



ANNUAL EAST AFRICA FINANCIAL REVIEW



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ANNUAL REVIEW 2018



2018 in Numbers



Deal of the Year:

Vivo Energy's acquisition of Engen's operations in 8 African countries.

123

The number of disclosed deals in EA

c. 3.15 BN



The total value of all disclosed corporate deals in EA in USD

\$8 M

The median deal size of deals in EA

The most important quality for an investor is temperament, not intellect.'

~Warren Buffet



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The Editorial Team

EDWARD BURBIDGE | LINDA OBWORA

2018 was a turbulent year for East African markets partly due to some of the events unfolding on the international stage. The year saw a stronger dollar bolstered by the four US Fed rate hikes; volatility triggered by events such as the rising tensions between China and the US; and increased contagion risk in emerging markets due to economic turbulence in Turkey and Argentina.

The NSE was off to a positive start in Q1 2018 with the NSE 20 and market turnover increasing by 3.6% and 69.77% respectively compared to Q4 2017. However, there was a reversal in this trend beginning Q2 and overall 2018 performance saw the market indices for Kenya, Tanzania and Uganda decline by 18%, 14.8% and 15.9% respectively, and large foreign investor outflows partly related to improving relative returns in developed markets.

In the East African private capital markets, the total disclosed deal value decreased from USD 5.2 billion in 2017 to USD 3.15 billion in 2018. There are two notable factors influencing the total deal value disclosed during the year. Firstly, values were disclosed in only 59 out of the 123 deals. Secondly, the total deal size is heavily skewed by the SAHAM Finance- Sanlam group deal which accounted for USD 1.04 billion of the total. Applying a median to only the deals where the value was disclosed, we believe, gives the most statistically accurate analysis. This results in a median deal size of USD 8 million compared to USD 10.6 million and USD 11.4 million in 2017 and 2016 respectively.

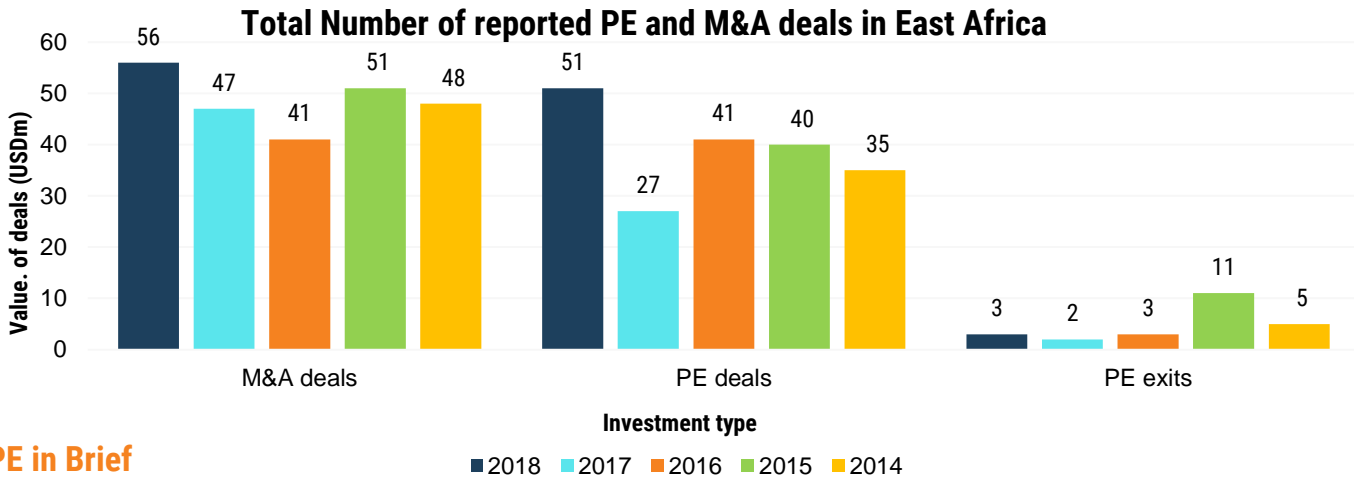
We hold a positive outlook for 2019, mainly driven by strong GDP growth expected from the East African nations and stable macroeconomic fundamentals.

Edward Burbidge, CFA & IMBC EA Review Team

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2018 IN PERSPECTIVE

PE AND M&A DEALS



PE in Brief

2018 was a more vibrant year for Private Equity compared to 2017, with increase in both the number and value of deals. The number of deals increased by 83% to reach 53 deals (including exits) compared to the 29 deals reported in the previous year. Similarly, the total value of deals increased by 49% to USD 715.2 million compared to USD 480.4 million in 2017. Some key PE exits in 2018 included: Actis LLP's sale of a majority stake in Mentor Management Limited (MML) to Turner & Townsend; Centum Investment's sale of its 25% stake in Platcorp Holdings (the holding company of Platinum Credit) and AfricInvest's exit from Kiboko Holdings Limited (KHL) following KHL's sale of a controlling stake in its pharmaceutical subsidiary, AK Life Sciences Ltd, to the Carlyle Group. The highest volume of deals was done in the financial services sector with 9 PE deals. Other sectors that had significant deal activity are the Energy, oil & gas sector and the ICT sectors with 7 and 4 deals respectively.

M&A in Brief

56 deals were recorded across all sectors in EA in 2018, a 19% increase from the 47 deals in 2017. The total value of M&A deals in 2018 decreased by 41% to c. USD 2.2 billion from USD 3.8 billion in 2017. The median deal size however, increased from USD 20 million in 2017 to 32 million in 2018. Once again, the financial services sector had the highest number of consolidations in the EA region with 14 deals, 4 higher than in 2017. With the implementation of IFRS 9 underway, we may witness even more consolidations in the medium term. The energy and oil and gas sectors overtook the manufacturing sector with 9 deals while the latter posted 3 deals.

Kenya, once again, recorded the largest number of deals, with a total of 29 M&A deals in the year albeit with a lower proportion – 51.9% in 2018 down from 63.8% in 2017. Uganda, Tanzania, Rwanda and Ethiopia recorded 5, 13, 3 and 5 deals respectively. We have previously predicted the increasing proportion of deals coming from other East African nations. There is a possibility that this trend may not continue in 2019.

NATURAL RESOURCES & ENERGY DEALS

Oil and Gas Sector

The sector recorded 5 M&A deals in 2018 similar to 2017. The deals included Vivo Energy's acquisition of Engen's operations in eight African countries for USD 204 mn and Oman Trading International's (OTI) acquisition of 40 per cent stake in Hass Petroleum Group.

With regards to oil exploration, Chinese state-owned Poly Group, in partnership with the Golden Concord Group, began work on oil and gas fields in the Ogaden region of Ethiopia with oil being exported by road through Djibouti; Tullow Oil announced that it would invest an additional USD 2.9 billion into the Turkana operation targeting full-scale export of Kenya's oil, scheduled to begin in four years' time; and in Uganda, the government announced that in spite of previous delays, the country was ready to begin oil production by 2020.

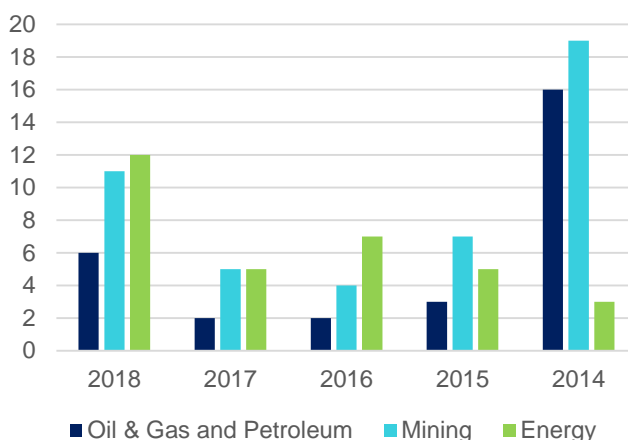
Metals & Mining Sector

There were 11 deals in the mining sector in 2018 compared to 5 recorded in 2017. As was the trend in 2017, a majority of the deals (7 out of 11 in 2018) were announced in Tanzania.

Energy Sector

The energy sector recorded 12 deals in 2018 compared to 5 recorded in 2017 with a total disclosed deal value of USD 978 million compared to USD 52.5 million in 2017. In line with global trends, there was an increase in investments in renewable energy projects in the region, with 10 deals being made in solar, wind, hydroelectric and geothermal power projects.

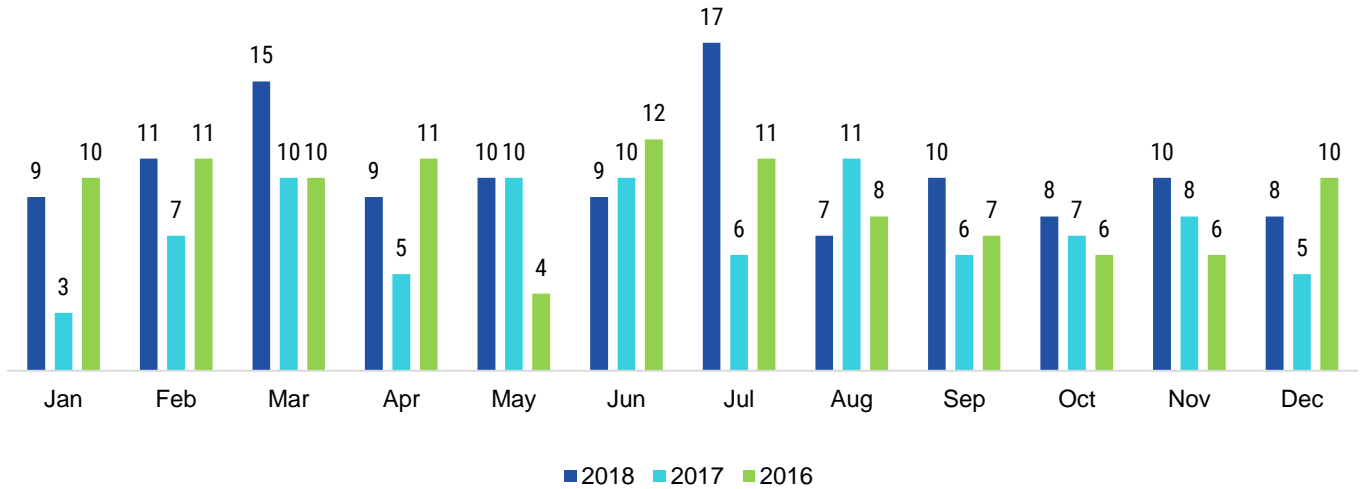
NUMBER OF NATURAL RESOURCES & ENERGY DEALS IN EA 2014-2018



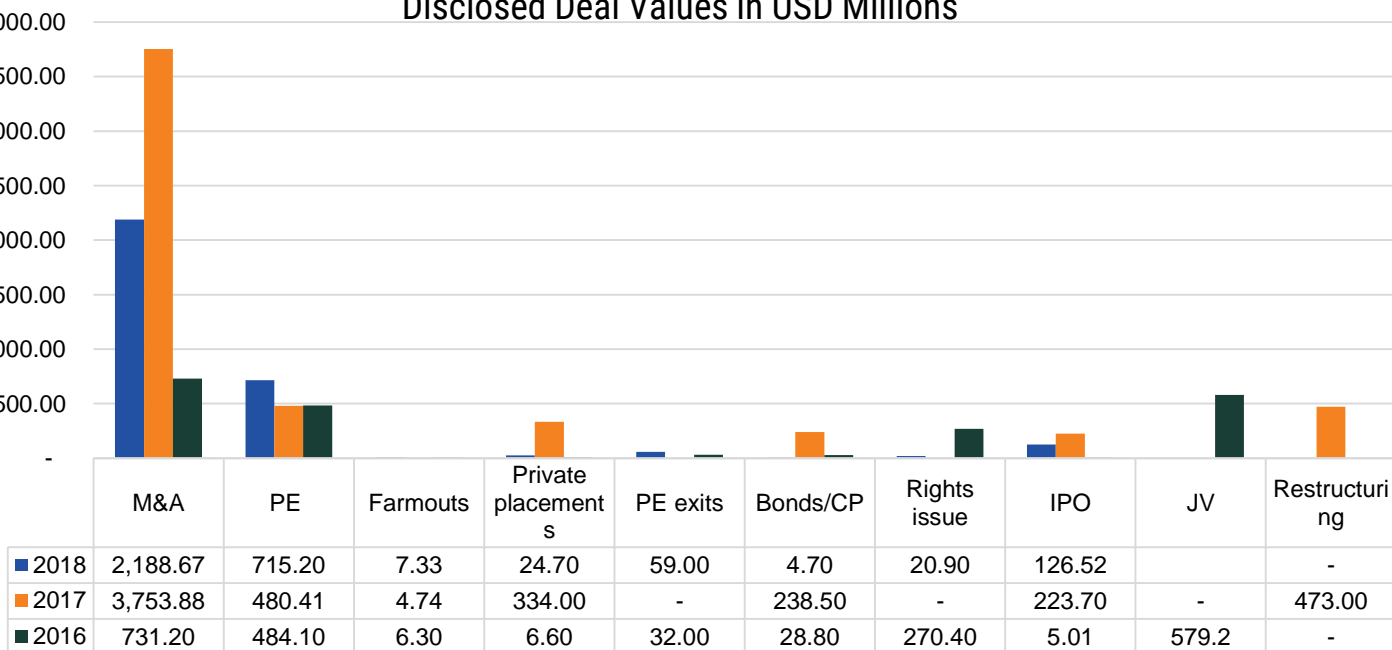
The governments in the region continued to make strides in their efforts to increase electrification across their respective countries. In Kenya, the construction of the 54.6 megawatts (MW) Garissa solar power plant was completed and the government also announced plans to rehabilitate Olkaria I units 1, 2 and 3 after securing financing worth USD 95 million from the Japanese government. Tanzania, Uganda and Rwanda secured USD 455 mn, USD 212 million and USD 125 million respectively from various international bodies to finance the construction and/or expansion of electrification projects.

DEAL STATISTICS I

NUMBER OF DEALS PER MONTH: 2016 - 2018

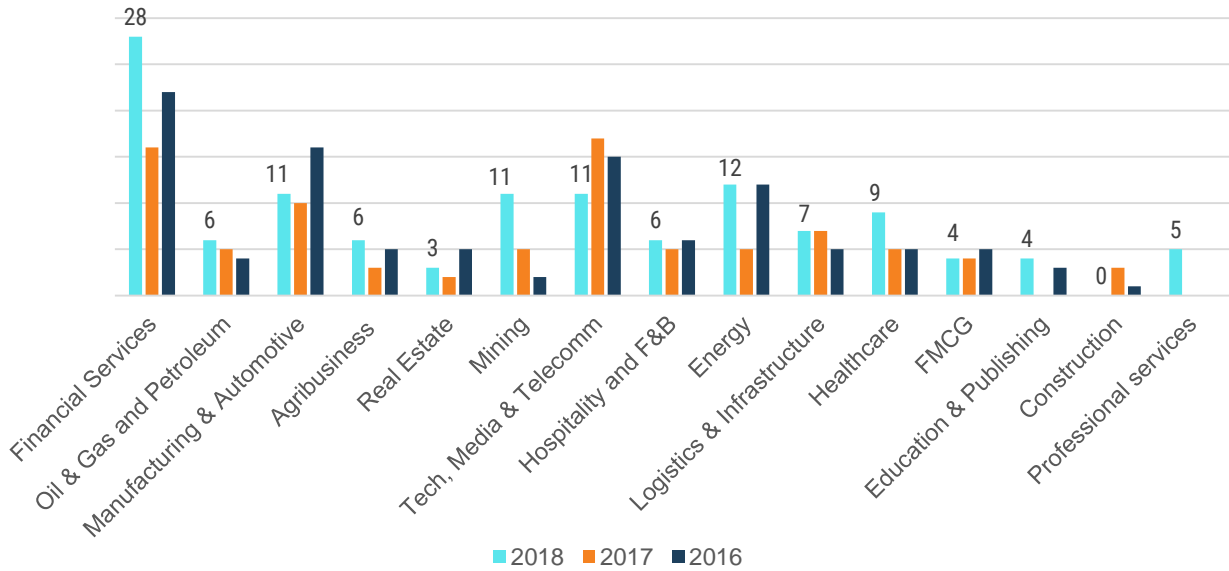


Disclosed Deal Values in USD Millions

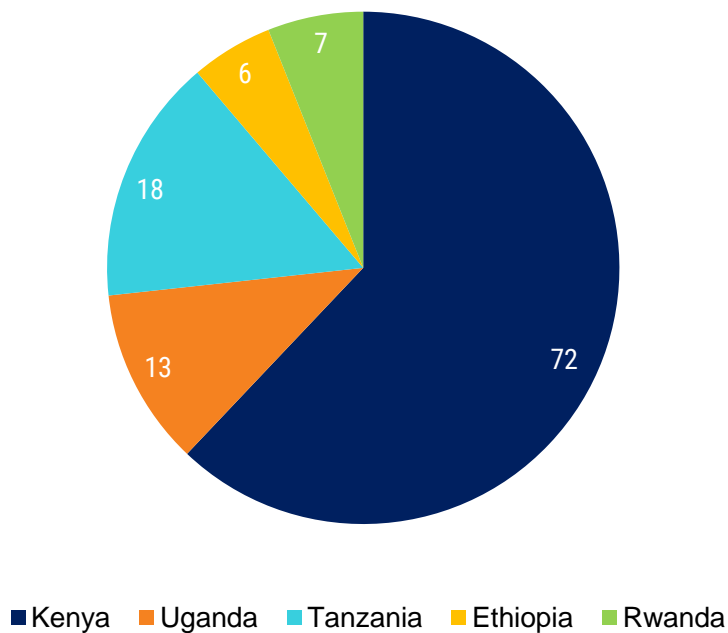


DEAL STATISTICS II

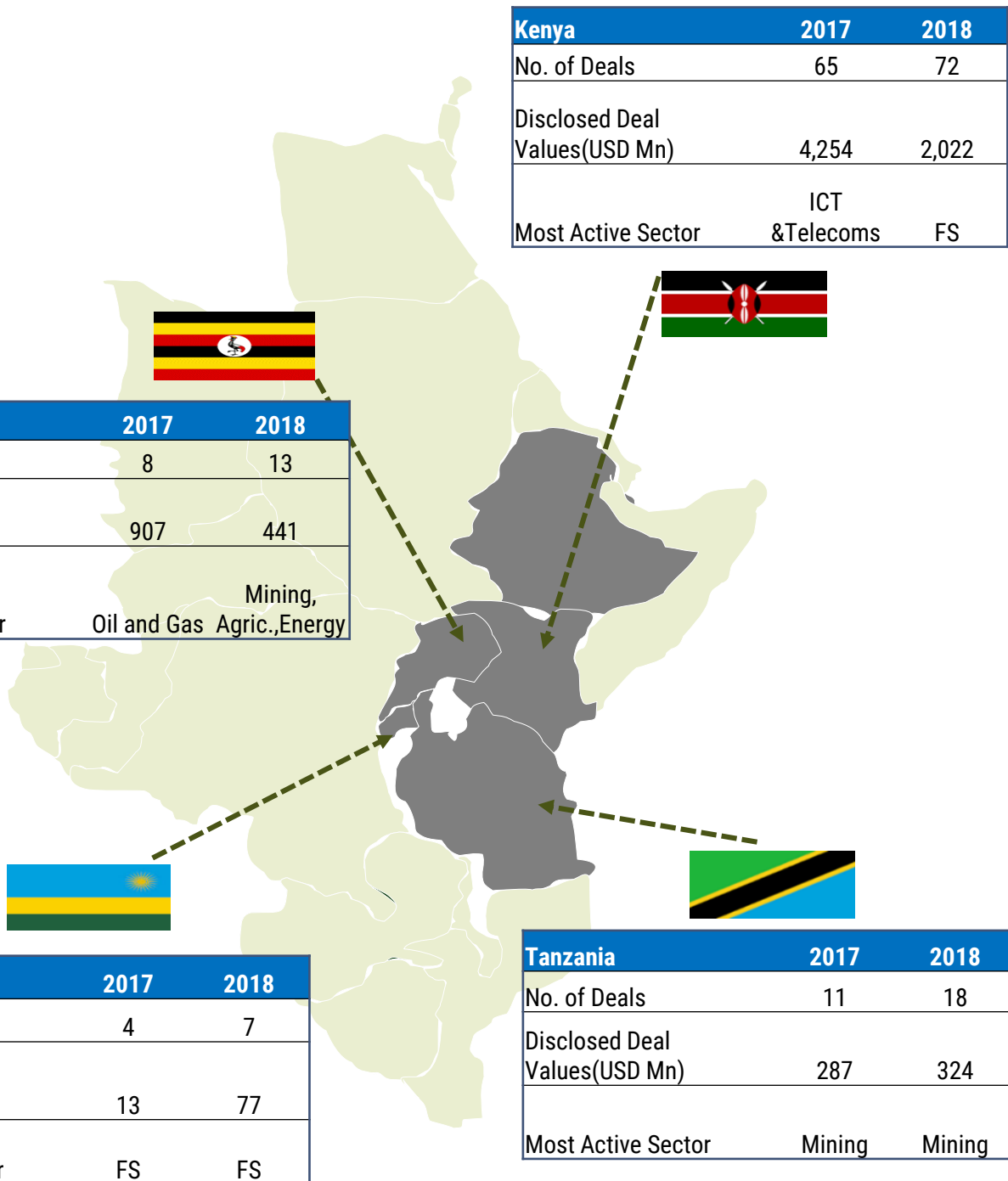
DEALS PER SECTOR



NUMBER OF DEALS PER COUNTRY IN 2018



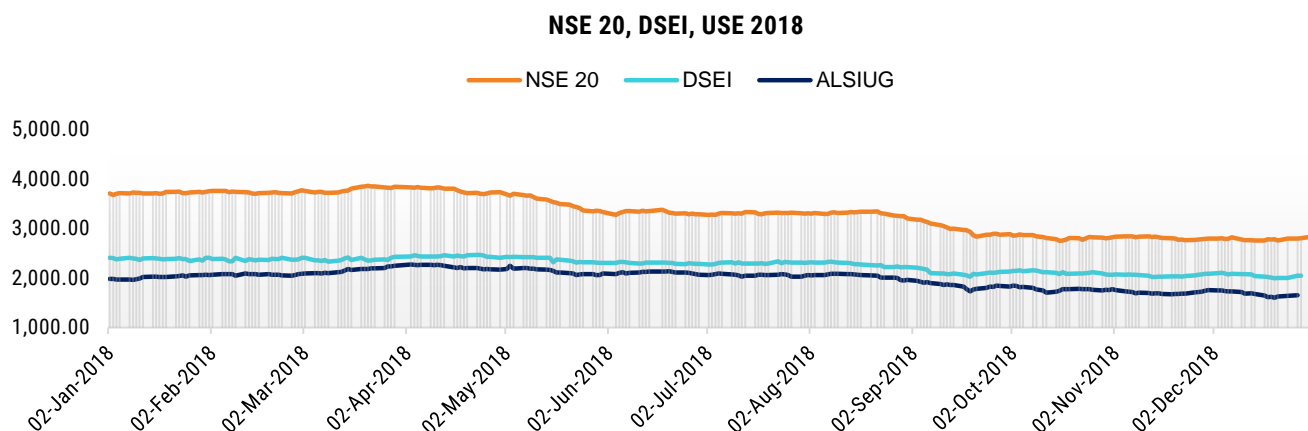
DEAL STATISTICS III



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KEY MARKET INDICATORS

KEY MARKET INDICATORS I



Performance of the Nairobi Securities Exchange

2018 was off to a positive start as the Kenyan equity market responded to the relatively stable political and economic climate. The NASI, NSE 20 and NSE 25 rose by 11.7%, 3.6%, and 9.6%, respectively in Q1 and the equities turnover stood at USD 610 million, a 69.77% rise over the USD 360 million registered in Q4 2017. Market capitalization increased by 295.31 billion to a post a new historical high of USD 282 billion. However, beginning Q2, 2018, the market recorded a downward trend and the overall 2018 performance saw the NASI, NSE 25 and NSE 20 declining by 18.0%, 17.1% and 23.7%, respectively.

At the individual stock level, Barclays Bank gained 14.1% becoming the only large cap gainer in 2018. The largest losers were East Africa Breweries (YTD – decline of 26.6%), Bamburi Cement (YTD – decline of 26.4%), Diamond Trust Bank (YTD – decline of 18.5%), NIC Group (YTD – decline of 17.6%) and Safaricom (YTD – decline of 17.0%).

Regional Markets Performance

Regionally the DSE All Share Index and the USE All share index declined by 14.8% y/y and 15.9% y/y respectively.

The MSCI Frontier markets index also declined by 16.20% y/y in 2018.

Listings

In November 2018, Bank of Kigali (BK Group Plc) became the first Rwandese company to cross-list on the Nairobi Securities Exchange (NSE).

Going forward from 2019, the NSE anticipates possible IPOs by firms that have participated in the exchange's incubation and acceleration program dubbed 'Ibuka'.

KEY MARKET INDICATORS II

Key Africa and Global Equity Indices Performance

Equity Index	December 2017	2018 Year Low	2018 Year High	December 2018	% change
NSE 20	3,711.90	2,749.30	3,862.30	2,833.80	-23.70%
FTSE NSE Kenya 25	327.9	175.9	258.8	176.8	-46.10%
NSE ALL SHARE	171.2	139	196.6	140.4	-18.00%
DSEI(TZ)	2,396.00	1,995.00	2,464.00	2,041.40	-14.80%
ALSIUG	1,962.00	1,601.50	2,270.00	1,649.40	-15.90%
NGSEINDEX	38,243.20	30,506.80	45,321.80	31,430.50	-17.80%
EGX 30	15,019.10	12,076.80	18,414.10	13,035.80	-13.20%
JALSH(SA)	59,504.70	50,032.70	61,776.70	52,736.90	-11.40%
NYSE	12,808.80	10,723.70	13,637.00	11,374.40	-11.20%
FTSE 100	7,687.80	6,536.50	7,903.50	6,728.10	-12.50%
S&P 500	2,673.60	2,346.60	2,940.90	2,506.90	-6.20%

Source: Thomson Reuters data

Central Bank Rates

Country/Region	Dec 2017	Dec 2018	Ch. y/y (bps)
Central Bank of Kenya (Kenya)	10.00%	9.00%	-1.00
Bank of Uganda (Uganda)	9.50%	10.00%	0.50
Bank of Tanzania (Tanzania)	9.00%	7.00%	-2.00
South African Reserve Bank (RSA)	6.75%	6.75%	0.00
Central Bank of Nigeria (Nigeria)	14.00%	14.00%	0.00
Central Bank of Egypt (Egypt)	18.75%	16.75%	-2.00
Bank of England (UK)	0.50%	0.75%	0.25
Federal Reserve Bank (USA)	1.50%	2.50%	1.00
European Central Bank (EU)	0.00%	0.00%	0.00

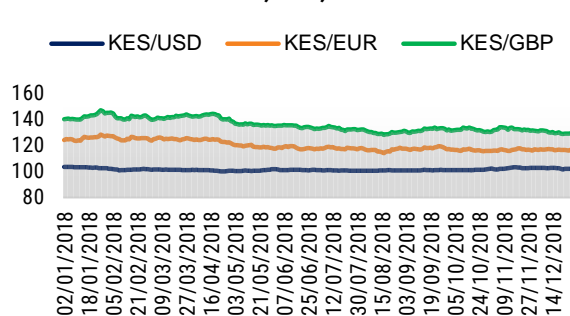
Source: Thomson Reuters data

Key Africa and Global Currency Performance

Currency	Dec 2017	Dec 2018	% Ch. y/y
KES/USD	103.10	101.80	1.26%
TZS/USD	2,235.00	2,295.00	-2.68%
UGX/USD	3,632.00	3,699.30	-1.85%
ETB/USD	27.41	27.92	-1.86%
ZAR/USD	12.36	14.35	-16.10%
NGN/USD	306.35	307.00	-0.21%
EGP/USD	17.69	17.86	-0.96%
GBP/USD	1.35	1.28	5.59%
EUR/USD	1.20	1.15	4.39%

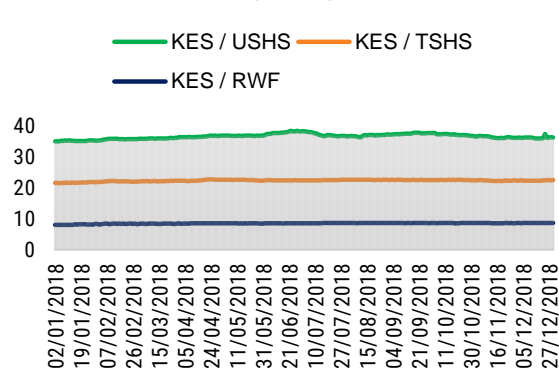
Source: Thomson Reuters data

KES vs USD, EUR, GBP - 2018



Source: Thomson Reuters data

KES vs USHS, TSHS, RWF - 2018



Source: Thomson Reuters data

Interview with Kenneth Kaniu, CEO, Britam Asset Managers (Kenya) Ltd



As the CEO of BAM, Kenneth Kaniu provides leadership in executing business, financial and investment strategy for the benefit of third party institutional and retail clients in Eastern Africa, amongst other stakeholders.

Prior to joining BAM, he worked at STANLIB Kenya Limited as the Chief Investment Officer for East Africa responsible for the investment business in Kenya, Uganda, Tanzania and South Sudan. He also worked in the Asset Management business at Allianz SE in Munich, Germany and had a brief stint with Commercial Bank of Africa Limited in Kenya.

He holds a Bachelor of Science Degree in Business Administration from USIU-Africa, and an MBA from Strathmore Business School. He serves as a Director of both Britam Asset Managers (Kenya) Limited and Britam Asset Managers (Uganda) Limited. He serves as Chairman of The Association of Collective Investment Schemes of Kenya (ACIS) and Chairman of the AIESEC Kenya National Board of Advisors.

BAM is a leading player in the asset management field with assets under management (AUM) of c. KES 158 billion. What strategies have played a role in your tremendous growth over the last 5 years?

We have had a strong focus on investment returns relative to benchmarks and peers for our traditional assets portfolios. In relation to alternative asset classes such as real estate, infrastructure and private equity we have developed strong in-house capability and have recently been involved in landmark transactions that have underscored our capability. This has caught clients' eyes. We are also fairly customer centric and have made investments in innovation and IT systems that have enhanced our customer engagement.

Has the general trend of negative returns in two of the main asset classes – equities and corporate bonds – over the last 5 years necessitated a shift in asset allocation to newer and longer term asset classes?

Yes it has. Asset allocation has shifted away from growth equities and more towards defensive, dividend paying companies as returns from the stock market over the last four years have been negative three out of four times. On the bond side, we have seen more active

duration management and trading strategies that have become shorter term in nature. Ultimately, this has opened up the door for alternative asset classes and they are now becoming more and more mainstream as various funds make their initial forays into real estate and private equity as limited partner investors.

How did alternative assets contribute to BAM's diversified portfolio and thus enable you to deliver returns to your investors? Were there other ways you further diversified your portfolio?

Alternative assets match the long tenor of the bulky flows that have come into the sector and provide the investment stability in the form of income and development returns that match the liability profiles of these customers.

And yes there were. We also began to focus on unlisted credit and consider credit counterparties on a bilateral basis where we could better negotiate terms and structure protections to suit the profile of the funds that we were investing.

Interview with Kenneth Kaniu, CEO, Britam Asset Managers (Kenya) Ltd

The real estate sector has for a long period recorded outstanding returns, an estimated 25% between 2011 and 2017. However, the sector has recently been plagued by fears of a glut in specific sub sectors and yields have been on a downward trend. Which sub-sectors do you view as the key to growth in real estate?

I see the industrial sub sector as one of the key sub sectors to watch over the next five years. Industrial stock has been old and dilapidated and is badly in need of modernization to suit modern manufacturers, importers and exporters and the current location of most stock is out of touch with existing and planned road and rail networks. Total returns in this sector are still reasonable for investors. One certainly cannot rule out affordable housing particularly in the KES 5 million to KES 12 million range for apartments and maisonettes in good locations with access to public transport and other amenities. The opportunity in residential housing is simply enormous for those who execute well planned and well thought out developments.

Earlier you mentioned that the market has witnessed more local pension funds increasing their investment in Private Equity. Britam was actually one of the first to do so. Do you plan to increase your allocation to Private Equity investments?

We certainly plan to continue to allocate more funds to PE funds as a LP investor and I expect private equity to become a reasonable driver of investment return contribution to portfolios over time.

What is your expectation for the PE industry in the next 5 years?

I see Private Equity in Kenya and East Africa becoming a more competitive space for GPs due to the massive amounts of dry powder available relative to deals available. Access to proprietary deal flow will differentiate successful funds from others who will end up paying massive premiums in club deals just to demonstrate deployment of cash. I see more funds beginning to exit investments as many PE funds with investments in Kenya are now at the top of their

investment cycles, with many having made investments 3 to 5 years ago. So I expect to see a more vibrant secondary market or sales to strategic investors looking to access the East African market and I am curious to see the kind of exit multiples that will be achieved at that time. Maybe even one or two market listings!

Economic growth rebounded in 2018 – 5.5% up from 4.9% in 2017 – and is expected to continue in this trajectory in 2019. Which asset classes do you think will offer the highest returns to investors?

In 2019 I think that the listed equity market may surprise us. The low price and valuation multiples relative to historic multiples point to that and it has been a surprise to see the market turn positive in January 2019 despite the increase in political rhetoric and activity and the horrible attack at the Dusit hotel a few weeks ago.

Parting comment

Investors should continue to invest through the cycle, particularly now when asset valuations especially in listed equities and real estate are near the bottom of their cycles. Britam Asset Managers will certainly continue to be at the forefront of investment innovation, meeting our clients' expectations over the years to come.

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ECONOMIC OUTLOOK

ECONOMIC OUTLOOK

KENYA



Macro environment

According to the ADB economic outlook report 2019, real GDP grew an estimated 5.9% in 2018, from 4.9% in 2017 and is projected to grow by 6.0% in 2019 and 6.1% in 2020. The key drivers of this growth were the improved agricultural yields as a result of increased rains, stable macroeconomic indicators and the easing of political uncertainty.

Implementation of “The Big Four” Plan should see the economy grow at a much faster rate with growth over the medium term bolstered by increasing competitiveness due to key infrastructure projects and further structural reforms targeted at promoting overall productivity in the economy. We note, however, that uncertainty in the global markets and sluggish growth in developed markets continue to pose a risk to Kenya’s overall growth. Furthermore, public expenditure pressures and upcoming Eurobond bullet payments could further increase Kenya’s vulnerability to macroeconomic shocks.

Monetary policy

Kenya’s annual average inflation in 2018 stood at 4.60% compared to 7.98% in 2017. Inflation is expected to decrease in light of a 9% decrease in fuel prices from mid January 2019.

The Central Bank of Kenya (CBK) lowered the base lending rate from 10.0% to 9.5% in March, and thereafter by an additional 50 basis points to 9.00% in July in a bid to spur further economic growth. The Kenyan shilling traded at an average of 101.30 in 2018 against the US dollar and remains relatively stable with the Central Bank well placed to support it from any short term volatility (Import cover averaged 5.2 months in Q4 2018).

Balance of payments: Strengthening

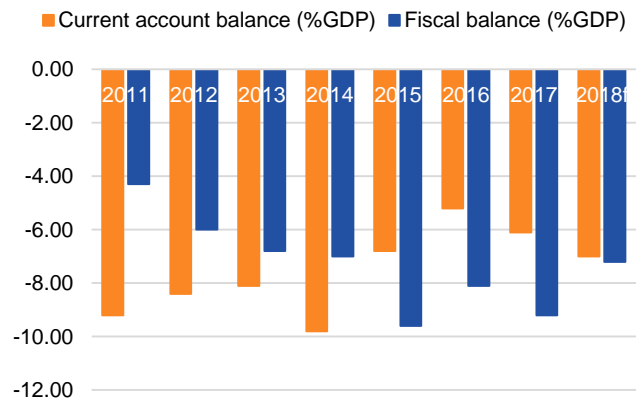
The current account deficit narrowed to an estimated 5.8% of GDP in 2018 from 6.7% in 2017, resulting from increased manufacturing exports and higher earnings - USD 1.2 billion as at October 2018 compared to 2017 full year earnings of USD 1.15 billion. Kenya’s gross official reserves reached USD 8.5 billion (5.6 months of imports) in September 2018, a 7% increase from 2017.

Fiscal policy

The fiscal deficit reduced to an estimated 6.7% of GDP in 2018 from about 8.8% in 2017, with the share of government spending in GDP falling to 23.9% from 28.0% in 2017. This was mainly attributed to the adoption of a tighter fiscal stance by the government.

Measures to address the fiscal deficit that currently stands at 5.8% (2018/2019 fiscal year) has seen the Treasury raise the external borrowing target for the current fiscal year by USD 0.34 billion to USD 3.22 billion. The new borrowing targets mean Kenya’s debt pile will grow by USD 6.32 billion before accounting for loans taken by other State agencies.

C/A AND FISCAL DEFICIT



Source: Thomson Reuters data

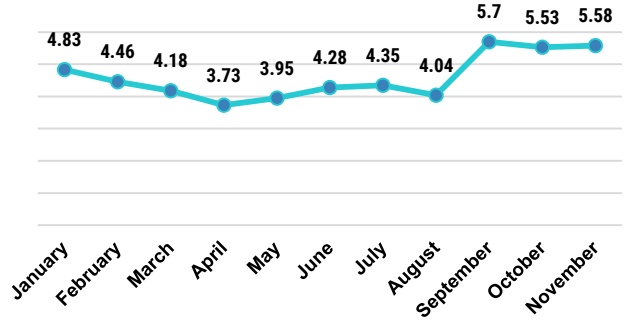
ECONOMIC OUTLOOK

KENYA SHILLING CURRENCY MOVEMENT AGAINST THE DOLLAR IN 2018



Source: Thomson Reuters data

2018 KENYA MONTHLY INFLATION



Key Economic Statistics - Kenya	2011	2012	2013	2014	2015	2016	2017	2018	2019F
Consumer inflation (% ch.)	18.90	3.20	7.10	6.00	8.00	6.30	8.02	4.60	5.50
Policy interest rate (%)	18.00	11.00	8.50	8.50	11.50	10.00	10.00	9.00	9.00
KES/USD	85.07	86.029	86.31	90.60	102.31	102.49	103.10	101.3	
Real GDP growth (%)	6.10	4.60	5.70	5.30	5.70	5.80	4.90	5.90	6.00
Current account balance (%GDP)	-9.20	-8.40	-8.10	-9.80	-6.80	-5.20	-6.10	-5.80	
Fiscal balance (%GDP)	-4.30	-6.00	-6.80	-7.00	-9.60	-8.10	-9.20	-6.70	4.7%

Source: Thomson Reuters data

ECONOMIC OUTLOOK

UGANDA



Macro environment

Real GDP growth was an estimated 5.3% in 2018, up from 5.0% in 2017. On the supply side, industry growth (9.7%) and services growth (8.2%) contributed considerably to the overall GDP growth, while agriculture showed slower growth (4.5%). Furthermore, the peak of the coffee export season in October 2018, plus significant dollar inflows from offshore investors were also key contributors to the increase in GDP. GDP growth is projected to improve to 5.5% in 2019 and 5.7% in 2020 supported by increased infrastructure investment, foreign direct investment in the oil and mining subsectors, and reforms to improve the business environment.

Monetary policy

In 2018 the Bank of Uganda (BoU) raised the base lending rate from 9.5% to 10.00% in an effort to manage rising levels of inflation. Overall inflation for 2018 is estimated to have been 3.83% compared to 5.1% in 2017. However, according to Citi Bank economists, the country could see inflation rise up to 6% in 2019 due to increasing food prices and an increase in aggregate demand by 0.5%.

The Ugandan shilling depreciated by 1.85% against the US dollar exchanging at an average rate of UGX 3,699 in 2018 compared to UGX 3,632 in 2017.

Balance of payments

The current account deficit is projected to stabilize at 4.9% in 2019 and further weaken to 5.4% in 2020. Bank of Uganda (BoU) data shows that the country's import bill rose by \$829 million to \$5.733 billion by close of October 2018. Exports grew by \$138 million, supported by improved weather conditions in major crop production zones. The trade deficit expanded by \$514 million to \$2.095 billion during the same period

Fiscal Policy

The fiscal deficit widened to an estimated 4.7% in 2018, driven largely by ongoing public infrastructure investments supported by borrowing from both external and domestic sources. The country's debt-to-GDP ratio was estimated at 40.0% in 2018, with external debt at 28.1% of GDP. In spite of the increases in debt levels, Uganda remains at a low risk for debt distress.

RWANDA

Macro environment.



In 2018, real GDP growth was estimated at 7.2% compared to 6.1% in 2017 supported by strong growth in services (4.1%) and industry (1.5%), particularly manufacturing. The key drivers of spending in 2018 were household consumption (5.8% of GDP) and investment (2.9% of GDP).

The economy is projected to grow at 7.8% in 2019 and 8.0% in 2020, supported by export growth resulting from the 'Made in Rwanda' policy, continued public investments such as that in the Bugesera airport, and the country's strong record of implementing reforms to achieve its long-term development goals. Inflation is projected to edge up to about 4.0% in both 2019 and 2020.

Monetary policy

Inflation was estimated at 0.9% in 2018, compared to 0.7% as at December 2017, thanks to the lower cost of food and non-alcoholic beverages. In 2018, the foreign exchange rate pressures on the Rwandan franc remained modest due to continued improvements in the external sector resulting from a 15.8% increase in exports and a 1.4% increase in imports.

ECONOMIC OUTLOOK

RWANDA



Balance of Payments

The current account deficit widened to an estimated 8.4% in 2018 from 6.8% in 2017 partly due to a deterioration in the terms of trade to -3.6% in 2018 from 7.7% in 2017. Goods exports increased sharply by 29% and imports by 14.9% between January and May 2018, compared with the same period in 2017.

Fiscal Policy

The fiscal deficit was an estimated 4.3% in 2018, down from 4.8% in 2017, thanks to increased investment (from 23.4% of GDP in 2017 to 25.3% in 2018), reduced grants and strong tax collection driven mainly by improved tax compliance and the introduction of an electronic tax payment system. Public sector debt increased to 41.1% of GDP in 2018 from 35.6% in 2017, but risk of debt distress remains low.

The fiscal deficit is projected to reach 4.4% of GDP in 2019 but to decline to 3.6% in 2020, reflecting prudent borrowing and increased domestic resource mobilization.

TANZANIA



Macro environment

Real GDP growth was an estimated 6.7% in 2018, down from 7.1% in 2017. During the year the services sector was the main contributor to GDP (39.3%) while Private investment was the main demand-side contributor (63.9%). The medium-term outlook is positive, with growth projected at 6.6% in both 2019 and 2020, supported by large infrastructure spending.

Monetary policy

The Central Bank of Tanzania (BOT) lowered the country's base lending rate from 9.00% to 7.00% in 2018 so as to spur further credit growth in the private sector. At the time of the rate cut, Tanzania's private sector credit growth stood at 4.0% y/y.

Due to improved food supply, inflation eased to an estimated 3.5% in 2018 and is projected to increase to 4.8% in 2019 due to increased government spending.

Balance of payments

The overall balance of payments was a deficit of USD 753.0 million in the year ending November 2018 compared to a surplus of USD 1,749.8 million in the corresponding period in 2017, partly explained by a widening in the current account deficit. Higher volumes of capital goods imports and the depreciation of the Tanzanian shilling, were in turn responsible for the widening current account deficit which stood at USD 2,540.7 million compared to USD 1,414.7 million in the year ending November 2017.

Fiscal Policy

The fiscal deficit increased to an estimated 3.9% of GDP in 2018, due to increased capital spending on infrastructure projects. More specifically, external debt which accounted for about 74.9% of total public debt in 2018 rose to USD 20,698.7 million as at November 2018 mainly due to the accumulation of interest arrears and appreciation of the US dollar. Nonetheless, the risk of debt distress remains low as public external debt accounts for 34.5% of GDP.

4

SELECTED PE & DFI DEALS - 2018

SELECTED PE & DFI DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
18-Jan-18	Kuramo Capital	Sterling Capital	Undisclosed	Financial Services	PE	Kenya	Kuramo Capital, a New-York based private equity firm, has completed a transaction to acquire a minority stake in Kenyan investment bank Sterling Capital for an Undisclosed amount. The acquisition follows the reinstatement of Sterling's investment banking license in October 2017, after it was downgraded to stockbroker level in 2011, after it failed to meet CMA's revised minimum capital limit for market players
01-Feb-18	Investor Group	Jibu Co Ltd	7	Other Consumer Products	PE	Rwanda	An investor group, comprising Conrad N Hilton Foundation, Danone Communities Sicav, The Stone Family Foundation, Asia Africa Investment & Consulting Pte Ltd, The Maclellan Foundation Inc, Segal Family Foundation Inc and NRD Capital Management LLC acquired an Undisclosed minority stake in Jibu Co Ltd, a Ville De Kigali-based human rights organization, for a total RWF 5.872 bil (USD 7 mil), in a privately negotiated transaction.
05-Feb-18	International Finance Corporation (IFC)	Goodlife	2.97	Pharma	PE	Kenya	International Finance Corporation (IFC), the investment arm of the World Bank has announced that it will invest Ksh 300 million in Kenya's leading pharmacy brand Goodlife Pharmacy. The funds will be used to open 100 drug stores across East Africa and hopefully reach about 4 million customers. If executed right, Goodlife Pharmacy will become the leading retail pharmacy chain in the East African region
16-Feb-18	Fonds Européen de Financement Solidaire (Fefisol)	Musoni	0.99	Financial Services	PE	Kenya	Luxembourg-based private equity (PE) firm Fonds Européen de Financement Solidaire (Fefisol) has invested Sh100 million in Musoni Microfinance Ltd that targets small-scale farmers and the informal sector. The funds will go towards developing financial products that stimulate food production and agri-business. It uses Safaricom's M-Pesa platform and real-time gross settlement (RTGS) transfers to conduct its digital lending.

SELECTED PE & DFI DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
07-Mar-18	Uqalo	Big Square	4.00	Hospitality	PE	Kenya	Uqalo, a South-African based private equity fund has invested Sh404 million (USD 4 million) to acquire an Undisclosed stake in Kenyan fast food chain Big Square. The Fund has a five-year investment target. Uqalo says its investment will expand its footprint from the current nine stores to 30 over the next four years.
08-Mar-18	Funguo Investments Limited	Next Estate Limited	4.21	Manufacturing	PE	Kenya	Funguo Investments, which is partly-owned by parastatal ICDC, bought a majority stake in Feastfoods Processors marking its entry into the agro processing industry. The firm injected KES 425 million (USD 4.21 million) into the venture in a deal partly financed by KES 246 million (USD 2.44 million) debt from ICDC. Feastfoods Processors, a subsidiary of Next Estate, is setting up a fruit juice puree and concentrates plant in Kwale county, a project currently valued at Sh1 billion.
19-Mar-18	Suzerain Investment Holdings	Centum Investments	Undisclosed	Financial Services	PE Exit & M&A	Kenya	Centum Investment Company sold its 25% stake in Platcorp Holdings to Suzerain Investment Holdings, a consortium of Platcorp's management team and an existing shareholder. Platcorp is the holding company of Platinum Credit, a non-banking, non-deposit taking microfinance institution, which provides emergency loans to customers and has operations in Kenya, Uganda and Tanzania. Centum invested in Platcorp Holdings in December 2012, acquiring a 36% shareholding through its vehicle, Kilele Holdings.
26-Mar-18	Kuramo Capital Management	Centum Investments	Undisclosed	Financial Services	PE	Kenya	Kuramo Capital Management has acquired a majority stake in GenAfrica Asset Managers, one of the largest pension fund managers in Kenya and Uganda, from Centum Investment Company. Centum sold a controlling 73.35 per cent stake in GenAfrica to New York-based Kuramo Capital. GenAfrica has been operating in the Kenyan capital markets for the past 22 years (for 17 years as Genesis Kenya Investment Management).

SELECTED PE & DFI DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
23-Apr-18	DOB Equity	Sarura Commodities	Undisclosed	Logistics	PE	Rwanda	DOB Equity, a Dutch family-backed impact investor, has made its first investment in Rwanda's Sarura Commodities. The funds will help the grain trader to improve its storage infrastructure, promote its sourcing platform, and expand its operations in Rwanda's premium grain market.
25-Apr-18	Vantage Capital	Thaara Ltd	8.00	Real Estate	PE	Kenya	Vantage Capital bought a KES 800 million stake in the Rosslyn Riviera Shopping Mall that sits on a 4.5 acres property.
30-Apr-18	Orange Digital Ventures Africa	Africa's Talking	8.60	Technology	PE	Kenya	Orange Digital Ventures Africa helped Africa's Talking to raise \$8.6 million (KES 860million) alongside the IFC World Bank and Social Capital. Based in Nairobi, Kenya, Africa's Talking is currently providing access to telecom operators' communication and payment APIs (programming interfaces) for developers. Africa's Talking plans to accelerate its internationalisation to support its clients' expansion strategies. Beyond Kenya, the company has started working in Uganda, Rwanda, Tanzania, Malawi, Nigeria and Ethiopia.
14-May-18	Investor Group	Cellulant Corp	48	Professional Services	PE	Kenya	An investor group comprising The Rise Fund, a unit of TPG Growth Fund, Satya Capital LLP and Endeavor Catalyst I LP acquired an Undisclosed minority stake in Cellulant Corp, a Nairobi-based provider of business support services, for a total KES 4.764 bil (USD 47.5 mil), in a privately negotiated transaction.
01-Jun-18	Jubilee Holdings Ltd	Bujagali Energy Ltd-Bujagali Hydropower Project	44	Alternative Energy Sources	PE	Uganda	Jubilee Holdings Ltd of Kenya planned to raise its ownership interest to 34%, from 25%, by acquiring a 9% ownership interest in bujagali hydropower project of Bujagali Energy Ltd, a Kikubamutwe-based special purpose finance company, jointly owned by Sithe Global Power LLC, SG Bujagali Holdings Ltd and Industrial Promotional Services, for a total UGX 166.038 bil (USD 44 mil), in a privately negotiated transaction.

SELECTED PE & DFI DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
02-Jul-18	IFC	Twiga Foods	3.00	Transport & Logistics	PE	Kenya	The International Finance Corporation (IFC) is set to invest \$3 million (Sh300 million) in Kenya's mobile-based food delivery firm Twiga Foods as part of the company's efforts to raise more than KES 700 million from multiple investors. Twiga runs a mobile cashless platform through which vendors can order and pay for fresh food and vegetables from farmers, resulting in lower prices and more efficient supply chains from elimination of multiple layers of middlemen.
12-Jul-18	IFC	ARM Cement	120.00	Manufacturing	PE - Mezzanine and Debt	Kenya	The International Finance Corporation (IFC) is set to take over \$120 million (KES 12 billion) of ARM Cement loans as part of the Nairobi Securities Exchange-listed firm's efforts to ease its debt burden. This will add to a \$20 million (KES 2 billion) loan to be provided by British investment fund CDC Group, which has a 41 per cent stake in the company. The IFC loan will attract an interest rate of about six per cent and mature in 10 years.
12-Jul-18	Globeleq & CDC Group	Malindi Solar Group	66.00	Energy	PE - Mezzanine and Debt	Kenya	Alongside its partner, Globeleq, CDC Group (CDC) has announced a US\$66mn debt investment in Malindi Solar Group, to build a 52 MWp solar photovoltaic power plant in South-East Kenya. The long-term, 16-year financing will provide much needed power in the Malindi area, which currently struggles with regular power shortages and relies largely on expensive thermal plants. The Malindi plant will provide 52 MWp of clean generation capacity to the Kenyan grid.
13-Jul-18	IFC	Global Tea & Commodities	4.00	FMCG	PE - Mezzanine and Debt	Kenya	Global Tea & Commodities, the Mombasa-based maker of Kericho Gold Tea brand, received KES 400 million loan from World Bank's commercial affiliate International Finance Corporation (IFC) for expansion in Kenya and Malawi. The commodities exporter, which also processes macadamia, plans to increase its packaging capacity at its factory. Global Tea reckoned the cash would help it directly source an additional 5,000 metric tonnes of tea from farmers and local factories and via the tea auction in Mombasa.

SELECTED PE & DFI DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
20-Jul-18	GreenTec Capital	Bismart	Undisclosed	ICT	PE	Kenya	Frankfurt-based GreenTec Capital Partners has inked a financing deal with a Kenyan insurance aggregator Bismart to enable the start-up upscale its digital and online platforms and connect more customers. It will invest an Undisclosed amount in Bismart and unveil a team to help implement latest technology to the model, to extend its local value chain.
25-Jul-18	SN Power AS	Bujagali Energy Ltd	277	Power	PE	Uganda	SN Power AS of Norway, a unit of the Norwegian state-owned Norfund, acquired an Undisclosed minority stake in Bujagali Energy Ltd, a Kikubamutwe-based special purpose finance company, a unit of Industrial Promotional Services and SG Bujagali Holdings Ltd and Sithe Global Power LLC, from SG Bujagali Holdings Ltd, for an estimated value of UGX 1025.926 bil (USD 277 mil), in a privately negotiated transaction.
30-Jul-18	Badoer Investments Ltd	Sumac Microfinance Bank	1.00	Financial Services	PE	Kenya	Dubai-based investment firm Badoer Investments Ltd has pumped in KES 100 million (\$1 million) into Sumac Microfinance Bank, taking up 15.6 per cent stake in the SME lender. The deal, which values Sumac at KES 641 million, will see the company's founder Ricardo Badoer take up a seat on the board of Sumac. Sumac says it will use the funds to boost its capital as it looks to expand its loan book.
01-Sep-18	Kuramo Capital	GenAfrica Asset Managers	5.54	Financial Services	PE	Kenya	Kuramo Capital, a New York based investment management firm focused on alternative investments in frontier and emerging markets, has acquired an additional 17.5% stake in GenAfrica Asset Managers Ltd from the management and staff of GenAfrica. The additional investment brings Kuramo's total shareholding in GenAfrica to 90.8%, after Kuramo completed the purchase of a 73.4% stake from Centum Investments in August this year, with the remaining 9.2% remaining in the hands of management and staff of GenAfrica.

SELECTED PE & DFI DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
13-Sep-18	Fanisi Capital	Kitengela International School	4.00	Education	PE	Kenya	Fanisi Capital entered into an agreement to invest up to KES 400 million in Kitengela International School (KISC) with an initial KES 205 million. This is the second group of schools Fanisi is investing in, having invested in Hillcrest International Schools in 2011.
13-Sep-18	The Carlyle Group LLC	Abacus Pharma Ltd	Undisclosed	Other Consumer Products	PE	Uganda	The Carlyle Group LLC of the US, a unit of The Carlyle Group LP, acquired an Undisclosed majority interest in Abacus Pharma Ltd, drugs merchant wholesaler, in a leveraged buyout transaction. Terms were not disclosed.
20-Sep-18	AfricInvest	Kiboko Holdings Limited (KHL)	Undisclosed	Healthcare-Pharmaceutical, FMCG, Insurance, Manufacturing	PE-Exit	East Africa	AfricInvest Fund II (AF II) exited from its investment in Kiboko Holdings Limited (KHL), a Mauritius-based company with diverse interests across the East African region. AF II's exit took place following KHL's sale of a controlling stake in its pharmaceutical subsidiary, AK Life Sciences Ltd, to a global private equity firm.
26-Sep-18	LeapFrog	Pyramid Group	Undisclosed	Healthcare	PE	East Africa	LeapFrog Investments ("LeapFrog") invested in Pyramid Group ("Pyramid"). Pyramid Group is a leading distributor of specialist medical equipment and products that deliver the latest standard of care, access and affordability to Africans.
08-Nov-18	Investor Group	Kukua	2	IT Consulting & Services	PE	Kenya	An investor group comprising of Burda Principal Investments Ltd, a unit of Hubert Burda Media Holding KG, Kima Ventures SASU, Founders Factory Ltd, EchoVC Partners LLC and Firstminute Capital I LP acquired an Undisclosed minority stake in Kukua, a Nairobi -based software publisher, for a total KES 254.117 mil (USD 2.5 mil), in a privately negotiated transaction.
14-Nov-18	Goldman Sachs, CDC Group, University Ventures, EDEX	UNICAF	28.00	Education	PE	Africa	UNICAF, the largest online higher education platform in Africa, announced a USD 28.0 mn Series B financing. The new investment round is led by Goldman Sachs, with other participants in the round being existing investors, including the UK Government's Development Finance Institution, CDC Group, leading higher education fund University Ventures, and the Educational Excellence Corporation Ltd (EDEX), the Founder of the University of Nicosia and UNICAF.

SELECTED PE & DFI DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
15-Nov-18	(IFC), TLcom Capital, and the Global Agriculture and Food Security Program (GAFSP)	Twiga Foods	10	Logistics	PE	KE	The International Finance Corporation (IFC), TLcom Capital, and the Global Agriculture and Food Security Program (GAFSP) announced a KES 1 billion (\$10 million) investment in Twiga Foods. The investment was co-led by IFC and TLcom, a Pan-African venture capital firm, with participation from previous investors Wamda Capital, DOB Equity, 1776 and Adolph H.Lundin
22-Nov-18	America's Overseas Private Investment Corporation (OPIC)	CrossBoundary Energy	6.00	Energy	PE-Debt	KE	America's Overseas Private Investment Corporation (OPIC) injected KES 600 million into Nairobi-based CrossBoundary Energy, a firm that funds industrial and commercial solar installation ventures across East Africa. The fresh capital is a debt secured by expected earnings from upcoming projects as well as earnings from past projects such as the Garden City Mall (Nairobi) solar installation, among others.
23-Nov-18	Sompo Holdings,	BitPesa	5.00	Financial Services	PE	KE	BitPesa, a Kenyan digital currency exchange and payments company, has secured USD 5.0 mn (KES 512.8 mn) in funding from Sompo Holdings, a Japanese insurance group, in return for an Undisclosed stake in the business. The deal is expected to revolutionize cross-border payments and insurance services globally.
26-Nov-18	DOB Equity	Ten Senses Africa	Undisclosed	Agriculture	PE	KE	DOB Equity bought a stake in Kenyan-based agro-processing company Ten Senses Africa to help it capitalise on the fast-growing demand for macadamia nuts. The investment will fund the company's expansion of its processing capacity and finance the launch of new products.
05-Dec-18	DOB Equity	Coconut Holdings Ltd	Undisclosed	Agriculture	PE	KE	DOB Equity, a leading Dutch family-backed impact investor in East Africa, has invested in Coconut Holdings Limited, producer and owner of the Kentaste range of coconut-based products, to help it capitalize on the fast-growing demand for health conscious coconut products.

SELECTED PE & DFI DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
18-Dec-18	Actis	Kipeto Energy Ltd	Undisclosed	Energy	PE	Kenya	Kipeto Energy Ltd reached financial close following the acquisition by leading growth markets investor Actis of the respective equity interests of IFC and African Infrastructure Investment Managers' ("AIIM"), a member of Old Mutual Alternative Investments.
19-Dec-18	Emerging Capital Partners LLC	Artcaffe Coffee & Bakery Ltd	Undisclosed	Food & Beverage Retailing	PE	Kenya	Emerging Capital Partners LLC of the US acquired an Undisclosed majority interest in Artcaffe Coffee & Bakery Ltd, a Nairobi-based full-service restaurant operator, in a leveraged buyout transaction. Terms were not disclosed.

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SELECTED M&A DEALS - 2018

SELECTED M&A DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
12-Jan-18	DEG	MBIRR	5	Other Financials	M&A (LBO)	Ethiopia	DEG, a unit of the German state-owned KfW Bankengruppe, acquired an Undisclosed minority stake in MBIRR, provider of financial transactions services, for a total ETB 130.957 mil (USD 4.812 mil), in a leveraged buyout transaction.
18-Jan-18	InfraCo Africa Ltd	Corbetti Geothermal Project	30	Alternative Energy Sources	M&A	Ethiopia	InfraCo Africa Ltd of the UK acquired an Undisclosed minority stake in Corbetti Geothermal Project, alternative energy sources establishment, for a total ETB 816.482 mil (USD 30 mil), in a privately negotiated transaction.
19-Jan-18	Mayfair Healthcare Holdings Ltd	Bliss GVS Healthcare Ltd	12	Healthcare Providers	M&A	Kenya	Mayfair Healthcare Holdings Ltd acquired a 51% interest in Bliss GVS Healthcare Ltd, a Nairobi-based provider of ambulatory health care services, from Bliss GVS Clinic Healthcare Pte Ltd, ultimately owned by Bliss GVS Pharma Ltd, for a total KES 1.234 bil (USD 12 mil) in cash.
19-Jan-18	Ethiopian Airlines	Zambia Airways	Undisclosed	Transport and logistics	M&A	Ethiopia/ Zambia	Ethiopian Airlines acquired a 45% stake in Zambia Airways which was set to be launched after more than two decades. Under the pact, the Zambian government will be the majority shareholder with a 55 per cent stake.
22-Jan-18	I&M Bank (Rwanda) Ltd	Phoenix Metals Ltd	Undisclosed	Metals & Mining	M&A	Rwanda	I&M Bank (Rwanda) Ltd acquired Phoenix Metals Ltd, a tin smelting plant, in a public auction.
26-Jan-18	Metrofile	G4S Secure Data Solutions Kenya	21.01	ICT	M&A	Kenya	South African records and information management firm Metrofile confirmed it completed the acquisition of G4S Secure Data Solutions Kenya (SDS Kenya), one of the largest records management companies in East Africa. The company will take over the operations and staff of the Nairobi firm. Capital for the deal had been raised through internal resources and debt facilities.
08-Feb-18	Turner & Townsend	Mentor Management Limited	Undisclosed	Real Estate	PE Exit & M&A	Kenya	Turner & Townsend acquired majority stake in MML from leading growth markets investor – Actis. The new entity, MML Turner & Townsend, will operate across the real estate, infrastructure and natural resource industries.

SELECTED M&A DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
12-Feb-18	BitPesa	Transfer Zero	Undisclosed	Financial Services/ICT	M&A	Kenya	BitPesa, the blockchain payments platform announced their acquisition of TransferZero, an international, online money transfer platform that specializes in sending money to consumers and companies in 200 countries using over 50 different currencies.
13-Feb-18	Ethiopia	Nahoo LLC	Undisclosed	Broadcasting	M&A	Ethiopia	Rosetta Media & Communications PLC acquired a 50% interest in Nahoo LLC, television broadcaster. The terms of the transaction were not disclosed, but according to sources close to the transaction, the value was estimated at ETB 100 mil (USD 3.673 mil).
20-Feb-18	Commercial Bank Africa (CBA)	Crane Bank Rwanda (Dfcu Bank)	Undisclosed	Financial Services	M&A	Kenya, Rwanda	The Commercial Bank Africa (CBA) acquired Crane Bank Rwanda from Uganda's DFCU Bank. The deal will save the Kenyan lender the lengthy process of starting a greenfield operation as a commercial bank in Rwanda.
15-Mar-18	Sanlam Group	Saham Finance	1,040.00	Financial Services	M&A	Kenya	A subsidiary of South African-owned Sanlam Group paid Sh105 billion (USD 1.04 billion) to acquire the stake in SAHAM Finance that it did not already own. Sanlam Group described it as a strategic move that positions the company as a pan-African insurance provider.
15-Mar-18	Dentons	Hamilton Harrison & Mathews Advocates	Undisclosed	Legal Services	M&A	Kenya	Hamilton Harrison & Mathews Advocates (HH&M), one of Kenya's oldest and largest law firm, entered into an agreement to combine with Dentons, the world's largest law firm.
19-Mar-18	Phoenix Group	Karuturi Limited	Undisclosed	Horticulture	M&A	Kenya	The owners of flower farm Karuturi Limited have secured an investor to inject funds into the business as they fight to save their prized asset from being auctioned by Stanbic Bank over a KES 1.8 billion loan default. Karuturi reached an agreement with Phoenix Group for a "blend of debt and equity" that will help it to meet its current debt obligations and restart its operations. The firm has been under receivership for the past four years.
28-Mar-18	France	Zebidar Brewery SC	Undisclosed	Food and Beverage	M&A	Ethiopia	Societe Castel Freres SAS of France acquired a 58% interest in Zebidar Brewery SC, an Addis Ababa-based brewery, from Unibra SA, ultimately owned by Red House SA.

SELECTED M&A DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
30-Mar-18	SBM Holdings Ltd	Chase Bank (Kenya) Ltd	Undisclosed	Banks	M&A	Kenya	SBM Holdings Ltd of Mauritius acquired Chase Bank (Kenya) Ltd (Chase Bank), a Nairobi-based commercial bank. Originally, in March 2017 Chase Bank was seeking a buyer for the company.
05-Apr-18	I&M Insurance Agency Ltd	Youjays Insurance Brokers Ltd	Undisclosed	Insurance	M&A	Kenya	I&M Insurance Agency Ltd, a unit of I&M Holdings Ltd, acquired the entire share capital of Youjays Insurance Brokers Ltd, a Nairobi-based insurance agency.
25-Apr-18	Motus Corp	Nissan Kenya	Undisclosed	Automobiles & Components	M&A	Kenya	Motus Corp of South Africa, a unit of Imperial Holdings Ltd, acquired the remaining 49% stake, which it did not already own, in Nissan Kenya, motor vehicle supplies and parts merchant wholesaler.
26-Apr-18	WPP Scangroup	Kantar TNS	Undisclosed	Media	M&A	Kenya	WPP Scangroup announced it has reached an agreement to acquire a majority stake in Research and Marketing Group Investment Limited which runs Kantar TNS. Once approved, WPP Scangroup will acquire 70 percent stake in Research and Marketing Group Investment Limited held by Russell Square Holdings BV (a subsidiary of WPP Plc) and 10 percent of the remaining 30 percent stake will be held by International Research and Marketing Group Holdings Limited.
07-May-18	American Tower Corp	Telkom Kenya Ltd	Undisclosed	Other Telecom	M&A	Kenya	American Tower Corp of the US planned to acquire 723 towers of Telkom Kenya Ltd, a Nairobi-based wired telecommunications carrier, owned by Jamhuri Holdings Ltd. Clearance for the transaction was received in August 2018.
07-May-18	Tanzania Postal Bank	Twiga Bancorp Ltd	Undisclosed	Banks	M&A	Tanzania	The Tanzanian state-owned Tanzania Postal Bank acquired the entire share capital of Twiga Bancorp Ltd, a Dar es Salaam-based commercial bank.
04-Jun-18	Nazara Technologies Ltd	NZ World Kenya Ltd	Undisclosed	Software	M&A	Kenya	Nazara Technologies Ltd of India acquired a 70% interest in NZ World Kenya Ltd, software publisher.

SELECTED M&A DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
11-Jun-18	Swiss Re Asset Management Geneva SA	Britam Holdings PLC	Undisclosed	Asset Management	M&A	Kenya	Swiss Re Asset Management Geneva SA of Switzerland, a unit of Swiss Re AG, agreed to acquire a 17.979% stake or 348.504 mil ordinary shares in Britam Holdings Ltd from Plum LLP, in a privately negotiated transaction.
18-Jun-18	Old Mutual PLC	UAP Holdings Ltd	Undisclosed	Other Financials	M&A	Kenya	Old Mutual PLC of the UK to raise its interest to 67.2%, from 60.7%, by acquiring a 6.5% stake in UAP Holdings Ltd, a Nairobi-based provider of financial investment services, in a privately negotiated transaction.
22-Jun-18	Katoro Gold PLC	Kibo Nickel Ltd	Undisclosed	Metals & Mining	M&A	Tanzania	Katoro Gold PLC (Katoro) of the UK acquired the entire share capital of Kibo Nickel Ltd, copper and nickel ore mine operator, from Kibo Mining (Cyprus) Ltd, ultimately owned by Kibo Mining PLC, for an issuance of 15.385 mil new Ordinary Shares.
25-Jun-18	Minet Holdings Africa (Pty) Ltd	Jh Minet Tanzania	Undisclosed	Insurance	M&A	Tanzania	Minet Holdings Africa (Pty) Ltd of South Africa, a unit of Minet Group PLC(Aon Corp), acquired Jh Minet Tanzania, insurance agency, from Aon PLC.
26-Jun-18	AEP Energy Africa Ltd	Iberafrica Power (East Africa) Ltd	62	Power	M&A	Kenya	AEP Energy Africa Ltd of South Africa agreed to acquire the entire share capital of Iberafrica Power (East Africa) Ltd, a Nairobi-based hydroelectric power generation facility operator, from First Independent Power (Kenya) Ltd, owned by Global Power Generation SA, for an estimated KES 6.209 bil (USD 61.569 mil).

SELECTED M&A DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
02-Jul-18	Inchcape PLC	RMA Group Co Ltd-Jaguar Land Rover Franchise	5	Manufact. & Automotive	M&A	Kenya	Inchcape PLC of the UK acquired jaguar land rover franchise of RMA Group Co Ltd, a Bangkok-based manufacturer of construction machinery & New Cars dealer, for a total KES 550 mil (USD 5.457 mil).
11-Jul-18	Oman Trading International	Hass Petroleum	Undisclosed	Oil and Gas	M&A	Kenya	Oil marketer Hass Petroleum Group partnered with Muscat-based, Oman Trading International (OTI), to market its petroleum products in East Africa. Oman Trading International (OTI) acquired 40 per cent stake in Hass Petroleum Group.
30-Jul-18	EDF Group	SunCulture	Undisclosed	Energy	M&A	Kenya	Kenyan-based technology company in solar water pumps and irrigation solutions for small holder farmers 'SunCulture' has closed an investment round with the EDF Group, one of the world's largest electric utility companies and a global leader in low-carbon energy. EDF joins SunCulture's existing institutional investors like the Energy Access Ventures and Partners Group.
31-Aug-18	BIC SA	Haco Industries Kenya Ltd	Undisclosed	Manufact.	M&A	Kenya	BIC SA of France acquired stationery manufacturing facilities and distribution of HACO Industries Kenya Ltd, a Nairobi-based manufacturer of toilet preparations, ultimately owned by Tiger Brands Ltd.
31-Aug-18	K+S AG	Savannah Commodities Co Ltd	Undisclosed	Food and Beverage	M&A	Uganda	K+S AG of Germany acquired a 45% stake in Savannah Commodities Co Ltd, a Kampala-based grain and field bean merchant wholesaler, in a privately negotiated transaction.

SELECTED M&A DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
31-Aug-18	K+S AG	Grainpulse Ltd	Undisclosed	Food and Beverage	M&A	Uganda	K+S AG of Germany acquired a 45% stake in Grainpulse Ltd, a Mukono-based grain and field bean merchant wholesaler, in a privately negotiated transaction.
20-Sep-18	Vivo Energy	Engen	203.90	Oil and Gas	M&A	Africa	Oil marketing firm Vivo Energy reached a deal to acquire Engen's operation in eight African countries including Kenya for KES 20 billion. As per the agreement, the consideration comprising an issue by Vivo Energy of 63.2 million new shares valued at Vivo Energy's IPO Offer Price of 165 pence per share and US\$62.1 million (KES 6.2 billion) in cash, resulting in EHL holding a circa five per cent shareholding in Vivo Energy.
05-Oct-18	Ramco Group Ltd	Pressmaster Ltd	Undisclosed	Professional Services	M&A	Kenya	Ramco Group Ltd acquired Pressmaster Ltd, a Nairobi-based provider of packaging and labeling services.
14-Nov-18	Vodacom Group Ltd	Vodacom Tanzania PLC	Undisclosed	Telecomm Services	M&A	Tanzania	Vodacom Group Ltd of South Africa, a unit of Vodafone International Holdings BV, agreed raise its interest to 75% from 48.75% by acquiring an additional 588 mil ordinary shares or about 26.25% stake in acquire Vodacom Tanzania PLC.
23-Nov-18	Hospital Holdings Investment BV	Nakasero Hospital Ltd	14	Healthcare	M&A	Uganda	Hospital Holdings Investment BV of Netherlands acquired a 63% interest in Nakasero Hospital Ltd, a Kampala-based hospital operator, for a total UGX 52.239 bil (USD 14 mil).
18-Dec-18	Sumitomo Corp	M-KOPA Holdings Ltd	Undisclosed	Other Financials	M&A	Kenya	Sumitomo Corp of Japan acquired an Undisclosed minority stake in M-KOPA Holdings Ltd, a Nairobi-based provider of financial transactions services, in a privately negotiated transaction.

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OTHER DEALS - 2018

OTHER DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
09-Jan-18	Empire Capital Partners and Cove Capital	Volt Resources limited	4.7	Natural resources	Private Placement	Tanzania	Tanzanian-focused flake graphite development company Volt Resources Limited aimed to raise a further USD 4.7 million after entering into an Option Underwriting Agreement with Empire Capital Partners Pty Ltd and Cove Capital Pty Ltd. Under the agreement, Empire and Cove have agreed to act as joint underwriters to exercise any shortfall arising from Volt's 233,648,431 listed options exercisable at \$0.02, with an expiry date of 31 December 2017. The total amount to be raised from the exercise of the listed options and therefore the amount underwritten is approximately \$4.7 million.
26-Mar-18	Centum Investments	Sidian Bank	10.90	Financial Services	Rights Issue	Kenya	Investment firm Centum pumped KES 1.1 billion (USD 10.9 million) into its banking subsidiary Sidian in a rights issue that is meant to boost the lender's core capital. Centum holds a 73 per cent stake in Sidian Bank and the KES 1.1 billion cash injection means it has defended its entire stake in the rights issue.
03-Apr-18	Investor Group	Makini Schools	Undisclosed	Educational Services	JV	Kenya	An investor group, comprising ADvTECH Ltd and Paul Scholes acquired Makini Schools through a joint venture agreement with ADvTECH Ltd. Terms were not disclosed.
03-Jul-18	Shareholders	Fastjet	10.00	Transport & Logistics	Rights Issue	Kenya	Troubled African budget airline Fastjet was saved from imminent collapse with a KES 1 billion (\$10 million) cash injection from its shareholders. Half the funds will be used to support Zimbabwe and Mozambique operations and to repay some loans while the rest will go to trading in Tanzania. The airline has endured several years of difficult trading, with investors being asked for a cash injection four times to keep it flying since 2016.

OTHER DEALS IN EA-2018

Date	Acquirer	Target	Deal Size (M USD)	Sector	Investment Type	Country	Synopsis
10-Jul-18	Investors	Branch International	3.50	Financial Services	Commercial Paper	Kenya	<p>Francisco based mobile loans company, Branch International, raised KES 350 million for lending in Kenya. Branch in a statement on Monday said the fresh capital– its second issued commercial paper in the Kenyan market since 2017 – will help grow its loan book. Last year Branch, a Silicon Valley start-up that launched in Kenya in April 2015 and which has since disbursed more than KES 10 billion via mobile money platform M-Pesa, raised KES 200 million for the Kenyan market expansion. The company said it plans to expand into savings and payment products in the future for its more than one million users.</p>
30-Jul-18	Investors	Musoni Microfinance Bank	20.00	Financial Services	Private Placement	Kenya	<p>Musoni, a Microfinance Institution (MFI), which targets small-scale farmers and the informal sector, is set to issue KES 2.0 bn in debt notes through a private placement. The main targets are asset managers, trust management funds and high net-worth individuals. The move is aimed at shifting from foreign based funding to funding from local institutions in Kenya. The KES 2.0 bn debt notes will be used to grow the loan book, which stood at KES 18.0 bn.</p>
18-Oct-18	Investor Group	Bank of Kigali	68.8	Financial Services	IPO	Kenya & Rwanda	<p>BK Group issued 222,222,222 shares at FRw270 per share in a cross listing on the Nairobi Securities Exchange.</p>

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