

AFRICA

GLOBAL FUNDS

INVESTOR CONFIDENCE IN NIGERIA GOT A BOOST

**Q&A: HIVOS-TRIODOS FONDS
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**Q&A: INVESTING AHEAD OF THE CURVE:
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**COMMENT: CITI ECONOMIST SEES
NEW MOMENTUM IN AFRICA**

**NEWS: ENKO CAPITAL RAISES \$100M AT
FIRST CLOSE FOR CREDIT FUND**

Your Insight Into African Asset Management



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Investor confidence in Nigeria is rising as government reforms restore economic stability, reopening access to international capital markets and earning a 2024 credit rating upgrade. With vast natural resources, a growing population, and a young workforce, Nigeria offers strong potential—especially in its digital and financial sectors. The telecom market remains largely untapped, though challenged by naira devaluation and infrastructure costs, while the fintech industry led a \$520 million VC rebound in 2024. The banking sector remains profitable and resilient amid recapitalisation and regulatory improvements. Finfund's investments reflect optimism in Nigeria's private sector, though continued progress depends on tackling power, security, and financing challenges. (p.14-15).

In this month's issue we spoke with Femke Bos, Head of Impact Private Debt & Equity at Triodos Investment Management, about how Hivos-Triodos Fonds is driving sustainable development across the African continent (Read on p.13). Recently FMO, and OeEB have invested €30m in the Hivos-Triodos Fonds that will be used to accelerate sustainable social and economic development in developing countries, mainly by investing in local SMEs (See also *News* section).

In addition, Gerald Gondo, Chief Investment Officer at ICEA LION Group, speaks about the company's forward-thinking approach to investment in East Africa. Highlighting the importance of anticipating market and structural changes, Gondo explains how ICEA LION is blending innovation with disciplined risk management to drive sustainable returns and support Africa's long-term economic development. He also discusses key trends shaping the region's financial landscape and the opportunities they present for investors. Read on pp.16-17.

In addition, Citi Economist David Cowan sees renewed momentum in Africa after years of fiscal strain, debt defaults, and currency crises. Speaking at AFSIC 2025, he said massive devaluations in Nigeria and Egypt, though painful, are spurring economic adjustments and recovery, with Ghana, Zambia, and others showing strong growth. Improved terms of trade and rising regional banks are reshaping the financial landscape as global lenders retreat (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
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Enko Capital Raises \$100m at First Close for Credit Fund



Alain Nkontchou

MP

Enko Capital

Enko Capital, an Africa-focused alternative asset manager with \$1.3bn in assets under management (AUM), has announced the first close of its impact focused private credit strategy, raising \$100m toward its target of \$150m at final close, with a hard cap of \$200m.

Investors in the first close include British International Investment (BII), the UK's development finance institution; IFC, a member of the World Bank Group; SICOM Global Fund Limited; one of Africa's leading asset managers; a European impact Investor; alongside African pension funds and family offices.

job creation. Through this partnership, we will support businesses across a range of sectors, from agribusiness to telecoms, that are critical for sustained economic growth.”

The Fund provides US dollar-denominated private credit to mid-market companies across Sub-Saharan Africa, focusing on established, cash-generating businesses in non-cyclical sectors such as agriculture, telecommunications, manufacturing, renewable energy, and financial services. By offering flexible, tailored financing to well-managed enterprises often underserved by traditional lenders, the Fund seeks to address the structural credit gap facing mid-sized African firms and to demonstrate the commercial potential of private credit on the continent.

Alain Nkontchou, Managing Partner of Enko Capital, said: “The

“The successful first close of Enko's flagship private credit strategy underscores growing investor confidence in Africa's sustainable development through private credit

Alain Nkontchou, Managing Partner of Enko Capital

Leslie Maasdorp, Chief Executive Officer at BII, said: “Our commitment to the Enko Impact Credit Fund reflects BII's belief in the commercial potential of private credit in Africa and its role in closing the financing gap for mid-sized businesses. By anchoring the fund's first close, our aim is to send a strong signal to other investors, attract additional capital and help build a viable private credit market that supports businesses critical to economic growth in Africa.”

Mohamed Gouled, Vice President of Industries, IFC, added: “Expanding access to finance for mid-sized companies is critical to accelerating inclusive growth across Africa. IFC's support for the Enko Impact Credit Fund demonstrates IFC's commitment to channelling longer tenor and flexible funding to African businesses for growth and

successful first close of Enko's flagship private credit strategy underscores growing investor confidence in Africa's sustainable development through private credit. With the support of leading international institutional development and impact investors; and local partners, the Fund is strategically positioned to offer customised capital solutions to high-quality mid-market SMEs, unlocking growth, supporting job creation, and advancing sustainable development, while generating compelling risk-adjusted returns for our investors. We are also proud that this marks the first investment under the partnership between BII and IFC, a collaboration that strengthens shared commitment to foster impactful, sustainable growth on the continent.”

FUNDRAISING

Accion Venture Lab Fund II Hits Final Close

Accion has announced the final close of a \$61.6m fund that will invest in early-stage fintech companies meeting the needs of financially underserved people globally.

Rahil Rangwala, Managing Partner, Accion Ventures, said: “We are

excited to support the growth of incredible innovators across the globe in early-stage fintech who are using technologies ranging from satellite imagery to conversational commerce and embedded finance, leveraging the power of mobile phones and the internet to seek to

Deals & Exits

deliver sustainable financial returns, alongside real-world impact for underserved people globally. We believe we have a strong pipeline

and Southeast Asia, Latin America, and the United States.

According to the Global Findex 2025, worldwide, 1.6 billion

“With the huge uptick in mobile technologies in emerging economies, we see a significant opportunity to connect many small businesses and low-income consumers to the digital economy for the first time

Michael Schlein, President and CEO of Accion

and team in place and will continue to leverage our networks to deliver quality, affordable financial services for small businesses and consumers globally.”

Accion Venture Lab Fund II builds on a decade-long investment strategy focused on delivering social and financial objectives through early-stage venture capital investments.

The fund closed with commitments from both existing and new investors, including commercial and impact asset managers, development finance institutions, foundations, family offices, and strategic financial service companies.

Limited Partners in the fund include the Dutch entrepreneurial development bank FMO, Proparco, ImpactAssets, Ford Foundation, MetLife, and Mastercard. The most recent initial investments by the new fund are PaidHR in Nigeria, Foyer in the United States, FinFra in Indonesia, and Flowcart in Kenya.

Ameé Parbhoo, Managing Partner, Accion Ventures, said: “With this new funding, we seek to build on our success to date, finding and scaling some of the world's most innovative fintech companies that provide a full suite of financial products and services to small businesses globally. We believe our global portfolio and local approach mean we can spot and respond to trends faster, driving local innovations on a global scale, and share learnings across geographies. We aim to be one of the first institutional checks a company receives and will continue to engage early, while maintaining sufficient reserves to back our winners as they scale.”

With the launch of the new fund, Accion Impact Management's early-stage fintech strategy has rebranded from Accion Venture Lab to Accion Ventures.

Accion Ventures seeks innovative tech companies that promote financial inclusion around the globe and have the potential to generate attractive returns. Bringing a deep understanding of local customers and markets, combined with global learnings, the team behind Accion Ventures supports investments across Africa, South

people do not have an account with a financial institution or have an inactive account, and the \$5.7trn annual financing gap for micro, small, and medium-sized businesses represents a huge market opportunity for innovative startups ready to disrupt the traditional financial system.

Accion Ventures aims to find and help scale companies at the forefront of the latest trends in fintech, delivering financial solutions leveraging embedded finance, alternative data, and more.

Since the investment strategy was established in 2012, \$59.4m has been deployed in 76 companies across more than 30 countries, with 13 full or partial exits across all geographies.

The three most recent exits were Apollo Agriculture, a company providing tech-enabled inputs, financing, insurance, and training to smallholder farmers in Kenya and Zambia; Lula, an all-digital small business lender and bank account provider for small and medium enterprises in South Africa; and Pula, a company providing agricultural insurtech solutions to smallholder farmers across Africa and Asia.

Beyond deploying capital, Accion Ventures provides hands-on support to startups across the critical areas of a fintech lifecycle, which may include access to market expertise, board governance, networking to open doors in typically limited debt and equity funding environments, and strategic and operational guidance from a dedicated Portfolio Engagement team, drawn from expertise as international investors and operators of tech companies.

Michael Schlein, President and CEO of Accion, said: “With the huge uptick in mobile technologies in emerging economies, we see a significant opportunity to connect many small businesses and low-income consumers to the digital economy for the first time. Leveraging third-party capital to deliver social and financial objectives is a critical part of our strategy. This fund seeks to support the growth of early-stage, disruptive companies providing high-quality, affordable financial services that can help reduce poverty and create opportunity for millions of people globally.”

DEALS

DPI Leads Series C in Moniepoint

Development Partners International's African Development Partners (ADP) III fund has led a \$200m equity financing round for Moniepoint, Africa's all-in-one financial platform for businesses and their customers, as part of its recently closed Series C funding.

The round's final close was anchored by LeapFrog Investments, with participation from other notable investors including Lightrock,

Alder Tree Investments, Google's Africa Investment Fund, Visa, the International Finance Corporation (IFC), Proparco, Swedfund, and Verod Capital Management.

Adefolarin Ogunsanya, Partner at Development Partners International, said: “Since leading the first close of this landmark Series C, we have seen Moniepoint reach new heights - delivering

innovation alongside sustained growth and profitability. DPI is proud to have anchored this round, reaffirming our conviction and support for the business and its leadership team. We continue to be impressed by Moniepoint's powerful combination of commercial success and its impact on financial inclusion, and look forward to our continued partnership with Tosin and his team as they scale further in Nigeria, across Africa and beyond."

Karima Ola, Partner at LeapFrog Investments, added: "MSMEs are the heartbeat of African economies - creating the majority of jobs and driving innovation. However, the vast majority have no access to digital banking and formal credit. Moniepoint has become an indispensable partner to MSMEs by empowering them with the digital tools and trust they need to transact, grow, and employ others at scale.

"At LeapFrog, our vision is to support the ongoing evolution of Africa's financial infrastructure - where global digital payment ecosystems are well connected; cross-border payments are smooth, safe and affordable; and SMEs have seamless access to credit, digital payments, and the wider suite of financial tools they need to thrive. Our investment in Moniepoint epitomises that vision."

Moniepoint Inc. (formerly TeamApt Inc.) was founded in 2015 by Tosin Eniolorunda and Felix Ike.

Today, it is Nigeria's leading business banking provider and a trusted financial platform for the country's MSMEs. Originally rooted in building payment infrastructure and solutions for banks, Moniepoint has considerably expanded its offerings to include digital payments, business and personal banking, credit, cross-border payments, and business management tools.

Moniepoint is one of the few fintechs globally, and the first in Africa, to achieve profitability at unicorn scale while driving financial inclusion. As Nigeria's leading payments and digital banking platform, its customer base exceeds 10 million active businesses and personal banking customers, and it processes over \$250bn in digital payments transaction value annually.

The proceeds of the round will be used to power the Company's next phase of growth, enhancing its capacity to help African businesses and individuals realise their financial dreams and accelerating Moniepoint's continued expansion across the continent and into international markets.

The closure of the funding round marks a highly successful period featuring notable product launches, such as MonieWorld - a remittance solution targeting the African diaspora in the United Kingdom and the launch of its integrated payment and bookkeeping solution designed to simplify business operations for micro, small, and medium-sized enterprises (MSMEs). Moniepoint was ranked as one of Africa's fastest-growing companies for the third consecutive year by the Financial Times and featured among CNBC's list of the world's top fintech companies in 2025.

"This is a proud day for Moniepoint, and I extend my sincere gratitude to the entire team for their tireless work to make this possible. We founded the Company out of a genuine passion to widen financial inclusion and to help African entrepreneurs realise their potential. That same passion drives the work we do today, and it is heartening to know it is shared by leading, global institutions," said Tosin Eniolorunda, Founder and Group CEO of Moniepoint.

"We will not rest on our laurels. The proceeds from our landmark Series C will be deployed judiciously to generate even more momentum as we enter the next chapter of Moniepoint's story - with financial happiness for Africans everywhere remaining our ultimate goal."

Farid Fezoua, Global Director for Disruptive Technologies, Services, and Funds at IFC, said: "IFC has extensive experience in investing in technology-driven startups that help businesses process and accept payments in emerging markets. We look forward to supporting Moniepoint's effort to increase the adoption of digital payments among MSME retailers in Nigeria, a segment underserved by banks and other traditional financial institutions. Moniepoint provides competitively priced point-of-service devices, as well as a modern platform enabling MSMEs to access loans, bookkeeping, and several other offerings. This allows merchants to grow their business and create more jobs in a sector considered the backbone of Nigeria's economy, where cash is still predominant."

This latest capital raise sees Moniepoint expand its roster of blue-chip investors which already comprises institutions including QED Investors, Novastar Ventures, Lightrock, FMO, British International Investment, Global Ventures, Endeavor Catalyst, and New Voices Fund.

Financial Technology Partners acted as exclusive financial and strategic advisor to Moniepoint in this transaction.

DEALS

Inspired Evolution Commits \$20m to Cold Solutions East Africa



Wayne Keast

MP

Inspired Evolution

Evolution III Fund, Inspired Evolution's dedicated next-generation energy transition fund, has signed transaction agreements committing \$20m to Cold Solutions

East Africa Holdings Limited (CSEAHL), a temperature-controlled warehousing and logistics platform operating across Kenya, Uganda, Rwanda, and Tanzania.

Anthony Ngugi, Investment Director at Inspired Evolution, said: "It's been a pleasure to work on this transaction, which aligns with our investment theme of resource efficiency. It's also highly impactful

- contributing directly to improved food security in East Africa by strengthening the region's cold-chain ecosystem."

The investment will support the development and construction of modern cold-chain infrastructure throughout East Africa, helping to reduce post-harvest losses, strengthen food systems, enhance food security, and drive energy and resource-efficient growth in the region.

CSEAH is an investment vehicle owned by the ARCH Cold Chain Solutions East Africa Fund (CCSEAF), which is managed by ARCH Emerging Markets Partners Limited (ARCH). African Rainbow Capital Proprietary Limited, through its subsidiary ARC Guernsey Limited, is the controlling shareholder of ARCH.

Wayne Keast, Managing Partner at Inspired Evolution, said: "Cold Solutions East Africa reflects the type of climate-resilient, scalable platform that embodies Inspired Evolution's investment philosophy.

"By driving energy efficiency and sustainability into regional supply chains, this initiative tackles food waste at scale while reinforcing resilience in the face of climate change. For us, this investment is not only about growth; it is about backing businesses that deliver measurable impact — enabling smarter, more efficient, and more

sustainable economies across Africa. This investment reflects Inspired Evolution's continued focus on climate-resilient infrastructure, food system efficiency, and sustainable development across sub-Saharan Africa."

Suki Muia, Investment Director at ARCH, added: "We are excited to welcome Inspired Evolution to the Cold Chain strategy and look forward to collaboratively rolling out and growing the cold chain network in East Africa. The \$20m additional commitment to the Fund by Inspired Evolution will facilitate the roll out of the remaining 4 facilities in Kampala, Kigali, Dar-es Salaam, and Mombasa, complementing the flagship Tatu City Facility that is already operational."

Marlene Jennings, CEO at ARCH, said: "This partnership with Inspired Evolution underscores the importance of mobilising climate-smart capital into critical infrastructure for Africa's food systems. Cold Solutions East Africa is not only addressing post-harvest losses but also enabling farmers, businesses, and consumers to access reliable and efficient cold storage. We look forward to working closely with Inspired Evolution to accelerate the rollout of facilities that will have a lasting impact on regional trade and food security."

DEALS

Madica Expands Portfolio With Two New AI Startups



Emmanuel Adegboye

Program Director
Madica

Madica, a structured investment program for pre-seed African startups, has announced new investments in two AI-powered companies: Anavid and Hypeo AI. Each company has secured

up to \$200,000 in funding and will join Madica's 18-month program, which offers a tailored curriculum, hands-on mentorship, executive coaching, and two fully-funded immersion trips to key technology ecosystems, both locally and internationally. Beyond funding, the startups will also be connected to Madica's global investor network, positioning them for growth and long-term success.

This round of investments reinforces Madica's commitment to supporting founders and startups often excluded from traditional venture funding. By backing a mix of underrepresented founders, startups from underserved regions, and innovators in overlooked sectors, the program seeks to counter the concentration of Africa's tech funding in a few markets, verticals, and well-networked entrepreneurs, and instead drive more equitable growth across the continent.

Launched in 2022 and affiliated with Flourish Ventures, early-stage fintech venture investor backing the architects of a better financial future, Madica is a sector-agnostic investment program designed to

address structural gaps in Africa's startup ecosystem. The program tackles key challenges startups face, such as limited access to capital, a scarcity of investors, and insufficient mentorship. It also provides the structured support necessary for startups to resolve critical issues and foster innovation, entrepreneurship, and wealth creation across the continent.

The selected startups are powered by AI and chosen from applications across Africa, providing tech-driven solutions in some of Africa's biggest industries. They include: Anavid (Tunisia), co-founded by Ahmed Chaari and David Nilsson, is an AI-powered solution that seamlessly integrates with existing retail cameras to reduce shoplifting losses and enhance the overall customer experience; and Hypeo AI (Morocco), founded by Meriam Bessa and Salah Eddine Mimouni, is an AI-driven SAAS that automates every step of influencer marketing, from brand matching and content validation to payments.

Emmanuel Adegboye, Head of Madica, said: "At Madica, we believe and continue to prove that some of the world's most transformative ideas come from places that are too often ignored. The founders we've just welcomed are visionaries, building solutions with the power to uplift communities and shape industries. We're proud to stand with them as they take on the next stage of their journey."

"Our region is rapidly growing with creative energy, but without the right digital backbone, it often goes untapped," said Meriam Bessa,

co-founder and CEO of Hypeo AI. "We're changing that by using AI to reimagine how brands and creators find each other, collaborate, and thrive. Backing by Madica will help us strengthen our AI capabilities to achieve this goal."

To expand investment flow and ecosystem networks for portfolio companies, Madica has announced a strategic partnership with the African Business Angel Network (ABAN) during the annual ABAN Congress in Lagos. The collaboration enables ABAN-affiliated angels across the continent and Madica to share deal flow and explore co-investment opportunities and future fundraises by portfolio companies, broadening access to capital and support for African startups.

"The future of Africa's innovation economy depends on how effectively we can mobilize local capital and empower local investors. Our collaboration with Madica helps bridge the gap between angel investors and institutional capital, ensuring that more funding comes from within the continent, and that startups everywhere in Africa can access the right type of support to scale," said Yemi Keri, President

of ABAN.

Madica began the year by investing in category-defining startups, including Medikea, Daleela, Pixii Motors, and ToumAI, while reinforcing its commitment to gender diversity in the African tech ecosystem. As part of its support, portfolio companies will attend one-week-long, fully-funded immersion trips where they will gain access to expert training, investor connections, and workshops on key Madica pillars: growth, governance, founder well-being and fundraising.

Madica is welcoming new investment opportunities across the continent to strengthen its pan-African reach. Startups can pitch via the Madica website, provided they have an MVP, ideally with paying customers, a full-time founder commitment, limited prior institutional funding, and are led by African Founders. The Madica team attended Moonshot by TechCabal Conference in Lagos, Nigeria, and will be at Big Angels Day Africa in Dakar, Senegal, this October for in-person meet-ups and potential investment commitment with founders in these regions.

EXITS

Verod Exits Tangerine APT Pensions

Verod, a West African private equity firm, has announced its successful exit from pensions fund administrator, Tangerine APT Pensions, to Verod's minority partner, APT Securities and Funds.

In 2020, through its funds, Verod acquired 100% of AXA Mansard Pensions Limited and 45% of APT Pension Fund Managers Limited.

In 2021, the two businesses were merged to create Tangerine APT Pensions Limited.

At the time of the merger, the combined Assets Under Management

directly benefiting the domestic economy; and Tangerine APT Pensions aligning with IFC Performance Standards and the UN Sustainable Development Goals.

Daniel Adeoye, Partner at Verod, said: "We entered this market with a clear thesis: consolidate, optimise and scale. The numbers are compelling - AUM grew from ₦100bn to ₦445bn, a 4.5x increase under our stewardship. We didn't just back the company; our partnership with Tangerine APT's management team focused on operational excellence and strategic positioning in Nigeria's pension

"We entered this market with a clear thesis: consolidate, optimise and scale. The numbers are compelling - AUM grew from N100bn to N445bn, a 4.5x increase under our stewardship"

Daniel Adeoye, Partner at Verod

(AUM) stood at approximately ₦100bn.

Under Verod's stewardship, Tangerine APT Pensions experienced significant growth, with AUM increasing to over ₦445bn.

This growth reflects the company's strengthened market position driven by increases in its customer base, pension transfers and contributions from existing retirement savings account holders.

Verod partnered with Tangerine APT Pensions' leadership to deliver market leading environmental, social and governance (ESG) standards with a focus on creating quality jobs, advancing gender equity and supporting local businesses.

This resulted in: the company's workforce increasing from 49 people to 170 people; the workforce reaching more than 40% women with youth employment above 10%; \$4.7m spent on local procurement,

fund administration space. This exit validates Verod's investment approach. We identify high potential opportunities and work hard to execute with consistency, to deliver solid returns for our investors. This success was only possible with the support of our partners, APT Securities and Funds - we are leaving the business in very capable hands."

Aliyu Dahiru, Managing Director of Tangerine APT Pensions, added: "Verod's investment transformed Tangerine APT Pensions from a single market operator into a scalable, tech-enabled pension manager with stronger governance and a clearer pathway to higher AUM and profitability. The partnership delivered stronger retirement outcomes for plan members while creating attractive returns for the shareholders."

EXITS

Sanari Exits Fernridge to Broll Property Group

Sanari Capital has exited its investment in Fernridge Solutions, with Broll Property Group acquiring the Johannesburg-based market intelligence and geospatial analytics firm.

Sanari's investment, guided by its 3S model - Sustainability, Scalability and Saleability - strengthened Fernridge's market position and established a solid foundation for future expansion.

Under the investment theme Data is the New Gold, Sanari's partnership with Fernridge reflected its belief in the strategic value of data and the power of insights to drive business intelligence, particularly through Fernridge's proprietary dataset, which maps decades of income and household data across more than 200 African cities.

Sanari Capital director Moushmi Patel, who led the deal, said the partnership with Broll represents the next logical step in Fernridge's evolution. She noted that Fernridge "has moved beyond traditional static data methodologies to deliver real-time, richer insights that help businesses navigate a rapidly changing AI-driven environment."

Patel added that she is confident the partnership "will further strengthen Fernridge's position in the data and market intelligence sector in Africa," and that "Broll's scale and access to market will enable the team to continue executing on their mission and long-term growth plans."

Broll's pan-African presence and expertise in real estate and technology position it well to lead Fernridge into its next phase of growth.

Malcolm Horne, Group CEO of Broll Property Group, said the transaction is about more than financial growth, describing it as "about partnerships, innovation, and shaping an African real estate landscape where decisions are informed by knowledge and

possibility."

He added that "Africa holds immense opportunity, but unlocking it requires deeper insights and smarter use of technology. Our investment in Fernridge supports our commitment to developing a locally grounded yet globally competitive property sector. It will empower investors and occupiers across the continent to make more informed decisions and anticipate trends."

Horne expressed confidence in the Fernridge management team, which will remain in place following the acquisition.

Fernridge CEO Marinus van der Merwe said the partnership with Broll would enable the company to accelerate the scaling of its digital capabilities. "Broll's reach across Africa, combined with their professionalism and depth of expertise, makes them an ideal partner," he said. "Their experience in both real estate and technology aligns with our long-term vision for digital innovation and growth across the continent."

Van der Merwe extended his appreciation to Sanari Capital for its role as Fernridge's private equity partner, noting that "Sanari's belief in our mission, support in strengthening governance, and guidance through our growth phase have been invaluable."

He added that "their commitment to backing high-growth businesses while delivering strong returns and creating sustainable value has been remarkable. We're deeply grateful for their partnership."

Sanari founder and CEO Samantha Pokroy described the exit as a meaningful milestone for the firm. "Fernridge was Sanari's first investment and holds a special place in our journey," she said. "The success of this partnership and the strength of the exit reaffirm our belief in the potential of private equity to scale African growth companies. We're proud of what's been achieved and wish the Fernridge team continued success under Broll's ownership."

INVESTORS

Ghanaian Pension Funds Target Healthcare, Agribusiness, and Tech

Ghanaian pension funds prioritise investments in healthcare (55%), agribusiness (45%), and technology (40%), according to a new report from the African Private Capital Association (AVCA).

Released in collaboration with the Chamber of Corporate Trustees of Ghana and British International Investment (BII) through the Ghana Investment Support Programme (GHISP), and titled Pension Funds and Private Capital in Ghana, the report offers the most comprehensive assessment to date of how pension funds in one of Africa's fastest-growing pension markets can catalyse long-term investment in productive sectors.

While the pension industry has expanded rapidly—with total assets under management reaching GHS 86.4 billion (US\$6.2 billion) by the

end of 2024—the report highlights a significant gap between this growth and the sector's relatively low allocation to private capital. Ghanaian pension funds currently utilise only 4.4% of the 25% limit for alternative investments, lagging behind peers such as Nigeria, which uses 34% of a 5% cap, and South Africa, which allocates around 8% under its 15% ceiling. This reflects a broader continental pattern of underutilisation, where progressive regulatory frameworks and maturing investment ecosystems have yet to translate into substantial capital deployment.

Despite this underexposure, the report underscores a strong appetite among Ghanaian pension funds to shift from passive accumulation toward active, impact-aligned deployment. In addition

to their prioritisation of healthcare, agribusiness, and technology, funds show growing interest in real assets such as infrastructure and property (38%), private equity (24%), and venture capital (19%). Many prefer to invest through development finance institution (DFI)-backed vehicles, which 28% of funds favour for their risk-mitigation benefits, while 22% are drawn to co-investment models that enable shared due diligence and offer additional investment protection.

Nevertheless, the path to deeper private market participation is constrained by a range of challenges. Regulatory processes, including complex fund licensing requirements, continue to pose barriers. At the same time, market dynamics—such as a limited pipeline of investable projects—hinder effective capital deployment. These are compounded by structural limitations in data transparency and institutional investment capacity. The report also notes a lack of engagement between pension funds and fund managers, with 89% of funds having interacted with fewer than three managers over the past year.

Encouragingly, there is strong forward momentum: 65% of pension funds surveyed intend to increase their exposure to private equity over the next five years. This is reinforced by a government directive issued in May 2025, which encourages pension funds and insurers to allocate at least 5% of their assets to private equity and venture capital by 2026. The directive marks a pivotal step in mobilising long-term domestic capital in support of national development objectives.

To unlock the full potential of pension-led investment, the report calls for a coordinated focus on four key areas. First, enhancing transparency and fostering better communication between pension

funds and investment managers is essential to building trust and understanding. Second, targeted training and pooled investment structures are needed to strengthen institutional capacity. Third, the strategic use of blended finance and co-investment tools can help mitigate risk and attract greater capital flows. Finally, regulatory reforms, including the recognition of Limited Partnerships and a more streamlined licensing process, will be critical to enabling smoother market entry and participation.

Abi Mustapha-Maduakor, Chief Executive Officer of AVCA, commented on the findings, stating: "Ghana's pension funds are at an inflexion point. The data highlights both the scale of investable domestic capital and the practical barriers that continue to hold it back."

"Unlocking this potential will require a combination of regulatory clarity, institutional capacity-building, and deeper collaboration between fund managers and local investors. This mirrors a broader shift across Africa, where governments are enacting policies to channel domestic savings into productive investments at home and across borders. With these foundations in place, Ghana's pension system can become a catalyst for long-term, sustainable growth."

The report projects a steady increase in allocations to private capital over the next five years, positioning Ghana as a potential regional leader in pension-led private investment across West Africa. This research is part of AVCA's wider Knowledge Exchange Initiative (KEI), a year-long capacity-building programme supported by BII through GHISP, aimed at strengthening local institutional participation in Africa's evolving private capital landscape.

INVESTORS

OeEB and Impact Fund Denmark Invest in Agricultural Commodities Trader

OeEB alongside Impact Fund Denmark has provided Robust International, a multinational agricultural commodities trader, with \$25m in working capital.

Together with further contributions from existing lenders - Dutch FMO (\$15m) and British International Investment (\$5m) - the total working capital available to Robust has risen from \$105m to \$175m.

By using the working capital facility to purchase sesame and cashew nuts directly from local cooperatives, aggregators, and farmers, Robust's new processing plants in Burkina Faso, Ivory Coast, and Mozambique - where nuts and seeds are cleaned, graded, shelled, and packaged - create local value instead of exporting raw products to Asia for processing.

In addition to generating 1,100 jobs at the plants (also financed in 2023 through an FMO-arranged loan with Finnfund), Robust is a major off-taker for around 600,000 smallholder farmers in the region, driving economic growth and development.

"By sourcing raw commodities from smallholder farmers and strengthening local processing capacity, we help build resilient value chains that generate income and create jobs where they are most needed. We are proud to partner with Robust, FMO and Impact Fund Denmark on this important initiative, which reflects our commitment to sustainable development and to supporting communities in the

world's most vulnerable regions," said Sabine Gaber, CEO - Member of OeEB's Executive Board.

"This investment reflects Impact Fund Denmark's commitment to building a just and inclusive economy in Africa. By enabling Robust International to source directly from smallholder farmers, we help create local jobs, strengthen agricultural value chains, and unlock export potential in some of the world's least developed countries. Crucially, we are supporting a shift in the food value chain—bringing more processing and value creation to the African continent itself, so that exports can increasingly go directly from Africa to Western markets, ensuring more of the economic value stays where the raw materials originate," added Otto Vinther Christensen, Managing Director, Sustainable Food Systems, Impact Fund Denmark.

"This third investment in Robust shows what DFIs and other impact investors can do when they work together. The new processing plants have created thousands of jobs, and the working capital provided to Robust enables cashew nuts and sesame to be sourced from local suppliers, stimulating the economy and adding value to the product locally. We would like to thank our partners and Robust for this impactful cooperation and look forward to continuing our joint efforts," said Hans Bogaard, Director Agribusiness, Food, and Forestry at FMO.

INVESTORS

FMO and OeEB Back Hivos-Triodos Fonds



Sabine Gaber

CEO and Member of the Executive Board

OeEB

Together with the Dutch development finance institution FMO, OeEB has invested €30m in the Hivos-Triodos Fonds.

The investment, which adds to the existing €65m assets under management of Hivos-Triodos Fonds, is part of a 10-year funding agreement with FMO and OeEB and will be used to accelerate sustainable social and economic development in developing countries, mainly by investing in local SMEs.

Sabine Gaber, CEO and Member of the Executive Board at OeEB: "By investing in SMEs in renewable energy, sustainable agriculture and food production, we drive green growth, expand financial inclusion, and create jobs - strengthening communities and economies in developing countries. We are pleased to work alongside our partners on this transaction, which reinforces our shared commitment to green finance and inclusive development."

Hivos-Triodos Fonds was launched in 1994 as a public-private partnership between the Dutch development organization Hivos and Triodos IM, advocating for and investing in sustainable change in emerging countries.

Since its inception, Hivos-Triodos Fonds has invested over €300m spread across 107 high-impact initiatives in 49 countries in Africa, Asia and Latin America and helped millions of predominantly rural women access financial services.

The new investment by FMO and OeEB will enable Hivos-Triodos Fonds to make even more impact in areas like agriculture and access to renewable energy.

Femke Bos, Head of Impact Private Debt & Equity at Triodos Investment Management, said: "This new investment by FMO and OeEB marks an important milestone as it is the first time

that development finance institutions invest directly in Hivos-Triodos Fonds, allowing us to significantly grow in size while securing a ten-year commitment. The cooperation with FMO and OeEB exemplifies the transformative power of collaboration in the development finance sector. It clearly shows that by joining forces we can create meaningful impact for people in emerging economies."

Hans Boogaard, Director Agribusiness, Food & Forestry at FMO, said: "SMEs in developing countries are vital for food security and climate action yet face major financing gaps worsened by the global shortfall in public development funding. Hivos-Triodos Fonds stimulates the growth of innovative businesses in renewable energy and sustainable agriculture in those countries. With the long-term horizon of our commitment, financed through our government fund Dutch Fund for Climate and Development, we are giving the DFI-investment a revolving nature, allowing the same capital to support SMEs again and again."

As a blended finance instrument, Hivos-Triodos Fonds aims to address climate change and its consequences, improve livelihoods, and reduce inequality for low-income communities and vulnerable groups, especially women and youth. By stimulating the growth of innovative businesses in renewable energy and sustainable agriculture, Hivos-Triodos Fonds spurs the transition to a green and inclusive economy.

Michel Farkas, COO at Hivos: "With Hivos-Triodos Fonds we have demonstrated that development cooperation can be effective within an investment model, creating huge impact on communities and providing employment and economic independence especially for women and youth. This is particularly important in times when government subsidies are disappearing or are being cut. We are therefore very happy with the decision of FMO and OeEB to join Hivos-Triodos Fonds with such a significant investment."

INVESTORS

EIB Global Supports African Agriculture With \$110m Loan

The European Investment Bank's development arm (EIB Global) has committed \$110m loan to international commodities company ETG, one of Africa's leading agribusiness supply chain players.

It will support modernisation of processing plants of commodities such as cashew and soy, as well as essential storage, and transport

infrastructure in countries including Mozambique, Malawi, Benin, Zambia, Tanzania and Uganda.

The project also supports ETG's Farmer Extension Services (FES) program that is in line with its long-standing commitment towards promoting sustainable agriculture. These include training and

technical assistance programs to support technology and knowledge transfer to smallholder farmers, as well as community-based initiatives to help farmers improve yields and adopt sustainable practices.

The initiative stands as one of the largest EIB Global financing operations for the private sector in Africa in recent years and reflects the bank's ambition to build long-term partnerships that boost agribusiness competitiveness, foster climate resilience, and improve livelihoods across the continent.

"This partnership with ETG shows how targeted private-sector engagement, supported by EIB Global, can deliver real change," said EIB Vice-President Gelsomina Vigliotti. "By unlocking sustainable investment, we are helping smallholder farmers and rural communities build a more resilient future."

Paul van Spaendonk, ETG Chief Treasury Officer, said: "This significant financing will accelerate our efforts to enhance agricultural competitiveness and food security across Sub-Saharan Africa. With this facility, we can drive impactful projects of varying sizes under a single umbrella, reaching more communities, more quickly."

Vigliotti reaffirmed the bank's commitment to strengthening agriculture worldwide, with a particular focus on low- and middle-

income countries (LMICs): "Agriculture is at the heart of global development."

"The way we produce, distribute, and finance food will determine not only food security but also climate resilience, economic growth, and the livelihoods of millions of people. The EIB plays a key role to support this transformation."

Since 1965, when the EIB approved its first loan to support agriculture outside Europe, the Bank has financed more than 3,000 agricultural projects beyond the EU, for a total of over €85bn — with more than 80% of this volume committed in the past decade, reflecting the Bank's growing focus on agricultural development and food security. This approach is reinforced through close cooperation with UN agencies like FAO, IFAD, and WFP. Joint projects blend financial capacity with technical expertise, ensuring impact even in fragile and low-capacity contexts.

For example, a landmark €500m loan to IFAD, is already scaling rural development and food security in over 70 countries across geographies, with a focus on Sub-Saharan Africa. Moreover, at the Financing for Development (FfD4) summit in Seville in July this year, the EIB also deepened its collaboration with FAO and WFP through a new Memorandum of Understanding.

MARKETS AND INDUSTRY NEWS

Equity Trading On Nigerian Exchange Surges 115%



David Adonri
Vice Chairman of The Board
Highcap Securities

Transactions by domestic and foreign investors on Nigerian Exchange (NGX) more than doubled in the nine months of 2025, reaching ₦8.54 trillion a 115.2% increase from ₦3.97 trillion recorded in the same period of 2024.

According to NGX's latest Domestic & Foreign Portfolio Participation in Equity Trading report, the surge marks a record high for total market activity, buoyed by stronger participation from Pension Fund Administrators (PFAs) and high-net-worth domestic investors.

Foreign portfolio investors (FPIs) accounted for ₦1.84 trillion of total trades, a 164% year-on-year rise from ₦696.9 billion a year earlier, while domestic investors contributed ₦6.7 trillion, up 104.7% from ₦3.27 trillion in 2024.

Foreign investors represented 21.6 per cent of total market activity during the period, up from 17.6% a year earlier. Domestic investors, while still dominant, saw their share ease slightly to 78.4% from 82.4%

Within the domestic segment, institutional investors led activity with ₦4.09 trillion, compared with ₦2.6 trillion from retail participants.

Foreign transactions were strong on both the buy and sell sides. Inflows climbed 231% year-on-year to ₦1.03 trillion, while outflows rose 110% to ₦810.4 billion.

Over an 18-year horizon, NGX data shows domestic transactions have grown by 33% from ₦3.56 trillion in 2007 to ₦4.73 trillion in 2024, while foreign transactions rose 38% from ₦616 billion to ₦852 billion.

David Adonri, Vice Chairman of The Board at Highcap Securities, said the rebound in foreign participation reflects renewed confidence following reforms in Nigeria's foreign exchange regime by the Central Bank of Nigeria (CBN). The changes, aimed at improving transparency and stability in currency markets, have been credited with enhancing liquidity and reducing uncertainty for foreign investors.

"The surge underscores growing optimism about Nigeria's reform trajectory and corporate resilience," said one Lagos-based analyst. "The combination of exchange rate realignment, strong earnings, and the ongoing banking recapitalisation drive is making local equities increasingly attractive."

The Nigerian capital market has benefited from the momentum of President Bola Tinubu's economic reforms, with improved clarity around monetary policy and renewed interest in Nigeria's oil and non-oil sectors bolstering investor sentiment.

HIVOS-TRIODOS FONDS

BETS ON AFRICA'S SMES

By Anna Lyudvig



Femke Bos, Head of Impact Private Debt & Equity at Triodos Investment Management, speaks with Africa Global Funds's Anna Lyudvig about how Hivos-Triodos Fonds is driving sustainable development across the African continent

ANNA LYUDVIG (AL): PLEASE TELL US ABOUT HIVOS-TRIODOS FONDS. WHAT MEASURABLE SOCIAL AND ENVIRONMENTAL IMPACTS HAS HIVOS-TRIODOS FONDS ACHIEVED IN

AFRICAN COUNTRIES SINCE ITS INCEPTION IN 1994?

FEMKE BOS (FB): Since its inception, Hivos-Triodos Fonds (HTF) has invested over EUR300 million spread across 107 high-impact initiatives in 49 countries in Africa, Asia and Latin America. These investments have helped millions of predominantly rural women access financial services. In 2024 alone, we reached around 17,500 African smallholder farmers as suppliers and around 30,000 as clients. Another 30,000 African borrowers received agricultural loans and more than 275,000 African citizens gained improved access to energy.

In 2015, an important change to the investment strategy was made - Hivos and Triodos decided in close consultation to shift the focus from microfinance – through financing microfinance institutions – to financing high impact SMEs. The microfinance market had matured and the availability of capital had significantly increased. SMEs, however, still face a significant funding gap. By working with these SMEs, we further scaled our impact. Individuals also benefit from this by gaining employment opportunities or better access to high impact products and (financial) services. We now invest in debt instruments to provide working capital, for example to local exporting agriculture companies, but we also provide longer term loans like capex investments. Through our set-up, we can build a longer-term relationship with these SMEs and increase our exposure over time.

AL: WHICH AFRICAN COUNTRIES OR REGIONS ARE CURRENTLY THE PRIMARY FOCUS FOR HIVOS-TRIODOS FONDS, AND HOW ARE INVESTMENT PRIORITIES DETERMINED?

FB: Hivos-Triodos Fonds currently holds investments in Benin, Ghana, Kenya, Madagascar, Nigeria, Sierra Leone and Zambia, counting for around 30% of the fund's NAV. Our aim is to grow towards 50% of the portfolio being allocated towards African SMEs. Country allocation is based on portfolio and risk considerations, meaning that there is no pre-defined list of countries we focus on. Our investment teams are set up per region and invest on behalf of multiple funds and mandates managed by Triodos IM. This means that Hivos-Triodos Fonds can benefit from the broad network of those teams. [Our investment map shows the global footprint of our investments.](#)

AL: HOW DOES THE FUND ENSURE THAT ITS INVESTMENTS IN AFRICA ALIGN WITH LOCAL DEVELOPMENT NEEDS WHILE MAINTAINING SUSTAINABLE FINANCIAL RETURNS?

FB: At Triodos IM we apply an integrated impact, risk and return lens on our investments. This integrated approach ensures that our investments spark positive change and generate market-rate financial returns. Our investment approach is backed by a thorough screening process, based on strict sustainability and financial criteria and with a clear long-term strategy. For the Hivos-Triodos Fonds portfolio, this means that we select SMEs with operations in local markets that contribute positively to social and ecological resilience in the agricultural sector or to access to renewable energy.

AL: ARE THERE PLANS TO LAUNCH NEW FINANCIAL TOOLS OR PARTNERSHIPS TO BOOST ACCESS TO FINANCE IN UNDERSERVED AFRICAN COMMUNITIES FOLLOWING THE FMO AND OEEB INVESTMENT?

FB: We expect the new collaboration with FMO and OeEB to deepen the impact of Hivos-Triodos Fonds, based on the impact alignment and the long-term focus of these strong financing partners. The investment focus or proposition of Hivos-Triodos Fonds will not change with the new funding, but it will enable us to substantially scale up the existing proposition. The funding from FMO and OeEB will allow us to allocate more capital towards green and inclusive SMEs active in renewable energy and sustainable agriculture.

AL: WHAT ARE SOME OF THE KEY CHALLENGES HIVOS-TRIODOS FONDS HAS FACED IN AFRICA, AND HOW ARE THESE EXPERIENCES SHAPING YOUR STRATEGY FOR FUTURE INVESTMENTS ON THE CONTINENT?

FB: One of the challenges we are facing in Africa is the fact that climate risks are increasing, which also influences the impact, risk, return equation of our investments. Besides climate risks, we're also facing increased macroeconomic risks in some African countries as they are dealing with the complexities of high government debt levels and corresponding interest payments. We've also seen international development aid flows being withdrawn on a large scale, the impact of which is evident in many African countries. Lastly, political instability has tested quite a few African economies in recent years. Despite these challenges, we see many opportunities for creating positive impact on the African continent. To navigate the risks, we make sure to maintain a highly diversified portfolio, across sectors, countries and individual clients.

INVESTOR CONFIDENCE IN NIGERIA GOT A BOOST

By Africa Global Funds



**NIKLAS
SIMOLA**



**TANGENI
SHATIWA**



**VÄINÖ
ESILÄ**

Nigeria is Africa's second-largest economy (in purchasing power parity terms) and is the 15th-largest oil producer in the world. The current government of Nigeria has implemented a series of bold policy reforms to address structural weaknesses of the country. The reforms have provided a boost to growth in the country thus far and have put Nigeria back on the path towards reaching macroeconomic stability over the next few years. The Finnish impact investor Finnfund sees many positive signs in sight.

"The progress has helped Nigeria to return to international capital markets at the end of 2024 after years of limited access, while also earning a credit rating upgrade in April of this year, which shows investor confidence is improving in the country," describes Finnfund's economist Tangeni Shatiwa in his report "Focus on Nigeria – Finnfund Insights".

Nigeria's economy holds strong potential, supported by its large natural resources and favourable demographics. The UN expects its population to grow by 54% between now and 2050 – one of the fastest-growing globally. The large and rapidly growing consumer base that will come from this, together with increasing urbanisation, has the potential to create sizable opportunities for private companies in Nigeria.

Also, this will allow the private sector to capitalise on a youthful, entrepreneurial workforce to drive productivity growth. Despite this potential, Nigeria has largely failed to capitalise on it over the years, and several policy mistakes drove the country into its worst macroeconomic crisis in decades during 2022-23.

But now the investors see attractive prospects, especially for Nigeria's digital and financial sector.

DIGITAL SECTOR

Nigeria, Africa's second-largest telecommunications market, offers significant investment opportunities due to its low broadband internet subscription rate, which is less than half of the population.

According to the report, this is well below regional peers, indicating a largely untapped market with potential for profitable investments. Expanding digital access would drive growth across various sectors and enhance social and economic inclusion. The Nigerian Communications Commission (NCC) reports that approximately 27 million Nigerians, primarily in rural areas, lack access to telecom services. The NCC is working to improve connectivity in these areas where network-as-a-service (NAAS) models can assist mobile network operators (MNOs) in achieving NCC's goals. Finnfund's portfolio company, Africa Mobile Networks is supporting this initiative. Despite the substantial internet usage gap, with 120 million people offline as of late 2023 and early 2024, investment in fiber-optic networks remains crucial for supporting Nigeria's digitalisation. However, challenges such as the devaluation of the naira and high right-of-way fees have impacted telecommunications infrastructure investments. The devaluation has created a gap between the higher costs of equipment priced in US dollars and the lower revenues earned in naira, making it difficult for operators to afford necessary investments. Additionally, fiber operators face frequent fiber cuts due to accidental damage, and regulatory improvements are needed to address these issues. The regulator must also enhance the wholesale fiber network, especially in inter-city areas, where high fees and limited access options restrict ISPs from operating in the market, essentially limiting competition and sector development.

Despite the substantial internet usage gap, with 120 million people offline as of late 2023 and early 2024, investment in fiber-optic networks remains crucial for

supporting Nigeria's digitalisation. However, challenges such as the devaluation of the naira and high right-of-way fees have impacted telecommunications infrastructure investments. The devaluation has created a gap between the higher costs of equipment priced in US dollars and the lower revenues earned in naira, making it difficult for operators to afford necessary investments. Additionally, fiber operators face frequent fiber cuts due to accidental damage, and regulatory improvements are needed to address these issues. The regulator must also enhance the wholesale fiber network, especially in inter-city areas, where high fees and limited access options restrict ISPs from operating in the market, essentially limiting competition and sector development.

Furthermore, Nigeria's data centre market is expected to grow from \$648 million in 2023 to \$973 million by 2032. However, the market faces constraints such as access to foreign investment and reliable power supply, which are critical for its development. Addressing these challenges will be essential for tapping into the full potential of Nigeria's telecommunications and data centre markets.

DIGITAL SOLUTIONS

In 2024, Nigeria regained its position as the top VC destination with \$520 million in funding (+11% YoY) across 103 deals, with the fintech sector representing the majority of these deals - a trend observed in many of our markets. Key deals included Moniepoint's \$110 million and Moove Africa's \$100 million rounds. However, during H1 2025, Nigeria dropped to the 4th position among all markets on the continent, raising only \$176 million, while other countries in the Big 4 (Egypt, Kenya, and South Africa) gained more funding. The trend indicates that investors are increasingly conscious of macro-related risks in Nigeria, despite the country boasting some of the most intellectual founders on the continent.

Finnfund invested in TradeDepot in 2023, a company which has developed an integrated retail distribution platform designed to connect global suppliers, distributors, wholesalers, and retailers. The company's platform provides predictive analysis to run targeted campaigns, set product prices competitively, optimise inventory, and auto-generate sales promotions. This enables consumer goods companies to have visibility and control over the route-to-market for manufacturers and avoid out-of-stock situations. Despite macroeconomic challenges in Nigeria, the company has been able to weather the storm and come through with margin expansion through its strong partnership network with local and global brands.

"We believe that Nigeria's telecommunications market offers significant investment opportunities due to its low broadband internet subscription rate, which is currently less than half of the population. This is well below Nigeria's regional peers, which indicates a largely untapped market with potential for profitable investments," says Finnfund's investment manager Niklas Simola.

FINANCIAL SECTOR

In 2024, Nigeria regained its position as the top VC destination on the continent by attracting \$520 million in funding across 103 deals. The majority of these deals are in the fintech sector, a trend Finnfund is observing in many of its markets. In the financial sector, performance has been strong in recent years despite the macroeconomic challenges.

There are currently around 26 commercial banks in Nigeria. Despite macroeconomic difficulties, a challenging regulatory environment and a large unbanked population, the sector has been very profitable. In 2024, the top 5 banks in the country recorded return on assets (ROA) of 3.8 percent and return on equity (ROE) of 31.5 percent respectively. While profitability will moderate over the next few years in line with declining interest rates and lower revaluation gains, we expect that the banks are

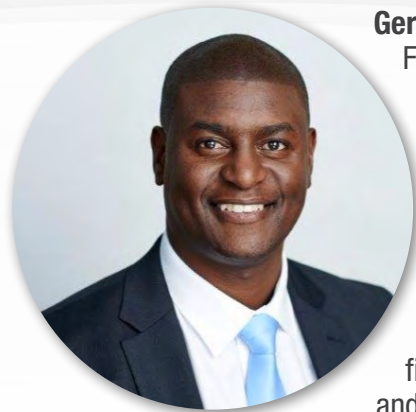
well-positioned to handle this. This is because of ongoing recapitalisation efforts across the sector to meet revised CBN minimum capital requirements, which will boost the sector's resilience to future downturns. The industry's non-performing loans (NPL) ratio has increased above the CBN's 5 percent prudential threshold recently, but this largely resulted from a reclassification in loans after the CBN's most recent annual risk assessment for the sector. Generally, the industry's latest NPL ratio (5.6 percent in April 2025) remains relatively low compared to regional peers, and has fallen significantly from its peak in 2017. The improvements over the years have largely come from stricter regulatory measures and enhanced supervision. Recently, CBN has also issued directives to banks, which leave them with more room to make loan loss reservations, which will improve asset quality over the long term. Currently, Finnfund has active direct investments in Access Bank and First City Monument Bank, which are both among the top ten largest commercial banks in Nigeria. These investments have supported on-lending to the MSME sector, which is important in supporting growth and creating jobs in a country where a large portion of the work-aged population is self-employed.

"Although we expect profitability in the financial sector to moderate over the next few years in line with declining interest rates, the sector-wide re-capitalisation effort, which is currently underway, will ensure that the banks are more resilient to future downturns. We have invested in several banks within the sector to support on-lending to MSMEs, which is an important engine for creating jobs in a country where a large portion of the work-aged population is self-employed," says portfolio manager Väinö Esilä, Finnfund.

Despite positive prospects, there are many critical issues to be solved.

"Moving ahead, the authorities will need to address issues around electricity reliability, security and access to finance to fully unlock growth in the private sector and raise living standards for Nigerians," concludes Shatiwa.

INVESTING AHEAD OF THE CURVE: ICEA LIONS CIO ON NAVIGATING AFRICA'S SHIFTING MARKETS



Gerald Gondo, Chief Investment Officer at ICEA LION Group, speaks with Africa Global Funds Magazine about the company's forward-thinking approach to investment in East Africa. Highlighting the importance of anticipating market and structural changes, Gondo explains how ICEA LION is blending innovation with disciplined risk management to drive sustainable returns and support Africa's long-term economic development. He also discusses key trends shaping the region's financial landscape and the opportunities they present for investors — including the rise of private credit, climate-aligned infrastructure, and the integration of ESG principles across portfolios. With a focus on mobilizing local capital for productive, impact-driven investments, Gondo shares how ICEA LION is building a pan-African investment platform that not only delivers financial returns but also contributes meaningfully to inclusive growth, energy transition, and financial wellness across the continent

ANNA LYUDVIG (AL): PLEASE TELL US ABOUT ICEA LION AND ITS INVESTMENT STRATEGY.

GERALD GONDO (GG): ICEA LION is one of East Africa's most diversified financial services groups, spanning insurance, asset management, pensions, and trust services. Our investment strategy reflects a simple conviction — sustainable investment returns come from anticipation, not reaction. We believe that long-term value is created by reading structural shifts early — in markets, economies, demographics, technology, and regulation — and positioning capital ahead of the curve. Our approach blends disciplined risk management with innovation: from fixed-income and multi-asset portfolios to private credit, infrastructure, and climate-aligned investments. We manage

climate-resilient infrastructure that powers inclusive growth. The greatest challenge is pace. Markets, technology, and regulation evolve faster than institutional structures. My task is to build the systems, governance, and culture that allow anticipation to become action — aligning innovation with prudence across multiple jurisdictions.

AL: WHICH ASSET CLASSES ARE YOU MOST BULLISH ON RIGHT NOW?

GG: We are constructive on private credit and climate-aligned infrastructure investments. These asset classes offer yield, diversification, and a direct link to the real economy at a time when traditional bonds and equities have proven highly correlated. We are also deepening exposure to renewable and climate-aligned

“The greatest challenge is pace. Markets, technology, and regulation evolve faster than institutional structures. My task is to build the systems, governance, and culture that allow anticipation to become action — aligning innovation with prudence across multiple jurisdictions

capital with a dual mandate — to deliver consistent, risk-adjusted returns and to contribute meaningfully to Africa's sustainable growth story. ESG integration, financial wellness, and inclusive capital markets are at the heart of that mandate.

AL: WHAT DO YOU FIND MOST REWARDING OR CHALLENGING ABOUT YOUR ROLE AS GROUP CIO AT ICEA LION?

GG: The most rewarding part is shaping how institutional capital in Africa can serve both performance and purpose. Every allocation decision we make has a ripple effect — funding a new business, driving renewable energy development, or backing geothermal and

infrastructure, particularly geothermal energy investments, which are central to Africa's transition to a low-carbon economy. Within public markets, we continue to favour high-quality, cash-flow-positive businesses and short-to-medium-term government securities as yields stabilize.

AL: HOW ARE ESG AND CLIMATE GOALS SHAPING YOUR PORTFOLIO?

GG: ESG is not a side project; it is embedded in how we invest. As the co-founder of the Nairobi Declaration on Sustainable Insurance, ICEA LION views sustainability as both a source of resilience and competitive advantage. Our leadership in geothermal and green

infrastructure investments demonstrates this in practice — helping to unlock Africa’s renewable energy potential while generating long-term, risk-adjusted returns for our clients.

AL: WHAT RECENT REGULATORY CHANGES HAVE IMPACTED YOUR STRATEGY?

GG: We’ve responded by broadening our product innovation around yield-enhanced and sustainability-aligned strategies, translating regulatory intent into investable reality — enabling pension and insurance funds to access new sources of diversification and long-term yield.

AL: WHAT TRENDS ARE DRIVING INSURANCE AND PENSION GROWTH IN EAST AFRICA, AND HOW ARE YOU POSITIONING ICEA LION TO BENEFIT?

GG: Three trends stand out:

1. *Demographic transformation — a young, urbanizing workforce entering formal pension systems.*
2. *Digital inclusion — technology making micro-insurance and savings products accessible.*
3. *Regulatory maturity — deeper capital markets and harmonization across the region.*

We are positioning by linking insurance, pensions, and investments into a financial-wellness ecosystem — products that combine protection, savings, and yield, supported by digital distribution and regional scale. Our focus is to turn long-term savings into productive capital for Africa’s growth.

AL: HOW DO YOU BALANCE LOCAL VERSUS FOREIGN INVESTMENT CAPITAL?

GG: We prioritize mobilizing local currency capital — pension and insurance savings — into productive domestic assets while maintaining disciplined diversification through global ETFs and USD-denominated public and private funds. Foreign partnerships bring technology, governance, and co-investment opportunities, but local participation ensures that ownership of Africa’s growth story remains African.

AL: WHAT NEW PRODUCTS IS ICEA LION LAUNCHING FOR INVESTORS?

GG: We are deepening our offering across income-generating and sustainability-linked strategies that allow investors to access higher yields without compromising liquidity or transparency. These include enhanced-yield fixed-income portfolios combining traditional Treasury exposure with securitized private credit and infrastructure-linked opportunities. We are also building vehicles to channel institutional capital into renewable energy and climate-resilient infrastructure, including geothermal energy — sectors that deliver both return and impact.

AL: ARE THERE PLANS TO EXPAND INTO OTHER AFRICAN MARKETS?

GG: Yes. ICEA LION already operates in Kenya, Uganda, and Tanzania, and we are exploring strategic partnerships that enable pan-African growth. Our goal is to build an African investment platform with local presence and continental reach — ensuring that African savings finance Africa’s growth, before seeking returns abroad.

AL: FROM YOUR PERSPECTIVE, WHAT ARE THE BIGGEST OPPORTUNITIES AND RISKS FOR INVESTMENT IN EAST AFRICA OVER THE NEXT 3–5 YEARS?

GG: Our response is disciplined diversification — building portfolios that are anticipatory, risk-aware, and impact-aligned. For ICEA LION, the next decade is about converting Africa’s energy and growth potential into durable, sustainable investment outcomes.

Opportunities -

1. *Private Credit and Infrastructure — financing Africa’s energy, logistics, and connectivity transformation.*
2. *Climate Finance — investing in adaptation and renewable energy, particularly geothermal and green infrastructure.*
3. *Regional Integration — deepening EAC capital markets, enhancing scale and liquidity.*

Risks -

1. *Fiscal imbalances and sovereign funding pressures.*
2. *Currency volatility as global liquidity tightens.*
3. *Execution gaps between policy ambition and implementation.*

Gerald Gondo is an investment professional with over 18 years expertise in investment strategy, asset allocation, and portfolio management across a wide range of asset classes. In addition, he has a proven track record of implementing robust governance frameworks and aligning investments with client liability profiles to deliver exceptional outcomes in complex, global markets. He is a passionate advocate for the growth of Africa’s capital markets and has spearheaded numerous research initiatives for

global development finance institutions and industry associations. He previously worked with RisCura Africa as the Executive Director, Atria Africa as a Partner, Imara as a Fund Manger, Business Partners International as the Regional Investment Manager and at FutureGrowth Asset Management as a Credit Analyst. Gerald holds a Master’s Degree in Financial Management, Bachelor’s degree in Politics, Philosophy and Economics and Bachelors degree of Commerce from the University of Cape Town, South Africa.

AFRICAN MARKETS PERFORMANCE

AFRICA SOVEREIGN BOND INDICES (TOTAL RETURNS USD %)

Country	September	3-Month	1-Year
Botswana	1.25%	-1.60%	-3.90%
Egypt	3.82%	9.50%	28.02%
Ghana	-2.64%	0.41%	124.49%
Kenya	1.73%	3.61%	33.17%
Mauritius	1.40%	0.83%	1.10%
Morocco	-0.66%	0.03%	13.34%
Namibia	4.89%	6.44%	9.61%
S&P/FMDQ Nigeria	7.27%	14.78%	43.90%
South Africa	5.96%	10.14%	14.32%
Tanzania	4.72%	17.46%	41.46%
Uganda	3.44%	7.71%	21.36%
Zambia	0.02%	3.97%	56.84%

Source: S&P Dow Jones Indices

AFRICA EQUITY INDICES (BMI GROSS TOTAL RETURNS USD %)

Country	September	3-Month	1-Year
Botswana	1.23%	3.44%	16.06%
Cote d'Ivoire	3.73%	4.13%	27.12%
Egypt	4.88%	17.39%	22.36%
Ghana	7.58%	15.72%	157.79%
Kenya	4.87%	19.74%	75.73%
Malawi	6.60%	85.90%	395.86%
Mauritius	0.94%	6.02%	8.26%
Morocco	-5.58%	4.23%	43.55%
Namibia	5.86%	10.95%	22.58%
Nigeria	6.15%	23.54%	88.71%
Rwanda	0.64%	-0.44%	11.35%
South Africa	9.47%	16.07%	27.47%
Tanzania	-2.72%	22.05%	45.11%
Tunisia	3.27%	6.96%	29.81%
Uganda	5.90%	30.34%	61.65%
Zambia	4.00%	19.39%	61.26%

Source: S&P Dow Jones Indices

MARKETS:

IMF LIFTS AFRICA'S GROWTH OUTLOOK, BUT EXPERTS WARN OF STAGNATION RISKS WITHOUT DEEPER REFORMS

The IMF's latest report on global economic developments struck a more optimistic, yet cautious tone. Real GDP growth in sub-Saharan Africa (SSA) is projected to remain unchanged versus 2024 at 4.1% this year, higher than the predictions made in July (4.0%) and April (3.8%). Economic growth in the Middle East & North Africa (Mena) region is forecast to accelerate to 3.3% in 2025, up from 3.2% in July and 2.6% in April. The IMF lifted South Sudan's real GDP growth projection for the year by a staggering 28.6 ppts to 24.3% versus a contraction of 4.3% predicted in April. Nigeria ranked as the front-runner among Africa's heavyweight economies, with real GDP growth raised to 3.9% in 2025 – up 0.5 ppt relative to the July WEO and 0.9 ppt from April. Other notable upgrades include Ethiopia (+0.6 ppt to 7.2%), the DRC (+0.6 ppt to 5.3%), Morocco (+0.5 ppt to 4.4%), and Egypt (+0.5 ppt to 4.3%).

But beneath the surface, concerns around Africa's economic resilience persist, warned Oxford Economics. "Many African nations remain trapped between high debt burdens, narrow fiscal spaces, and rising social pressures," noted Senior Economist Brendon Verster. "Commodity exporters may experience some relief, though this will

be tempered by weak demand in advanced economies and global trade frictions."

The IMF's call for stronger domestic resource mobilisation, improved management of public investments, and governance reforms is familiar but increasingly urgent. Without meaningful progress on these fronts, global tailwinds will do little to accelerate inclusive growth.

Africa's short-term outlook thus hinges less on global dynamics than on its ability to roll out credible fiscal and structural reforms to shore up productivity and lure sustainable investment. "In essence, the danger is not an imminent crisis, but rather a stagnation – a slow drift in which economies survive but fail to transform," added Verster. "While the continent is attempting to forge closer intra-African trade ties via homegrown solutions such as the African Continental Free Trade Area, its implementation faces numerous headwinds."

Still, there is a chance that African nations can benefit from a global trade reorientation, while also pushing to pivot from resource extraction to value-adding in a bid to drive local industrialisation.

PRIVATE EQUITY FUNDS & DEALS

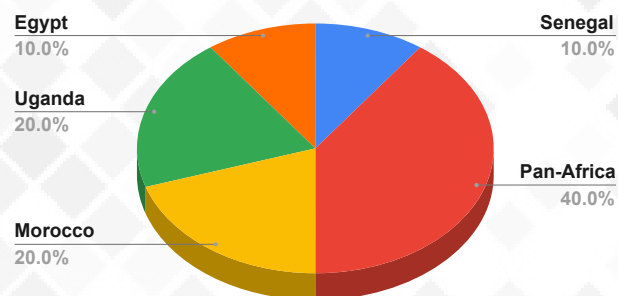
(as of the end of September 2025)

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

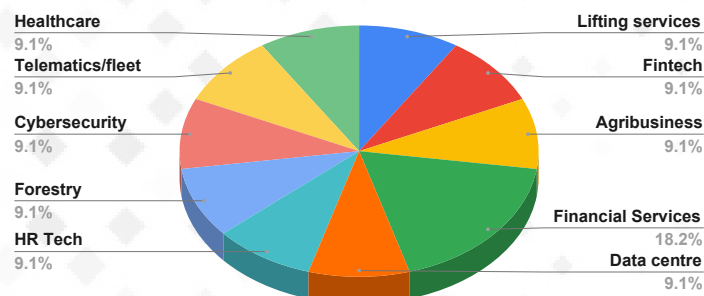
DEALS

Company	Investment	Industry	Country	Deal Type	Deal Value
Adiwale Partners	Codex	Lifting services	Senegal	Growth Capital	Undisclosed
AfricInvest // Financial Inclusion Vehicle // Partech // Polymorphic Capital	Kredete	Fintech	Pan-Africa	Series A	\$22m
Amethis	BH Holding	Agribusiness	Morocco	Growth Capital	Undisclosed
Enabling Qapital	Premier Credit Uganda	Financial Services	Uganda	Growth Capital	\$1.5m
Helios Investment Partners	Regional Data Hub	Data centre	Egypt	Buyout	\$230-260m
Janngo Capital	Jobzyn	HR Tech	Morocco	Growth Capital	Undisclosed
Metier	Watu Group	Financial Services	Pan-Africa	Growth Capital	Undisclosed
New Forests	Rance Timber	Forestry	South Africa	Growth Capital	Undisclosed
NewFund Capital // CDG Invest // LoftyInc Capital // Orange Ventures // Axian Group	Nucleon Security	Cybersecurity	Pan-Africa	Seed Capital	€3m
Sanari Capital // 27four Investment Managers	Ctrack	Telematics/fleet management	Pan-Africa	Growth Capital	R406m
TLG Capital	Undisclosed	Healthcare	Uganda	Senior secured debt	up to \$2m

DEALS BY COUNTRY



DEALS BY INDUSTRY



FUNDRAISING

Company	Fund	Style	Sectors	Final Close	Target Size
n/a					

EXITS

Company	Divestment	Industry	Geography	Buyer (s)	Nature of exit
n/a					

Source: AGF

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
337 Frontier Capital - Kimberlite Frontier Africa Fund (as-of 2025-09-30)										
50.04	3.57	60.47	29.41	19.78		Equity	Africa ex-SA	Cayman Isl.	Open-End	06/14
African Domestic Bond Fund (as-of 2025-09-30)										
	3.1	23	11.5	2.2		ETF - local currency FI	African region	Mauritius	Open-End	9/18
African Lions Fund (as-of 2025-09-30)										
47.96	2.76	69.28	26.08		56.41 (09/25)	Equity	SSA ex-SA	BVI	Open-End	10/20
Allan Gray Africa Bond Fund (as-of 2025-09-30)										
18.8		16.9	20.1	9.5	380.00 (09/25)	Fixed Income	Africa ex-SA	Bermuda	Open-End	3/13
Allan Gray Africa ex-SA Equity Fund (as-of 2025-09-30)										
54.5	6.9	51.7	22.11	18.79	568.00 (09/25)	Equity	Africa ex-SA	Bermuda	Open-End	1/12
Commonwealth Africa Fund (as-of 2025-09-30)										
30.53	4.53	18.75	18.49	14.16	5.45 (09/25)	Equity	African region	USA	Open-End	11/11
Coronation Africa Frontiers Fund (as-of 2025-09-30)										
49.18	5.12	50.43	23.02	14.31	586.80 (09/25)	Equity	Africa ex-SA	Ireland	Unit Trust	10/08
EFG-Hermes MEDA Fund (as-of 2025-10-27)										
-4.77	3.77	6.71	5.54	18.95		Equity	Africa & Middle East	Bermuda	Open-End	12/11
Enko Africa Debt Fund (as-of 2025-09-30)										
25.41	6.02	37.71	32.46	16.44	938.40 (09/25)	Fixed Income	Africa ex-SA	Mauritius	Open-End	10/16
Fidelity Funds - Emerging Europe, Middle East and Africa Fund A (as-of 2025-10-27)										
27.88	3.1	33.9	19.14	3.89	333.47 (9/25)	Equity	EMEA	Luxembourg	SICAV	6/7
Laurium Africa USD Bond Fund (as-of 2025-08-31)										
		13.3	12.6		46.90 (08/25)	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
Laurium Limpopo Africa Fund (as-of 2025-09-30)										
46.43	7	48.27	28.18	13.06	281.00 (09/25)	Equity	Africa ex-SA	Cayman Isl.	Open-End	01/14
Mazi Capital Africa Fund (as-of 2025-09-30)										
41.12	1.84	46.65	11	4.2		Equity	Africa ex-SA	South Africa	Open-End	01/16
MCB Africa Bond Fund (as-of 2025-09-30)										
	1.1	7.6	-12.6	-22.1		Fixed Income	African region	Mauritius	Open-End	02/14
Old Mutual African Frontiers Flexible Income Fund (as-of 2025-08-31)										
	4.59	22.65			24.10 (07/25)	Fixed Income	African region	Ireland	OEIC	05/22
Old Mutual African Frontiers Fund (as-of 2025-09-30)										
40.38	2.61	42.77	24.42	11.77		Equity	Africa ex-SA	Ireland	Open-End	5/10
Robeco Afrika (as-of 2025-09-30)										
44.65	6.54	45.3	20.62	16.34	30.30 (09/25)	Equity	African region	Netherlands	Open-End	06/08
Sanlam Africa Equity Fund (as-of 2025-09-30)										
44.91	8.9	39.03	19.28	14.75		Equity	Africa ex-SA	Ireland	Open-End	07/15
Steyn Capital Africa Fund (as-of 2025-09-30)										
54.12	2.73	70.45	24.94	21.34		Equity	Africa ex-SA	Malta	SICAV	9/11
Sustainable Capital Africa Alpha Fund (as-of 2025-09-30)										
52.56	8.58	59.79	21.9	15.07		Equity	Africa ex-SA	Mauritius	Open-End	02/12
TCM Africa High Dividend Equity (as-of 2025-09-30)										
42.35	2.71	56.26	15.22	7.66		Equity	Africa ex-SA	Holland	Open-End	03/08
T. Rowe Price Africa & Middle East Fund (as-of 2025-08-31)										
21.29	5.52	16.74	13.08	15.21	106.81 (09/25)	Equity	MENA & SSA	United States	Open-End	10/11

CITI ECONOMIST SEES NEW MOMENTUM IN AFRICA

By Anna Lyudvig



David Cowan
Africa Economist
Citi

For many investors, the past few years in Africa have been challenging, according to David Cowan, Africa Economist at Citi.

“Currencies have collapsed around you. You’ve had a lot of issue on return,” he said during his session *INVESTING Solo: Where is Africa going? Thinking about Economic and Currency Outlook* at AFSIC 2025.

Cowan traced the roots of Africa’s economic struggles to the “Africa Rising” era of the 2000s, which attracted private and Chinese investment. As governments expanded spending, fiscal deficits widened—a recurring challenge in African economies. “The fiscal deficit is always the root of an African economic problem,” he said. “It was the root in the ’80s and the late ’70s.”

This trend worsened with COVID-19 in 2020, which pushed fiscal spending higher, and the global inflation shock following Russia’s invasion of Ukraine in 2022, which forced interest rates up and exposed vulnerabilities. Zambia defaulted in 2020, followed by Ghana in 2022, raising market concerns. “We’ve given Africa a lot of money; these countries have defaulted—who will default next?” Cowan asked.

While defaults alarmed financial markets, the more immediate impact on daily life was currency devaluations. “When a country defaults, its currencies tend to get crushed,” he said, citing Zambia, Ghana, Sierra Leone, and Kenya. Some of Africa’s largest economies, including Egypt and Nigeria, initially resisted exchange rate adjustments. “When you don’t let your currency move, what you have is this huge backlog of FX building up inside the country that you can’t get out.” By late 2023, Cowan estimated \$10 billion was trapped in Nigeria and Egypt due to rigid currency regimes.

In early 2024, the situation shifted. Anticipated U.S. Federal Reserve interest rate cuts unlocked new capital flows, and countries like Côte d’Ivoire and Benin returned to markets. China pledged \$50 billion over three years at the September 2024 Forum on China–Africa Cooperation. More importantly, Nigeria and Egypt finally floated their currencies. “The central banks of Egypt and Nigeria gave up the ghost and devalued their currencies,” Cowan said. The Egyptian pound dropped from 17 to 51, and the naira from 464 to 1,500—moves

he described as historically large and disruptive, driving inflation and psychological stress.

Despite the shocks, Cowan said the devaluations are helping economies adjust. “They do ultimately drive the change.” Signs of recovery are visible: “The Nigerian economy is picking up. The Egyptian economy is picking up.” In Ghana and Zambia, which recently defaulted, rebounds have been particularly strong. “Ghana is growing at 6%, has a fiscal deficit under 3% of GDP, is running a large current account surplus, and depending where the Cedi ends up at the end of the year, debt will probably be under 50% of GDP. That is a huge turnaround.”

Cowan highlighted positive terms of trade across much of Africa. Ghana benefits from high gold and cocoa prices, while oil prices in the \$60–\$65 range support exporters without heavily penalizing importers. Structural changes are also underway, particularly in Nigeria, where banks are being recapitalized and multinational firms are exiting onshore operations. The rise of indigenous Nigerian oil companies will be critical for the sector.

The banking landscape is shifting as foreign banks retreat. “Citi will be the last foreign bank standing in Africa. The European banks are gone,” Cowan said. In their place, Moroccan, Nigerian, Kenyan, and South African banks are expanding. “They will be fighting for the future.” He noted that this year could mark a milestone: “Standard Bank of South Africa will earn more in the rest of Africa than in South Africa for the first time.”

However, risks remain. Cowan warned that Senegal could default and that currency adjustments are still needed in Mozambique, Angola, and Malawi. “The Malawian kwacha is going to have to collapse at some point.” Currency management remains crucial: “We’ve still got to get the currency story right.” If major currencies remain fixed at current post-devaluation levels by the end of 2026—naira at 1,500, Egyptian pound at 51, Kenyan shilling at 130, kwacha at 24, cedi at 13.5—new vulnerabilities could emerge.

Still, Cowan’s outlook is constructive. “We’ve had this big adjustment, this big reality call. And now it’s running into a situation where actually, across Africa, we have quite positive terms of trade impacts.” He concluded on a cautiously optimistic note: “Enjoy the next six months, but let’s worry about the currencies when we get to next year.”



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