British International Investment, said: "As we evolve our climate finance approach in Africa, we remain committed to supporting a burgeoning market for renewable assets. In this case, we are deepening our support for Revego to build a liquid secondary market for renewables in Sub-Saharan Africa. By unlocking liquidity, we enable early-stage developers to recycle capital into new greenfield projects. We're particularly pleased to partner with Alexforbes Investments, South Africa's leading and largest multimanager, to establish a new asset class that mobilises institutional capital and strengthens local markets. It is key to accelerating the region's energy transition plans."

Gyongyi King, CIO: Private Markets at Alexforbes, said: "We're

"We are deepening our support for Revego to build a liquid secondary market for renewables in Sub-Saharan Africa. By unlocking liquidity, we enable early-stage developers to recycle capital into new greenfield projects"

Chris Chijiutomi, Managing Director and Head of Africa, British International Investment

energy opportunities.

Supporting the scaling up of this new asset class is essential for mobilising institutional capital and bridging the funding gap in South Africa's energy sector.

BII's investment contributes to UK's support for South Africa's Just Energy Transition Partnership. We are supporting the growth

delighted to invest alongside BII, whose commitment as a DFI with deep sector expertise further strengthens our shared conviction in Revego. Our participation in the Revego fund underscores our commitment to driving South Africa's infrastructure and energy transition, building on our legacy of innovation and impact in private markets.

“With over two decades of experience in private markets and over R11bn in private market investments, we bring deep expertise and robust governance to partnerships that deliver both financial performance and measurable socio-economic impact. This transaction is a natural extension of Alexforbes' strategy to unlocking new opportunities for our clients and for the country's sustainable growth. Revego's position as a majority black-owned and managed renewable energy fund manager also aligns strongly with our transformation commitments, enabling us to channel capital into projects that have both financial and measurable socio-economic impact.”

Ziyaad Sarang, Chief Investment Officer at Revego, said: “This deal marks a pivotal milestone for both investors and South Africa's climate infrastructure. Investments like this are essential for de-risking climate projects, supporting sustainable infrastructure, and driving long-term economic growth. Beyond the immediate impact, they help build and scale an asset class suited to institutional investors, while deepening a secondary market historically overlooked by investors. With infrastructure-linked, inflation-protected returns and strong early performance, this deal highlights the sector's untapped potential and signals a new wave of opportunity for those looking to participate in South Africa's green investment landscape.”

INVESTORS

FinDev Canada Invests in Fintech Credit Fund



Lori Kerr
CEO
FinDev Canada

Canada's bilateral Development Finance Institution, FinDev Canada, has announced a \$15m loan to Lendable MSME Fintech Credit Fund II SCSp, SICAV-RAIF, a 7-year global-focused debt fund with a target size of \$250m.

“FinDev Canada is proud to support Lendable in expanding critical financing for underserved communities and women. Every dollar we deploy in Latin America, Africa, and Asia reflects Canada's

Affairs Canada, will enable LMFCF II to build a diversified portfolio of loans to FinTechs supporting micro, small, and medium-sized enterprises (MSMEs), women-owned businesses, and digitally enabled, low-income consumer lenders.

This will increase access to tailored financial products for underserved segments.

MSMEs are critical to driving economic growth in emerging markets, yet they often face challenges in accessing affordable credit.

LMFCF II aims to bridge this gap by leveraging data integration technology to monitor borrower activity in real time, enhancing credit risk assessment, improving portfolio monitoring, and enabling more

“This partnership reinforces our shared focus on advancing financial inclusion and innovation across emerging markets, while promoting long-term impact for MSMEs, particularly women-owned enterprises

Lori Kerr, CEO, FinDev Canada

commitment to economic resilience and prosperity. This partnership reinforces our shared focus on advancing financial inclusion and innovation across emerging markets, while promoting long-term impact for MSMEs, particularly women-owned enterprises,” said Lori Kerr, CEO, FinDev Canada.

The Fund operates in Latin America, Africa, and Southeast Asia, and has a focus on promoting financial inclusion and gender equality.

FinDev Canada's \$15m contribution, which includes a \$7m commitment from 2X Canada, a blended finance facility led by FinDev Canada and funded by the Government of Canada through Global

efficient capital allocation.

The Fund will also support FinTechs by providing access to capacity-building tools, data expertise, and technical assistance offering, empowering MSMEs to create jobs and income-generating opportunities.

LMFCF II builds on the successful track record of its previous fund, which supported an estimated 85,000 jobs and created over 1,800 new positions, further demonstrating its meaningful impact.

LMFCF II is committed to promoting gender equality across its portfolio. This includes ensuring meaningful women's representation

across employment opportunities and leadership positions, and enabling FinTechs to improve gender practices by conducting gender assessments, setting 2X-aligned gender targets and providing support in achieving those.

“We are delighted to welcome FinDev Canada as a new partner in

our journey. Their support underscores the shared belief that credit access and technology can expand economic opportunity and financial inclusion for those historically excluded. We look forward to working together to scale FinTech innovation and deliver lasting, inclusive impact across emerging markets”, said Chris Wehbé, CEO, Lendable.

PE INDUSTRY NEWS

African Startups Raise \$3.9bn in 2025 As Venture Market Steadies

African startups raised \$3.9bn across 506 deals in 2025, signalling a steady pulse for the continent's venture ecosystem after two years of global market adjustment, according to AVCA's newly released 2025 Venture Capital Activity in Africa report.

While overall capital deployment remains below previous the highs of previous cycles, deal activity stabilised in 2025. Early-stage resilience, rising domestic investor participation, and the expansion of venture debt shaped the year.

Africa's venture market entered 2025 in a phase of disciplined stabilisation. Deal volume rose 4% YoY, making Africa the only global region where venture activity did not decline.

Seed and Early Stage deal activity expanded, with median deal sizes at both stages reaching multi-year highs, demonstrating stronger conviction at entry despite a more selective funding environment. The report also notes shorter fundraising timelines from Seed to Series A, pointing to more efficient early-stage progression. At the upper end of the market, 8 megadeals closed in 2025 raising a combined \$1.3bn. These outsized funding rounds partially offset the contraction of Late Stage equity activity, which fell to its lowest level since 2020.

One of the most consequential shifts in 2025 was the continued

outpace the more marginal 1% growth recorded globally. North Africa led by exit volume, while Southern Africa accounted for the largest share of exit value, at \$288m.

Trade sales continued to anchor exit activity, accounting for over 70% of both exit volume and value, however exit routes have broadened modestly. Financial sponsors increased their participation and reached a new high in 2025, with growing presence in more mature sectors such as FinTech, and Africa-based buyers accounted for 54% of exits, signalling a growing base of local and regional acquirers alongside continued international participation.

Domestic investor participation reached a new high in 2025. African investors accounted for 45% of total venture fund commitments, up from an average of 23% between 2022 and 2024. This shift was led by corporates and African development finance institutions (DFIs).

While overall DFI participation declined to 27%, composition localised: African DFIs contributed 63% of DFI capital deployed, reversing earlier years when international DFIs dominated commitments. Domestic capital is positioning itself as a more durable anchor for innovation, reducing the ecosystem's historical reliance on external capital sources and sentiments.

“The African venture capital ecosystem is recalibrating towards patient, structured and locally anchored capital. The record-breaking domestic participation and exit activity we see shows that African investors are increasingly confident in backing homegrown businesses and achieving exits

Abi Mustapha-Maduakor, Chief Executive Officer of AVCA

rise of venture debt as a financing tool. Venture debt reached \$1.8bn, nearly doubling YoY and extending a three-year growth trend.

Debt has increasingly moved from a complementary instrument to a core component of startup financing, particularly for growth-stage companies seeking to extend runway, manage dilution, and optimise capital efficiency. This shift brings Africa more closely in line with financing dynamics observed in more mature emerging venture markets, with East Africa accounting for more than two-thirds of regional deal value.

Venture-backed exits reached a new high of 34, rising 31% YoY to

Commenting on the findings, Abi Mustapha-Maduakor, Chief Executive Officer of AVCA, said: “The African venture capital ecosystem is recalibrating towards patient, structured and locally anchored capital. The record-breaking domestic participation and exit activity we see shows that African investors are increasingly confident in backing homegrown businesses and achieving exits, providing strong validation of the ecosystem's long-term investability. The priority now is to continue supporting the industry in diversifying its allocation pool to ensure adequate funding reaches the investors backing high-growth startups across the continent.”

A CONTINENTAL HAT-TRICK UNLOCKED



FROM LEAPFROG TO LEADERSHIP: AFRICA'S NEW ERA IN ASSET MANAGEMENT



By Deniz Omer, Regional Director of Multifonds MEA

Africa's economic trajectory continues to position the continent as one of the most compelling growth frontiers for the global investment industry.

According to the International Monetary Fund's World Economic Outlook, overall GDP growth across Africa is projected at approximately 4.5% in 2026 — a moderate yet resilient pace compared with many developed economies. However, this growth is not uniform. Certain regions, particularly parts of East and West Africa, are expanding at a faster rate, creating a stratifying economic landscape. This differentiation is giving rise to a new and increasingly confident middle class that is seeking access to formal financial markets and diversified investment products.

As disposable incomes rise and digital access improves, investors are moving beyond traditional savings vehicles into mutual funds, ETFs, equities, fixed income products and private market strategies.

Brookings Institution research estimates that Africa's middle class has surpassed 500 million people, reinforcing the scale of demand for structured investment solutions.

At the same time, interest in Shariah-compliant assets continues to grow, supported by demographic trends and the broader global expansion of Islamic finance markets.

For asset managers and fund service providers, this shift signals both opportunity and responsibility — the need to deliver scalable, compliant and digitally enabled investment infrastructures that can support a rapidly expanding investor base.

DIFFERENTIATED GROWTH: AFRICA'S EMERGING INVESTOR WAVE

Africa's expanding investor base is closely tied to demographics and technology. The continent has one of the world's youngest populations, and mobile-first digital adoption has accelerated financial inclusion at a pace rarely seen in mature markets. Urbanisation and cross-border initiatives such as the African Continental Free Trade Area (AfCFTA) are further strengthening economic integration and capital mobility, enabling institutions to reach broader investor communities across multiple jurisdictions.

This evolving investor profile is reshaping product demand. Retail investors increasingly expect transparency, accessibility and diversification, while alternatives — including private equity, credit and ESG-aligned strategies — are moving into the mainstream. At the same time, smaller and mid-sized investment firms are playing a more visible role, highlighting the growing need for flexible fund administration models that support rapid product launches and evolving regulatory requirements.

FROM LEGACY TO LEAPFROG: REDEFINING FUND OPERATIONS

South Africa has historically served as the most sophisticated hub for fund administration and transfer agency services on the continent. Its financial ecosystem has long been supported by established institutions and mature regulatory frameworks.

Yet legacy infrastructure is increasingly under pressure as demand grows for real-time reporting, digital onboarding and multi-asset servicing capabilities. Many incumbents are therefore investing in system consolidation and cloud modernisation initiatives to remain competitive.

In contrast, emerging markets across Africa are often bypassing legacy systems entirely.

New entrants and technology-driven asset managers are adopting agile, cloud-native platforms that allow faster time-to-market and lower operational overhead.

McKinsey's research on Africa's fintech ecosystem highlights strong double-digit growth in digital financial infrastructure investment over recent years, reflecting confidence in scalable technology solutions.

This "leapfrog" effect is narrowing the technology gap between established and emerging markets and enabling younger institutions to compete more effectively on service quality and speed.

SCALING OPPORTUNITY: THE FUTURE OF INVESTMENT INFRASTRUCTURE

A defining feature of Africa's asset management evolution is geographic portability. Investment firms are increasingly establishing multi-country footprints to serve growing investor demand beyond their headquarters' domestic markets. This regional expansion is accompanied by a diversification of asset coverage — ETFs, mutual funds, fixed income instruments, equities and private assets are all becoming integral components of portfolio construction.

The convergence of technology, investor sophistication and cross-border integration is gradually reshaping the institutional landscape.

Banks and traditional fund administrators are now joined by fintech-enabled providers and specialised investment firms, creating a market structure that increasingly resembles more mature financial centres.

However, success in this environment will depend on the ability to deliver operational resilience, regulatory compliance and seamless digital experiences.

Looking ahead to 2026 and beyond, Africa's growth story is less about uniform expansion and more about collective momentum.

The combination of demographic strength, technological adoption and financial innovation is generating a powerful foundation for the next generation of asset management and fund administration services.

For institutions prepared to invest in modern infrastructure and adaptable operating models, the continent represents not only a market of scale, but a landscape of sustained strategic opportunity.

AFRICA'S CEOs FACE THE SHIFT FROM RESILIENCE TO REINVENTION

By: Africa Global Funds



Dion Shango

CEO

PwC Africa

Africa's CEOs are entering 2025 with strong confidence in economic recovery, resilience forged through prolonged uncertainty, and a clear focus on protecting their core businesses. According to PwC's 29th Global CEO Survey, leaders across the continent remain more optimistic than their global peers about economic conditions and near-term revenue growth.

However, beneath this optimism lies a more cautious investment posture. While acquisitions, innovation and artificial intelligence are recognised as critical drivers of future competitiveness, many CEOs are balancing these priorities against geopolitical risk, skills shortages and short-term operational pressures. This tension between stability and transformation is shaping strategic decision-making across the continent.

The findings highlight a defining leadership challenge for Africa's CEOs: how to convert confidence into bold reinvention. As markets

by predictable patterns which indicate potential increases in market share (55%), the achievement of scale efficiencies (50%), portfolio diversification (51%).

The survey shows that 81% of CEOs in Africa are optimistic about improving economic conditions, compared with a global average of 65%. Nearly half of these optimistic leaders (47%) are confident about revenue growth over the next year. However, they often focus on strengthening existing positions while opportunities to reshape their businesses future are recognised but can be outweighed by short-term priorities.

"The uncertainty we all live with today needs to be accepted as the new norm. Every business must find a way to navigate this uncertainty, along with the risks and opportunities it brings.

This reality fundamentally challenges how we think about strategy. Strategies cannot be static—they need to be responsive to unforeseen changes, enabled to adapt quickly, and designed with the agility and flexibility to ensure business models aren't compromised when major disruptions occur.

This is exactly why CEOs are so focused on reinventing their businesses, and why many are saying that if they continue their current

"Strategies cannot be static—they need to be responsive to unforeseen changes, enabled to adapt quickly, and designed with the agility and flexibility to ensure business models aren't compromised when major disruptions occur"

Dion Shango, PwC Africa CEO

evolve and disruption accelerates, the ability to embrace risk, scale innovation and commit to enterprise-wide transformation—particularly in AI—will determine which organisations remain viable in the decade ahead.

AN INVESTMENT DILEMMA

There is a steady increase in making investment choices by CEOs in Africa, with only 8% indicating the likelihood to make large investments despite geopolitical uncertainty.

Another factor is confidence in acquisitions, with 40% of leaders actively planning to pursue growth through acquisition within the next three years compared to 46% globally. This approach is driven

path, their businesses won't be viable in ten years," says Dion Shango, PwC Africa CEO.

OPTIMISM SHOULD BE PARALLEL TO INNOVATION AND TRANSFORMATION

Despite ongoing uncertainty, business leaders are still strongly focused on the main objective of prioritising stability within their businesses.

The survey reveals that 55% of CEOs in Africa say innovation is critical to their overall business strategy, but underlying capabilities suggest otherwise, with 13% showing the willingness to tolerate high risk in innovation projects. A breakdown of these findings indicates that 16% have a dedicated innovation centre or incubator, 25% have processes to stop underperforming research and development projects, and 29% test

new ideas rapidly with customers or end-users.

“The leaders who build enduring businesses are those who find a way to both protect their core business while creating its future. That balance is not optional - it is the defining leadership challenge of this era,” says Lullu Krugel, Chief Economist and Africa Sustainability Leader, PwC South Africa.

Tapping into new markets offers businesses a reactive, proactive decision making and competitive advantage. The survey reveals that leaders are also actively pursuing growth beyond traditional boundaries, with 47% having already begun competing in new sectors in the past five years, making 24% of their revenue now derived from these newer ventures. Target growth sectors reflect strong demographic and digital trends, with technology leading at 17% of planned expansion efforts, followed by real estate (13%), retail (13%), and transport and logistics (12%).

“The central tension becomes clear: Africa's CEOs have developed remarkable resilience and operational excellence, yet their current

depends on trusted data, secure infrastructure and clear accountability. Without these foundations, strategic planning defaults to tactical experimentation rather than enterprise-wide transformation,” says Vikas Sharma, Africa Cyber Leader, PwC Mauritius.

While challenges remain a factor to development, investment in AI is growing, with 23% of Africa's CEOs who have invested in AI reporting increases of revenue and 25% achieving cost reductions over the past year. While the adoption of AI by CEOs in Africa sits at 75% from last year, this year, only 26% believe their investment levels are sufficient to deliver organisational AI goals. The gap is not in awareness or early adoption, but rather the commitment required to move from experimentation to enterprise-wide transformation.

“We're seeing CEOs approach AI with the same cautious investment mindset that has helped them navigate uncertainty for years. But with AI, that caution needs to be balanced with urgency. The organisations making modest AI investments today may find themselves significantly behind competitors who are scaling rapidly. The question isn't whether

“The leaders who build enduring businesses are those who find a way to both protect their core business while creating its future. That balance is not optional — it is the defining leadership challenge of this era

Lullu Krugel, PwC South Africa

cautious investment approach and risk-averse innovation stance can limit their ability to capitalise on transformative opportunities. The evidence is consistent: companies that continuously reinvent outperform those that don't. Operational strength alone is not enough—it must translate into bolder transformation,” says Olufemi Osinubi, Consulting and Risk Services Leader, PwC Nigeria.

AI ADOPTION REVEALS THE REINVENTION CHALLENGE

The adoption of artificial intelligence remains a challenge in Africa. CEOs in Africa trail their global counterparts in AI deployment, indicating a slower pace of digital transformation that risks deepening competitive disadvantages. Skills availability is a persistent barrier, with only 37% of CEOs mentioning that they can find and retain the talent needed to drive AI initiatives.

Another challenge that businesses face is adequate planning of AI initiatives, with only 41% having developed clearly defined roadmaps for AI initiatives, whilst 37% have formalised responsible AI and risk processes.

“The challenge is fundamentally a governance deficit rather than a lack of ambition. When cloud environments remain fragmented, data governance unclear and cybersecurity frameworks still developing, building a coherent AI roadmap becomes exponentially harder. AI

to invest in AI, but whether you're investing enough in AI and the infrastructure to remain competitive,” notes Christiaan Nel, AI Africa Leader, PwC South Africa.

THE PATH FORWARD

It is important to amplify strategic leadership priorities for Africa's leaders driving reinvention. This involves embracing risk as a catalyst for transformation, strengthening confidence through forecasting and investment, building adaptability intelligence, and investing in change leadership capabilities like communication, sequencing, and the organisational stamina to sustain momentum through setbacks.

“Africa's CEOs are not short on ambition or ability—and they face an extraordinary opportunity. With vast talent pools and a dynamic young population, the continent is uniquely positioned to leapfrog global counterparts by embracing the necessary tools for transformation. The leaders who will shape the next chapter of business in Africa are those who recognise that tomorrow's stability comes from today's innovation. What's needed now is decisive and inspirational leadership that matches intent with action to enable our continent's success,” concludes Hannelie Gilmour, Consulting and Transformation Platform Leader, PwC South Africa.

AGAINST THE ODDS:

WHY SOUTH AFRICA MAY BE MORE READY FOR THIS MOMENT THAN WE THINK



By: Samantha Pokroy
 Founder and CEO
 Sanari Capital

One of the big themes that emerged late last year was a tangible shift in sentiment around South Africa. For the first time in decades, bank CEOs were saying firmly

positive things, which were supported

by plentiful data. After a complicated year with global power dynamics shifting in unsettling ways, South Africa quietly put in a remarkable run.

The country exited the FATF greylist, received a ratings upgrade (the first in 20 years), the Government of National Unity held through early stress tests, anxieties over government debt eased, inflation has been tamed, loadshedding has receded from daily life, and the Rand delivered its strongest performance since 2009.

In addition, the JSE delivered standout returns. Equities rose by more than 35% (55–60% in USD terms). Bonds and listed property also posted strong double-digit gains, with currency strength providing an additional uplift for international investors.

These are powerful signals for investors. The question I keep asking, however, is: Is this improvement being felt on the ground?

The answer is: not yet.

LEAD INDICATORS VERSUS LIVED REALITY

While sentiment about South Africa has shifted, on-the-ground indicators don't yet tell the same story. The Absa PMI fell to 40.5 in December, deep in contraction territory. Employment remains under pressure, and we are not yet seeing a meaningful pickup in orders, capital expenditure or the kind of forward-looking investment behaviour that signals real economic momentum.

The IMF's recent upgrade of South Africa's 2026 growth forecast, from 1.1% to 1.4%, is welcome, but nowhere near enough to reverse the long-term erosion of GDP per capita.

Part of the JSE outperformance story is a broader rally across emerging markets (EM); however, SA outperformed the broader EM index by roughly 15 percentage points. Returns were also driven by commodity prices (JSE Resources Index up c.90% since April 2025) and the significant offshore exposure of large JSE companies.

Despite these dynamics, the broader SA market experienced a material rerating in 2025. Prior to 2018, SA equities traded on a similar P:E multiple to developed and emerging markets but suffered

a severe derating thereafter on declining local and offshore investor sentiment. This appears to be changing and signals investor confidence in future economic activity.

Market commentator Izak Odendaal says the "trend of offshore acquisitions at the cost of domestic investment, which seems to have turned, was both a consequence of and contributor to a period of economic stagnation".

This is supported by other leading indicators. The Reserve Bank's leading business cycle indicator for November, released in January, rose 3.3% year-on-year. The index – which includes building plans passed, job advertisements and commodity prices – provides a signal of where the economy is likely to be six months ahead. We hope to see the economy's fundamentals rise up to meet these expectations.

But, even where there is growth, we must consider that in the context of automation, AI and changing business models; labour absorption will not look like it did in previous cycles.

Discovery CEO Adrian Gore said in Davos we must be intentional about this: "Whatever we do must be about economic growth that creates jobs, that creates confidence, and you get a virtuous cycle."

We should lean in to this positive moment with force and intentionality for a widespread socioeconomic impact. The market believes, so should we.

COMPLEXITY AS A COMPETITIVE ADVANTAGE

All of this is happening in the context of a so-called unravelling of the rules-based order. There is a growing acknowledgement – voiced recently by Canadian PM Mark Carney and European Commission President Ursula von der Leyen – that the old world order is crumbling. Or, as Carney says, rupturing.

For many in the Global North, this is a shock. For South Africans, it is another variable in an already complex equation. The global system was never particularly fair or equal, especially if you happened to operate in the Global South. South African businesses have spent decades navigating uncertainty, policy shifts, infrastructure constraints and geopolitical complexity – and still found ways to compete and, in many cases, excel. What the world is now experiencing as disruption has long been our baseline.

Complexity can be an enemy of business – if you depend on stability, clarity and consistency. It can also be a source of advantage if you understand it, name it, and build organisations that can adapt.

“South Africa sits in a potentially powerful position in this global transition

Samantha Pokroy, founder and CEO, Sanari Capital

This is why Mark Carney’s call to “name the reality” resonates so strongly with me. The old world of rules-based order and equality – if it ever existed – is gone. The pace of change is no longer year-to-year; it is week-to-week, sometimes day-to-day.

South African business leaders know this terrain intimately. That ability to remain agile without abandoning principles is suddenly in global demand.

QUIET RESOLVE OVER GRANDSTANDING

I saw this play out at the G20 and B20 meetings last year. In a world marked by growing self-interest and protectionism, South Africa stood firmly behind its themes: Solidarity, Equality and Sustainability.

It wasn’t about refusing to budge on principle. It was about principles. It was about being clear on who we are, what we believe and what we are prepared to defend. Against the odds, the world came together and delivered a unified Leaders’ Declaration, a reminder that shared values still exist, even if power dynamics are shifting. It was inspiring to see South African business leadership role-modelling leadership for all.

In his closing address, B20 Sherpa Cas Coovadia reminded the world that Africa has moved from the margins of global dialogue to becoming a co-author of the global agenda. He offered the words of Ben Okri, a reminder of what this moment asks of all of us: “Our future is greater than our past. We are the miracles that must make the world anew.”

The B20/G20 moment may have passed from the headlines, but its relevance has not. As Europe and Canada openly grapple with a harsher, more transactional global order, South Africa has already demonstrated what principled adaptability looks like.

WHY THIS MOMENT MATTERS

South Africa sits in a potentially powerful position in this global transition, as a key gateway to the African continent, the last frontier for growth, source of critical minerals and scarce resources, and home to a youthful population in an ageing world.

If we play this moment well and avoid those pesky “own goals”, the opportunity is significant, and private capital has an important role to play. In a world defined by volatility and structural change, patient capital, capital that understands complexity rather than fears it, becomes increasingly valuable. Private Equity is uniquely positioned to work with businesses through uncertainty.

READY FOR THE WORLD AS IT IS

The evidence is mounting that South Africa is better positioned than we have been in years. Following years of challenge and uncertainty, we may be better prepared for this fractured, fast-changing global reality than many of those scrambling to adapt. If we stay true to our principles and bring everyone along, this moment could mark something more durable than a market rally. The world has changed. For once, that may play to our strengths.

ABOUT THE AUTHOR

Samantha Pokroy is the founder and CEO of Sanari Capital. She has more than 20 years of private equity experience in the South African and United States markets. With experience in the fields of finance, technology and psychology, Samantha works with portfolio companies to unlock business potential through digital and human enablement.

Prior to founding Sanari in November 2013, she played a leading role in investments at Ethos Private Equity, which she joined in 2006. Before that she spent two years at a Chicago-based private equity firm (KRK, now Winona Capital), and worked in investment

banking (JPMorgan, Financial Sponsors Group) and consulting (Stern Stewart) in New York.

Sam has capabilities across the private equity value chain with extensive board and strategic experience across numerous portfolio companies. She served on the board of SAVCA (South African Private Equity and Venture Capital Association) from 2015 to 2022.

Sam holds an MBA (Cum Laude) from the University of Chicago Booth School of Business, a BCom degree and a BA Honours degree in Industrial Psychology from the University of the Witwatersrand. She is also a CFA Charterholder.

AFRICAN MARKETS PERFORMANCE

AFRICA SOVEREIGN BOND INDICES (TOTAL RETURNS USD %)

Country	January	3-Month	1-Year
Botswana	0.17%	0.96%	-1.89%
Egypt	3.69%	6.89%	32.12%
Ghana	-0.95%	6.76%	154.96%
Kenya	1.44%	4.11%	21.68%
Mauritius	2.76%	2.55%	6.40%
Morocco	-0.58%	1.46%	13.71%
Namibia	4.39%	14.27%	36.04%
S&P/FMDQ Nigeria	5.70%	5.16%	43.31%
South Africa	5.32%	16.84%	46.49%
Tanzania	-0.98%	-0.07%	32.64%
Uganda	7.39%	6.28%	27.25%
Zambia	14.83%	19.46%	92.51%

Source: S&P Dow Jones Indices

AFRICA EQUITY INDICES (BMI GROSS TOTAL RETURNS USD %)

Country	January	3-Month	1-Year
Botswana	-0.10%	6.55%	18.74%
Cote d'Ivoire	6.48%	10.45%	44.82%
Egypt	19.19%	28.30%	82.80%
Ghana	-0.27%	13.39%	187.52%
Kenya	3.77%	5.03%	71.44%
Malawi	-3.40%	-3.15%	190.89%
Mauritius	0.65%	-1.60%	1.08%
Morocco	-0.28%	-4.69%	27.19%
Namibia	4.89%	14.19%	49.84%
Nigeria	13.50%	14.34%	71.49%
Rwanda	3.64%	16.96%	27.04%
South Africa	7.49%	20.31%	69.60%
Tanzania	20.83%	35.68%	82.06%
Tunisia	9.19%	18.50%	58.81%
Uganda	11.22%	12.90%	42.78%
Zambia	16.44%	25.16%	138.75%

SOUTH AFRICA: Local Elections Matter More for Political Cohesion than Economic Policy

By Callee Davis and Louw Nel, Oxford Economics

South Africa's local elections (scheduled to take place sometime between November 2026 and February 2027) are unlikely to shift our macro baseline, but they could test the stability of the ruling Government of National Unity (GNU) coalition as members pursue their individual campaigns.

If the coalition breaks down and forces the African National Congress (ANC) to team up with partners with more left-leaning economic policies than the Democratic Alliance (DA), markets would likely see higher political and economic risks. This scenario is unlikely now but could become more likely as the 2029 general election approaches.

Local election results in key metros may provide insight into the broader national political trajectory and the durability of coalitions. We outline four scenarios and their market implications, while acknowledging multiple subplots at the local level.

1) Most likely: The ANC earns enough votes in enough places to form

working coalitions (without the DA) and ensure they elect mayors in most metros and strategic municipalities. Markets broadly see this as a continuation of the status quo.

2) Less likely: The DA earns enough votes in enough places to form working coalitions (without the ANC) and ensure they elect mayors in most metros and strategic municipalities. Markets react positively to the growing influence of the pro-business party at the local level.

3) Same likelihood as #2: An undetermined outcome leads to unstable, transactional coalitions – with no clear winner between the ANC and DA. This is negative for market sentiment if widespread in high-visibility metros but has little impact if contained to smaller municipalities.

4) Unlikely: The ANC and DA both decline and populists (like the uMkhonto weSizwe Party) and constituency-based parties (like the Patriotic Front) profit and, in places, become kingmakers. This is negative for market sentiment.

PRIVATE EQUITY FUNDS & DEALS

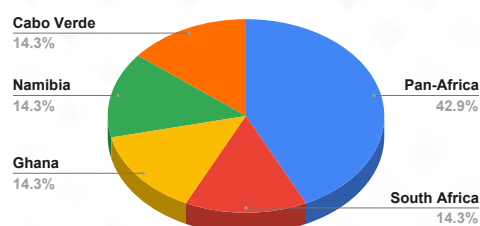
(as of the end of January 2026)

DEALS

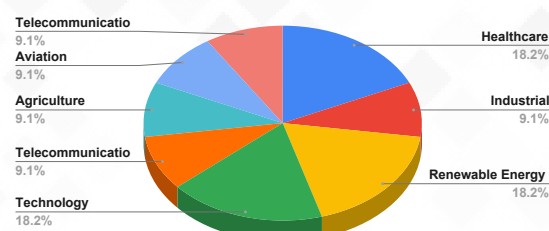
For more information on each transaction, visit Africa Global Funds's website

Company	Investment	Industry	Country	Deal Type	Deal Value
Adenia Partners	Parkville Pharmaceuticals	Healthcare	Egypt	Buyout	Undisclosed
AfricInvest Europe	Tecofi Group	Industrial manufacturing	Pan-Africa	Growth Equity	Undisclosed
Lightrock	Sun King	Renewable Energy	Pan-Africa	Growth Equity	\$40m
Mergence Investment Managers / Creation Capital	Mahube Infrastructure	Renewable Energy	South Africa	Buyout	XOF 10bn
Sahel Capital	Kuapa Kokoo	Agriculture	Ghana	Loan	\$2.4m
Salt Capital // South Suez Capital	Welwitschia Hospital, ERAD Radiology, and Spescare	Healthcare	Namibia	Buyout	Undisclosed
The Emerging Africa & Asia Infrastructure Fund	Cabo Verde Airports	Aviation	Cabo Verde	Loan	€40m
The Emerging Africa & Asia Infrastructure Fund / Ninety One	WIOCC	Telecommunications	Pan-Africa	Growth Capital	\$30m

DEALS BY COUNTRY



DEALS BY INDUSTRY



FUNDRAISING & EXITS

Company	Fund	Style	Sectors	Final Close	Target Size
Amethis Investment Fund Manager	Amethis Fund III	Growth Equity	Healthcare, business services, manufacturing, agribusiness, energy-related services	€140m	€450m
Blue Earth Capital	Blue Earth Capital Impact Secondaries Strategy	Secondaries	Climate action, circular economy, financial inclusion, healthcare, education	> \$100m	
Inside Capital Partners	Inside Equity Fund II	Growth Equity	Clean energy, waste reduction/management, renewable energy, packaging, building materials, hospitality, agro-industry, manufacturing, technology, healthcare, finance, consumer goods, tourism	\$55m	\$100m
Sahel Capital	Sahel Capital Agribusiness Fund II	Growth Equity	Agricultural production, food processing, cold-chain logistics, distribution and value-chain efficiency in agribusiness	\$29m	\$75m
XSMC Capital	African Rivers Fund IV	Growth Equity	Manufacturing, retail, beverages, food processing, pharmaceuticals, business and consumer services, construction and real estate, technology and telecoms, food and agriculture		\$175m

Company	Divestment	Industry	Geography	Buyer (s)	Nature of exit
Admaius Capital Partners	Parkville Pharmaceuticals	Healthcare	Egypt	Adenia Partners	Secondary Buyout
Development Partners International	Atlantic Business International	Financial Services	West Africa and Central Africa	Banque Centrale Populaire Group	Trade
Mediterrania Capital Partners	Cash Plus	Financial Services	Morocco	Multiple	IPO

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 2026-01-31)										
5.6	5.6	75.16	35.37	21.47		Equity	Africa ex-SA	Cayman Isl.	Open-End	06/14
African Domestic Bond Fund (as-of 2026-01-31)										
2.9	2.9	32.8	9.5	1.3	47.40 (01/26)	ETF - local currency FI	African region	Mauritius	Open-End	9/18
African Lions Fund (as-of 2026-01-31)										
4.46	4.46	72.73	33.1	23.14	62.96 (11/25)	Equity	SSA ex-SA	BVI	Open-End	10/20
Allan Gray Africa Bond Fund (as-of 2025-12-31)										
25.4		25.4	17.5	8.6	400.00 (12/25)	Fixed Income	Africa ex-SA	Bermuda	Open-End	3/13
Allan Gray Africa ex-SA Equity Fund (as-of 2026-01-31)										
8.5	8.5	75.65	22.85	15.5	530.00 (1/26)	Equity	Africa ex-SA	Bermuda	Open-End	1/12
Commonwealth Africa Fund (as-of 2026-01-31)										
4.92	4.92	57.29	19.38	13.68	7.61 (1/26)	Equity	African region	USA	Open-End	11/11
Coronation Africa Frontiers Fund (as-of 2026-01-31)										
7.27	7.27	69.95	23.28	13.97	636.00 (1/26)	Equity	Africa ex-SA	Ireland	Unit Trust	10/08
EFG-Hermes MEDA Fund (as-of 2026-02-20)										
1.01	4.32	-5.14	9.92	16.95		Equity	Africa & Middle East	Bermuda	Open-End	12/11
Enko Africa Debt Fund (as-of 2026-01-31)										
5.69	5.69	37.08	28.44	18.45	1008.00 (01/26)	Fixed Income	Africa ex-SA	Mauritius	Open-End	10/16
Fidelity Funds - Emerging Europe, Middle East and Africa Fund A (as-of 2026-02-20)										
6.71	6.01	38.09	20.92	2.82	412.70 (1/26)	Equity	EMEA	Luxembourg	SICAV	6/7
Imara Africa Fund (as-of 2026-01-31)										
5.39	5.39	56.56	13.78	1.56		Equity	African region	Cayman Isl.	Open-End	04/09
Imara African Opportunities Fund (as-of 2026-01-31)										
5.4	5.4	56.6				Equity	African region	BVI	Open-End	08/21
Imara Zimbabwe Fund (as-of 2026-01-30)										
24.4	24.4					Equity	Zimbabwe	BVI	Open-End	03/07

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 2025-12-31)										
19.9		19.9	13.7		43.20 (12/25)	Fixed Income ex South Africa	African region	Ireland	UCITS	04/21
Laurium Limpopo Africa Fund (as-of 2026-01-31)										
6.8	6.8	62.43	30.19	14.09	376.50 (12/25)	Equity	Africa ex-SA	Cayman Isl.	Open-End	01/14
Mazi Capital Africa Fund (as-of 2026-01-31)										
5.82	5.82	59.85	13.8	4.8		Equity	Africa ex-SA	South Africa	Open-End	1/16
MCB Africa Bond Fund (as-of 2026-01-31)										
0.2	0.2	7.1	-3.4	-23.8		Fixed Income	African region	Mauritius	Open-End	02/14
Old Mutual African Frontiers Flexible Income Fund (as-of 2025-12-31)										
27.9	3.3	27.9	19.7		88.10 (12/25)	Fixed Income	African region	Ireland	OEIC	05/22
Old Mutual African Frontiers Fund (as-of 2026-01-31)										
5.45	5.45	54.66	27.14	12.51		Equity	Africa ex-SA	Ireland	Open-End	5/10
Robeco Afrika (as-of 2026-01-31)										
7.88	7.88	82.94	28.07	17.87	48.60 (01/26)	Equity	African region	Netherlands	Open-End	06/08
Sanlam Africa Equity Fund (as-of 2026-01-31)										
7.3	7.3	67.65	22.57	15.32		Equity	Africa ex-SA	Ireland	Open-End	07/15
Sanlam Allianz Africa Equity Fund (as-of 2025-12-31)										
47.96	5.19	47.96	10.94	4.68	78.64 (11/25)	Equity	Africa ex-SA	Cayman Isl.	Open-End	05/19
Steyn Capital Africa Fund (as-of 2026-01-31)										
6	6	72.63	29.81	21.74		Equity	Africa ex-SA	Malta	SICAV	09/11
Sustainable Capital Africa Alpha Fund (as-of 2026-01-31)										
10.4	10.4	69.2	24.89	13.24		Equity	Africa ex-SA	Mauritius	Open-End	2/12
TCM Africa High Dividend Equity (as-of 2026-01-31)										
5.4	5.4	51.89	17.48	6.1		Equity	Africa ex-SA	Holland	Open-End	03/08
T. Rowe Price Africa & Middle East Fund (as-of 2026-01-31)										
5.15	5.15	26.48	14.2	13.03	115.22 (1/26)	Equity	MENA & SSA	United States	Open-End	10/11

DELISTING AND TAKE-PRIVATE TREND IN SOUTH AFRICA



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There has been a mixed response to the trends of declining company listings and increasing delistings on the Johannesburg Stock Exchange (JSE).

Some commentators have expressed apprehension about the seemingly high rate of delistings, fearing that this might signal a loss of confidence in the economy. Others have been upbeat, noting that new and prospective listings, particularly in the technology sector, point to pockets of energy and renewal. In October 2025, it was announced that Optasia had listed on the Main Board of the JSE. Blu Label Unlimited also announced its intention to list Cell C Holdings on the JSE's Main Board.

As always, context is key. What happens to stock markets in South Africa and the rest of Africa cannot be divorced from global industry trends – although there is sometimes a lag.

DELISTING FOR LONG-TERM GROWTH

An ongoing global trend among very large corporates is consolidation and focus as they seek to strengthen their positions in shifting markets. Anglo American, which has had a secondary listing on the JSE since 1999, is a good example of this, having made a strategic shift from gold and platinum towards copper, crop nutrients and premium iron ore assets.

This was the context for the Anglo demerger that led to the establishment of Valterra Platinum (whom Bowmans represented). Not long afterwards, Anglo and Canadian mining company Teck Resources (whom Bowmans also represented) announced their plans to merge and form Anglo Teck, with more than 70% exposure to copper and the rest mainly to iron ore.

Notably – and reassuringly for those worried about investor faith in the JSE – Anglo retains its majority share in JSE-listed iron ore company Kumba Iron Ore.

Several other high-profile transactions also helped shape the 2025 delistings landscape. Adcock Ingram was taken private in a ZAR 4 billion acquisition by Natco Pharma (advised by Bowmans), and MultiChoice delisted after a ZAR 56 billion takeover by French media giant Canal+ (again represented by Bowmans). Metrofile & Barloworld are also expected to depart the JSE in 2026 following buyouts initiated in 2025.

The increasing popularity of take-private transactions reflects a recalibration in terms of how companies access and allocate capital,

manage regulatory challenges and position themselves for sustained growth. Delistings allow businesses to respond to global pressures, rapid advances in digitisation and changing investor preferences.

Some companies have market capitalisations that value them at a significant discount to their net asset value, and existing majority investors may feel that there is more value to be found by taking the company private. In many cases, delistings represent value creation – companies are acquired at a premium and then repositioned for long-term growth. Examples include the buyout of Royal Bafokeng Platinum, where a bidding war resulted in a large premium for shareholders, and Mediclinic, which was acquired at a 50% premium. In these cases, delistings corrected what may have been undervaluation.

The trend of multinational enterprises acquiring South African companies is also a good indication of the strategic value international capital is placing in local businesses.

REGULATORY REFORM

Delistings can also signal where reforms are needed. Many small- to mid-cap listings on the JSE struggle with the additional regulation, administrative burden and significant costs of being listed, while lacking sufficient liquidity and shareholder spread to justify these drawbacks. The JSE has been addressing this issue via an ongoing simplification of its listing requirements.

The exchange released the final version of its simplified JSE Listings Requirements in December 2025, with the Requirements becoming effective on 13 January 2026 for new listings and 16 February 2026 for all other purposes. Overall, the revised Requirements reflect the modernisation of the JSE's regulatory framework, with the amendments clarifying the applicable legal position, streamlining processes and strengthening alignment with global market practice.

The JSE is also evolving structurally, splitting its Main Board into two segments, being the prime and general segments, to cater for the different needs of large corporations and smaller peers. The result is the emergence of the Main Board Prime and the Main Board General, in addition to the already existing AltX.

These reforms are expected to reduce regulatory burdens, assist in rebuilding momentum in the listings pipeline and increase investor confidence through the implementation of clearer guidelines around disclosure. Having come into effect just over a year ago, the general segment is faring well, attracting and retaining notable listings, contributing to the exchange's overall resilient performance and fostering an enabling environment for growth and the attractiveness of the South African capital markets.

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