DealMakers AFRICA

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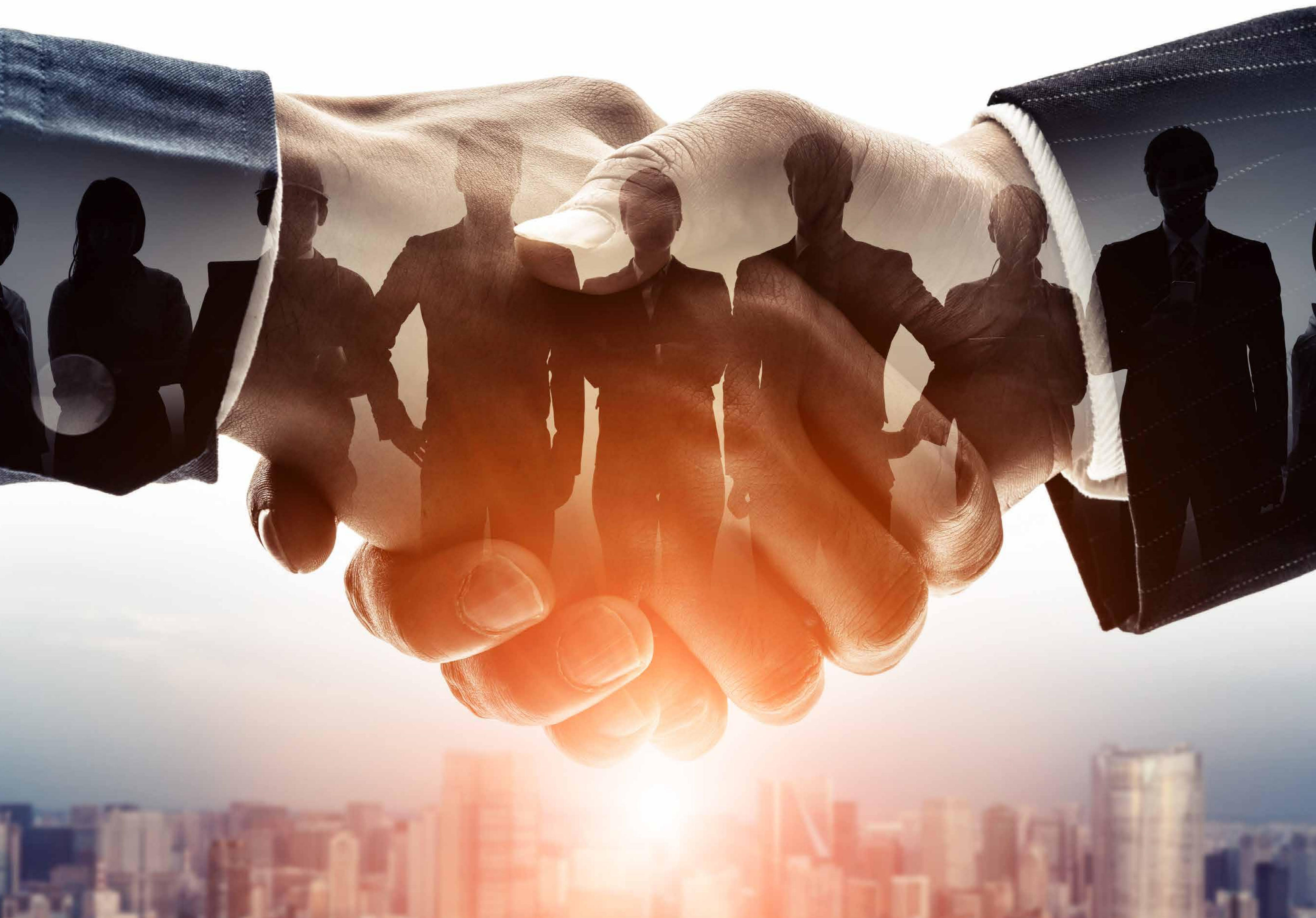
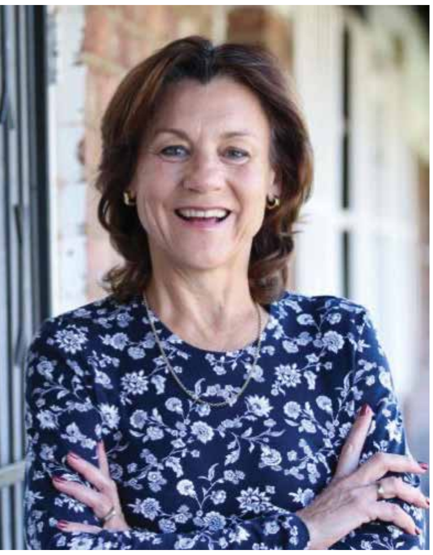


AFRICA'S M&A AND CORPORATE FINANCE MAGAZINE

FROM THE EDITOR'S DESK



The mergers and acquisitions (M&A) environment has shown signs of recovery, particularly in the past three months of this year, but deal flow remains below the level seen in 2023. This is attributed largely to global economic pressures; particularly rising interest rates, which have stymied leveraged buyouts and reduced the availability of debt financing (pg 4).

The value of deal activity for the 2024 year to end-September, as captured by Deal**Makers AFRICA**, was down 10% year-on-year at US$7,25 billion off 282 deals, compared with 2023's figure of $8 billion (388 deals). Deal activity was highest in West Africa (83 deals) and, more specifically, in Nigeria (48 deals). However, it is Egypt that leads the tables with a total of 52 deals recorded for the period, of which 41 are private equity (PE) transactions.

Oil and gas continue to be pillars for M&A, especially given the strategic importance of natural resources to African economies. However, renewable energy projects are gaining momentum as sustainability becomes a more pressing concern for both local governments and international investors. The growing importance of ESG in large transactions is discussed in an interesting article on page 26. Of the top 10 deals by value recorded by Deal**Makers AFRICA** so far this year, the disposal by Shell of its assets in Nigeria to a consortium tops the table at US$2,4 billion (pg 6).

PE has, in the past, been an influential though not dominant force driving M&A activity. In 2022, PE accounted for 57% of deal flow across the continent, though this has fallen due to the economic environment. But as the high interest rates that initially deterred private equity are expected to gradually ease, increased activity is expected on this front, with the focus on sectors where PE typically plays a strong role, such as consumer goods, healthcare, education and logistics.

According to the latest World Bank forecasts, sub-Saharan GDP is expected to expand by 3.9% next year, though serious risks from armed conflict and climate events like droughts and floods could impact this figure.

M&A activity in Africa in 2025 is expected to be shaped by both recovery and strategic positioning. Global trends reflect a more nuanced and strategic approach to M&A, focusing on long-term resilience and alignment with technological and environmental imperatives. Articles on evaluating the risk-free rate in Africa's frontier markets (pg 24) and how SPACS offer a compelling alternative (pg 18) speak to this point. As economic and financial conditions evolve, PE's contribution to M&A could transform, leading to greater deal-making in sectors that capitalise on Africa's unique growth opportunities.

A reminder that Deal**Makers AFRICA** *will hold two Awards events in March 2025 – one in Lagos, Nigeria and one in Nairobi, Kenya – to recognise the M&A industry's achievements in East and West Africa. Nominations for the Deal of the Year, Private Equity Deal of the Year, and the Individual DealMaker of the Year for each region are due by 31 January 2025. Criteria for these nominations can be found on pgs 12 - 13.*

MARYLOU GREIG

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Representatives of the firms make up the Advisory Board which meets twice a year.

Standard Bank
Also trading as Stanbic Bank

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REGIONAL ANALYSIS (excluding failed deals)

		LOCAL DEALS		FOREIGN DEALS*		TOTAL DEALS		PE ANALYSIS | LOCAL	
Region	Country	US $ Value	No	US $ Value	No	US $ Value	No	US $ Value	No
Africa		**474 870 115**	**5**	**none**		**474 870 115**	**5**	**30 000 000**	**3**
Central Africa	Cameroon	undisclosed	1	none		undisclosed	1	none	
	DRC	undisclosed	1	none		undisclosed	1	undisclosed	1
	Gabon	undisclosed	1	none		undisclosed	1	none	
	Republic of Congo	3 000 000	4	none		3 000 000	4	3 000 000	1
		3 000 000	**7**	**none**		**3 000 000**	**7**	**3 000 000**	**2**
East Africa	Ethiopia	1 900 000	2	none		1 900 000	2	1 900 000	2
	Kenya	523 843 229	47	none		523 843 229	47	129 845 517	25
	Rwanda	75 000	7	none		75 000	7	undisclosed	5
	Tanzania	59 238 989	9	none		59 238 989	9	30 000 000	1
	Uganda	225 000 000	12	none		225 000 000	12	undisclosed	7
		810 057 218	**77**	**none**		**810 057 218**	**77**	**161 745 517**	**40**
North Africa	Algeria	3 400 000	1	none		3 400 000	1	3 400 000	1
	Egypt	313 978 378	52	none		313 978 378	52	260 550 000	41
	Morocco	934 021 392	10	none		934 021 392	10	12 287 727	6
	Tunisia	600 000	3	none		600 000	3	600 000	3
		1 251 999 770	**66**	**none**		**1 251 999 770**	**66**	**276 837 727**	**51**
Southern Africa	Southern Africa	178 118 541	1	none		178 118 541	1	none	
	Botswana	11 506 674	6	none		11 506 674	6	10 000 000	2
	Madagascar	undisclosed	1	none		undisclosed	1	none	
	Malawi	23 687 550	1	none		23 687 550	1	23 687 550	1
	Mauritius	38 900 240	7	none		38 900 240	7	38 900 240	5
	Mozambique	88 319 220	4	none		88 319 220	4	undisclosed	1
	Namibia	175 181 060	11	none		175 181 060	11	24 463 628	2
	Zambia	179 702 550	10	none		179 702 550	10	169 162 550	5
	Zimbabwe	11 294 810	3	none		11 294 810	3	undisclosed	1
		706 710 645	**44**	**none**		**706 710 645**	**44**	**266 213 968**	**17**
West Africa	Burkina Faso	undisclosed	1	none		undisclosed	1	none	
	Cape Verde	undisclosed	1	none		undisclosed	1	undisclosed	1
	Côte d'Ivoire	3 522 258	6	none		3 522 258	6	3 000 000	2
	Gambia	undisclosed	1	none		undisclosed	1	none	
	Ghana	175 541 298	14	none		175 541 298	14	3 000 000	8
	Guinea	undisclosed	1	none		undisclosed	1	none	
	Guinea Bissau	undisclosed	1	none		undisclosed	1	none	
	Nigeria	3 801 419 545	48	none		3 801 419 545	48	58 460 000	21
	Senegal	26 053 471	8	none		26 053 471	8	7 448 785	4
	Sierra Leone	undisclosed	1	none		undisclosed	1	undisclosed	1
	Togo	undisclosed	1	none		undisclosed	1	none	
		4 006 536 572	**83**	**none**		**4 006 536 572**	**83**	**71 908 785**	**37**
		7 253 174 320	**282**	**none**		**7 253 174 320**	**282**	**809 705 997**	**150**

Deal**Makers AFRICA** classifies deals by the location of the target's Head Office or that of the acquirer/seller.
Where the target has subsidiaries in an Africa country, the deal/transaction is classified as a foreign deal/transaction in that country.
In this instance, local advisers to foreign deals are awarded credit only for deal flow.

Regional M&A PE Analysis for Q1 - Q3 2024

(excl South Africa, foreign and failed deals)

	Q1 - Q3 2024				Q1 - Q3 2023				Q1 - Q3 2022				Q1 - Q3 2021			
	Value US$m	no. deals	(PE deals)	PE Value US$m	Value US$m	no. deals	(PE deals)	PE Value US$m	Value US$m	no. deals	(PE deals)	PE Value US$m	Value US$m	no. deals	(PE deals)	PE Value US$m
Africa •	475	5	3	30	<1	3	2	<1	7 951	5	1	1 500	6	1	none	
Central Africa	3	7	2	3	385	11	1	40	503	10	4	40	334	14	3	7
East Africa	810	77	40	162	1 345	123	70	426	1 405	124	87	1 005	511	102	60	109
North Africa	1 252	66	51	277	2 159	89	48	577	782	151	95	553	3 674	107	66	347
Southern Africa	707	44	17	266	3 247	51	7	51	1 336	79	19	129	1 797	72	20	125
West Africa	4 006	83	37	72	897	111	61	266	2 841	168	120	828	6 203	149	88	1 569
Total for the period	**7 253**	**282**	**150**	**810**	**8 033**	**388**	**189**	**1 360**	**14 818**	**537**	**326**	**4 055**	**12 525**	**445**	**237**	**2 157**

• Transactions that span several regions with no specific details per region

Largest M&A Deals Q1 - Q3 2024 (excl South Africa, foreign and failed deals)

REGION	COUNTRY	NATURE OF DEAL	DETAILS	ESTIMATED DEAL VALUE	ANNOUNCED	VALUE (US$M)
West Africa	Nigeria	Disposal by	Shell of The Shell Petroleum Development Company of Nigeria to Renaissance Africa Energy Company (consortium comprising of ND Western, Aradel Energy, First E&P, Waltersmith and Petrolin)	$2,4bn	Jan 16	2 400
West Africa	Nigeria	Disposal by	TotalEnergies EP Nigeria of its 10% stake in SPDC JV licenses to Chappal Energies	$860m	Jul 17	860
North Africa	Morocco	Disposal by	Societe Generale of its 57.67% stake in Société Générale Marocaine de Banques and its stake in La Marocaine Vie (held by Sogecap) to Saham Group	€745m	Apr 12	793
Africa	Africa	Reverse takeover	Kibo Energy by ESGTI AG: diverse portfolio of renewable energy projects across Europe and Africa	€400m	Sep 16	445
East Africa	Uganda	Acquisition by	Rowad Capital Commercial of a 60% stake in Uganda Telecommunications Corporation	$225m	Aug 8	225
East Africa	Kenya	Acquisition by *	Savannah Clinker of 100% of Bamburi Cement (362,959,275 shares) at KES70 per share	KES25,4bn	Sep 10	197
Southern Africa	Southern Africa	Acquisition by	Pepkor Lifestyle (Pepkor) of the furniture businesses operating in SA, Botswana, Lesotho, Namibia, Eswatini and Zambia from Shoprite	R3,2bn	Sep 3	178
East Africa	Kenya	Acquisition by *	Amsons Industries of 100% of Bamburi Cement (362,959,275 shares) at KES65 per share	KES23,6bn	Jul 24	178
North Africa	Egypt	Investment by √	International Finance Corporation, Development Partners International, Lorax Capital Partners, funds managed by Apis Partners, Lunate and GB Corp in MNT-Halan	$157,5m	Jul 19	158
Southern Africa	Zambia	Acquisition by √	Affirma Capital, Norfund and KLP of a 34.64% stake in Copperbelt Energy Corporation	$145m	Jan 8	145

√ Private Equity Deal * Competing Offers for Bamburi Cement

EAST AFRICA | M&A Deal Activity by Country

(excl foreign deals)

Ethiopia	2
Kenya	47
Rwanda	7
Tanzania	9
Uganda	12

KENYA | PE Deal Activity by Sector

(excl debt funding)

Agriculture	2
Agritech	3
Automotive	1
Beverages	1
E-commerce	1
Energy	2
Financial Services	1
Healthcare	2
Healthtech	1
Insurtech	2
Investment Holdings	1
Packaging	1
Services	1
Technology	4
Telecommunications	1
Transportation	1

UGANDA | PE Deal Activity by Sector

(excl debt funding)

Agriculture	1
Agritech	1
Fintech	3
Food & Beverages	1
Manufacturing	1

KENYA | Debt Funding Spotlight Q3

Norfund $5,5m

Kim-Fay East Africa
finance a new recycling facility in Nairobi

I&M Bank

WEST AFRICA | M&A Deal Activity by Country

(excl foreign deals)

Burkina Faso	1
Cape Verde	1
Côte d'Ivoire	6
Gambia	1
Ghana	14
Guinea	1
Guinea Bissau	1
Nigeria	48
Senegal	8
Sierra Leone	1
Togo	1

GHANA | M&A Deal Activity by Sector

(excl foreign deals)

Agriculture	1
Agritech	2
Banks	1
Fintech	3
Heathtech	1
Manufacturing	1
Oil & Gas	1
Real Estate	1
Services	1
Technology	2

NIGERIA | Deal Spotlight Q3

Total Energies | Chappal Energies

Disposal by TotalEnergies EP Nigeria of its 10% stake in SPDC JV licenses to Chappal Energies

$860m

NIGERIA | Rights Issue Spotlight Q3

Zenith Bank

₦188bn

5,232,748,964 shares at ₦36.00 per share

NORTH AFRICA | M&A Deal Activity by Country
(excl foreign deals)

Country	PE Deals	M&A Deals
ALGERIA	1 PE Deal	1
EGYPT	41 PE Deals	52
MOROCCO	6 PE Deals	10
TUNISIA	3 PE Deals	3

EGYPT | PE Deal Activity by Sector
(excl debt funding)

Adtech	1	2,44%
Climate Tech	1	2,44%
E-Commerce	3	7,32%
Edtech	12	29,27%
Fintech	11	26,83%
Healthcare	1	2,44%
Healthtech	2	4,88%
Investment Holdings	1	2,44%
Logistics	2	4,88%
Oil & Gas	1	2,44%
Pharmaceuticals	1	2,44%
Retail	1	2,44%
Services	1	2,44%
Technology	3	7,32%

MOROCCO | PE Deal Activity by Sector
(excl debt funding)

Agritech	1	16.67%
Fintech	1	16.67%
Logistics	1	16.67%
Retail	1	16.67%
Services	2	33.33%

TUNISIA | Funding Spotlight Q3

Wattnow

LATERAL FRONTIERS >
216 CAPITAL >
OUTLIERZ VENTURES >

< SATGANA
< OCTERRA CAPITAL
< ANGEL INVESTORS

SOUTHERN AFRICA I
M&A Deal Activity by Country
(excl foreign deals)

Southern Africa	1
Botswana	6
Madagascar	1
Malawi	1
Mauritius	7
Mozambique	4
Namibia	11
Zambia	10
Zimbabwe	3

ZAMBIA I
PE Deal Activity by Sector
(excl debt funding)

- E-commerce 1
- 1 Energy
- Fintech 1
- 1 Packaging
- Technology 1

CENTRAL AFRICA I
M&A Deal Activity by Country
(excl foreign deals)

CAMEROON	DRC	GABON
1 Deal Energy	1 Deal Retail	1 Deal Oil & Gas

REPUBLIC OF CONGO

4 Deals

3 Oil & Gas

1 Transportation

DealMakers AFRICA ANNUAL AWARDS

DealMaker of the Year 2024 (East & West Africa)

will be unveiled at the Annual Awards in March 2025

DealMakers AFRICA is proud to present the Individual DealMaker of the Year. The award will be made to an individual judged by his/her peers and the Independent Panel, to have provided exemplary and outstanding service.

The award is to recognise the services provided by an individual to an expanding and vital element of the local economy. This award is not confined solely to those who work for corporate finance firms or units. Any person whose work is involved with corporate finance or the provision of services to dealmaking in West Africa may be nominated.

Companies and units are asked to nominate, by way of detailed motivations, not more than two individuals from their own team and a further two of their peers in the industry not employed by that firm. From these nominations the Independent Panel will produce a short list of four. Biographical information on each candidate, along with the formal nominations, will be collated for the Panel.

The closing date and time for nominations is 12h00 on Friday, January 31, 2025.

There will be no extensions. Individual DealMaker of the Year will receive a framed certificate and a trophy appropriately inscribed.

INDIVIDUALS WILL BE JUDGED ON THE FOLLOWING CRITERIA:

Individual DealMaker of the Year

- High profile deals/transactions – that the DealMaker was involved in, particularly in the last year but also the last three.
- DealMaker's contribution to the deals – How important was the individual's contribution to the conclusion of the deals?
- Execution complexity – the deal/s in which the individual is involved:
  - does the overall deal or transaction involve multiple steps/a number of smaller inter related deals?
  - Are there numerous conditions precedent that need to be fulfilled?
  - Does it involve many and/or complex regulatory approvals?
  - Are there related debt/equity raising processes and how difficult are they to implement?
  - Was there significant time pressure to conclude the deal/transaction?
  - Did the deal/transaction exhibit innovative structuring?
- Peer recognition – is the DealMaker well regarded by fellow advisors, clients and the industry in general?

Please submit all nominations to marylou@gleason.co.za

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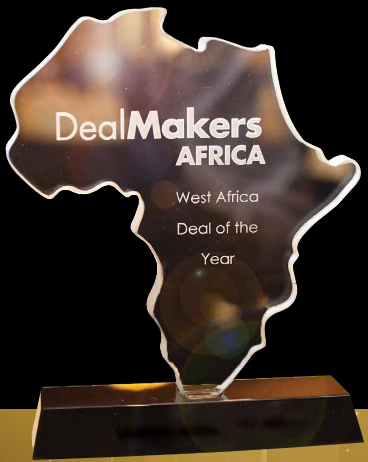
ANNUAL AWARDS

East & West Africa



Deal of the Year and Private Equity Deal of the Year 2024

The winning deals will be released at the Awards event in March 2025

This year will be the 7th award for the Deal of the Year and Private Equity Deal of the Year.

Deals will be nominated for inclusion by way of detailed motivations submitted by the firms involved. THE DEAL MUST HAVE BEEN ANNOUNCED DURING THE 2024 CALENDAR YEAR (not necessarily closed). For both the Deal of the Year and the Private Equity Deal of the Year, the DealMakers editorial team will produce a short list of those it believes best qualify for consideration with input from the Independent Selection Panel.

The closing date and time for nominations is 12h00 on Friday, January 31, 2025.
There will be no extensions.

Each winning deal will receive a framed certificate, and a trophy appropriately inscribed.

DEALS WILL BE JUDGED ON THE FOLLOWING CRITERIA:

DEAL OF THE YEAR:

- Transformational transaction – does the deal or transaction transform the business or even the industry in which it operates? What is the extent of potential transformation as a result?
- Execution complexity – does the overall deal or transaction involve multiple steps/a number of smaller interrelated deals? Are there numerous conditions precedent that need to be fulfilled? Does it involve many and/or complex regulatory approvals? Are there related debt/equity raising processes and how difficult are they to implement? Was there significant time pressure to conclude the deal/transaction? Did the deal/transaction exhibit innovative structuring?
- Deal size – not an over-riding determinant but a significant factor.
- Potential value creation – to what extent could shareholders and other stakeholders benefit from the transaction over time?

PRIVATE EQUITY DEAL OF THE YEAR:

- Asset with good private equity characteristics – cashflow generative business and able to service an appropriate level of debt? A business model that is resilient to competitor action and downturns in the economic cycle? Strong management team that is well aligned with shareholders and capable of managing a private equity balance sheet? Predictable capex requirements that can be appropriately funded?
- Deal size – is a factor to filter deals but plays a limited role for acquisitions. It does carry more weight for exits.
- Potential/actual value creation – Was the asset acquired at an attractive multiple? If the deal is an exit was it sold at attractive price? What is the estimated times money back and/or internal rate of return?

Please submit all nominations to marylou@gleason.co.za

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M&A trends and FDI opportunities in the CEMAC region: a growing hub for investment

Achare Takor


Achare Takor

The Economic and Monetary Community of Central Africa (CEMAC) – comprising Cameroon, the Central African Republic, Chad, the Republic of Congo, Equatorial Guinea and Gabon – has been attracting increasing attention from global investors. With a renewed focus on economic diversification, regulatory reforms and regional integration, the region presents substantial opportunities for mergers and acquisitions (M&A) and foreign direct investment (FDI). This article delves into the key trends driving M&A activity and highlights the sectors poised to benefit the most from foreign investment.

OIL & GAS SECTOR: strategic consolidation and restructuring

The oil and gas sector remains a pivotal industry in the CEMAC region, contributing significantly to the economies of member states. However, recent fluctuations in global oil prices and the ongoing energy transition have led to strategic consolidations and restructuring within the sector.

- Key example: In 2022, the acquisition of the Marine XII oilfield in the Republic of Congo by Italy's ENI from Angola's Sonangol marked a significant transaction in the region. This deal not only consolidated ENI's position in the Congo, but also highlighted the trend of International Oil Companies (IOCs) focusing on core assets while divesting non-core assets to regional players. Similarly, Perenco has been actively acquiring mature fields to optimise production and extend the life of existing assets.
- FDI opportunities: The region's abundant hydrocarbon reserves continue to attract independent oil companies and IOCs looking to invest in both exploration and enhanced recovery techniques. The development of natural gas projects, such as the Greater Tortue Ahmeyim project offshore between Senegal and Mauritania, sets a precedent for similar investments in CEMAC, particularly in Equatorial Guinea and Gabon.

BANKING AND FINANCIAL SERVICES: consolidation and digital transformation

The CEMAC region's banking sector is undergoing significant transformation, driven by regulatory reforms aimed at enhancing financial stability and improving access to finance.

- M&A activity: In 2021, Gabon-based BGFI Bank acquired Banque Atlantique in Cameroon, expanding its footprint across the region. Similarly, Ecobank's acquisition of a majority stake in Orabank Togo solidifies its presence in the West and Central African markets.
- FDI opportunities: With the rise of digital banking and fintech, there is an increasing demand for investments in digital infrastructure, cybersecurity, and mobile financial services. The region's young, tech-savvy population and the expansion of mobile money platforms present significant opportunities for investors in fintech and digital financial services.

TELECOMMUNICATIONS: expansion and consolidation

The telecommunications sector in the CEMAC region is experiencing rapid growth, driven by increasing demand for data services and digital connectivity.

- Notable deals: The acquisition of Airtel's operations in Chad and the Republic of Congo by Axian Group underscores the trend of consolidation among regional telecom operators. This move allows Axian to leverage economies of scale and expand its service offerings across multiple countries.

- FDI opportunities: With the ongoing rollout of 4G and 5G networks, there are significant opportunities for investment in digital infrastructure, such as data centres and fibre-optic networks. Moreover, the growth of digital services, including e-commerce and digital payment platforms, provides avenues for strategic investments and partnerships.

MINING AND EXTRACTIVES: a focus on strategic minerals

The CEMAC region is rich in natural resources, including minerals critical for the global energy transition, such as cobalt, lithium, and rare earth elements. These resources are increasingly attracting investment as global demand for sustainable energy solutions grows.

- Recent developments: In Gabon, the Belinga Iron ore project, managed by Fortescue Metals Group, represents one of the largest mining investments in the region. Meanwhile, in Cameroon, the Mbalam-Nabeba Iron ore project, involving Sundance Resources, continues to draw interest from Chinese and Australian investors.
- FDI opportunities: The global push for electrification and the shift towards green energy solutions create significant investment opportunities in the mining sector. Investors can explore joint ventures, partnerships, and strategic acquisitions to secure access to critical minerals needed for batteries, renewable energy, and electric vehicles.

AGRIBUSINESS AND AGRO-PROCESSING: diversification and value addition

As part of their economic diversification strategies, CEMAC countries are investing in agribusiness and agro-processing to reduce reliance on oil revenues and enhance food security.

- Investment case: Olam International has been expanding its cocoa processing facilities in Gabon and investing in sustainable palm oil production in Cameroon. These investments are aligned with the region's agricultural potential and focus on value addition.
- FDI opportunities: Investors can capitalise on the region's vast arable land and favourable climatic conditions to invest in agro-processing facilities, supply chain logistics, and export-oriented agriculture. Public-private partnerships (PPPs) and special economic zones (SEZs) offer attractive investment incentives and support infrastructure for agro-industrial projects.

INFRASTRUCTURE DEVELOPMENT: enabling growth and connectivity

Infrastructure development remains a key priority for the CEMAC region, with governments focusing on improving transport, energy and digital infrastructure to facilitate economic growth and regional integration.

- Key projects: The Central African Backbone (CAB) project, funded by the World Bank, aims to provide high-speed internet connectivity across the region. The ongoing construction of the Kribi Deep Seaport in Cameroon and the Ndjamena-Douala Corridor are also critical projects enhancing regional connectivity and trade.
- FDI opportunities: There are significant opportunities for investment in infrastructure development, particularly in transport and logistics, renewable energy, and urban development. Investors can explore concessions, Public-Private Partnerships (PPPs) and greenfield projects that support economic diversification and regional integration.

A region on the rise

The CEMAC region is on the cusp of significant economic transformation, driven by a combination of sectoral reforms, strategic consolidations and emerging growth sectors. For investors looking to tap into Africa's next frontier market, the region offers a compelling mix of opportunities across oil & gas, banking, telecommunications, mining, agribusiness and infrastructure.

However, navigating the complex regulatory and political landscape remains a challenge. Engaging with local partners, leveraging business advisory services, and staying informed on regional developments are critical steps for investors seeking to capitalise on the CEMAC region's potential. With the right approach, the region offers substantial opportunities for those willing to invest in its growth and development.

Takor is a Senior Associate | CLG

Navigating Zimbabwe's M&A laws: a general guide to regulatory approval

Tapiwa John Chivanga

Zimbabwe's mergers and acquisitions (M&A) landscape continues to grow, driven mainly by its abundant mineral resources – particularly lithium and gold – the capital needs of local businesses, and government efforts to attract foreign direct investment (FDI). Sectors such as mining, energy, agriculture and manufacturing continue to attract the most M&A deal flow, as investors aim to capitalise on Zimbabwe's untapped natural resources and its strategic location within Southern Africa.

M&A transactions are vital for businesses looking to expand, diversify or enter new markets in Zimbabwe. However, navigating the country's regulatory landscape can be complex and requires thorough due diligence.

This article, the first in a three-part series, outlines the key regulatory bodies governing Zimbabwe's M&A environment, providing essential considerations for businesses and foreign investors.

KEY REGULATORY BODIES IN ZIMBABWE'S M&A LANDSCAPE

Several regulatory authorities are crucial for ensuring compliance in Zimbabwean M&A transactions. The most significant of these include:

Registrar of Companies and Other Business Entities

Role and key functions: The Registrar of Companies and Other Business Entities, established under Section 6 of the Companies and Other Business Entities Act [Chapter 24:31], oversees the registration and deregistration of companies, as well as various administrative tasks, such as company name changes, updates to directors, and changes in share capital and physical addresses. Due diligence on local entities must go through the Registrar's office, and anyone seeking to verify a company's existence must consult the Companies Registry.


Tapiwa John Chivanga

The Reserve Bank of Zimbabwe (RBZ)

Role and key functions: The RBZ plays a crucial role, particularly in cross-border M&A transactions involving foreign investors and/or financial obligations. Established under the Reserve Bank of Zimbabwe Act [Chapter 22:15] and exercising authority under the Exchange Control Act [Chapter 22:05], the RBZ must approve any acquisition of shares by foreign residents. The RBZ also oversees adjacent processes, such as the repatriation of profits, divestments, and the contracting of foreign financial obligations, which is essential to maintain Zimbabwe's economic stability by managing foreign currency reserves.

Competition and Tariff Commission (CTC)

Role and key functions: The Competition and Tariff Commission or CTC was established in terms of the Competition Act (Chapter 14:28), and oversees the prevention and control of restrictive practices, the regulation of mergers, the prevention and control of monopoly situations, and the prohibition of unfair trade practices.

M&A transactions involving parties whose combined annual turnover or assets exceed US$1,2 million must be reported to the CTC within 30 days of the merger agreement. This regulatory step ensures market competition is preserved, and that mergers do not result in unfair market dominance. Failure to notify the CTC may lead to steep penalties, including (but not limited to) the complete reversal of the transaction in question. This makes the reporting essential for timely and conclusive transaction closure.

An interpretation of Zimbabwe's laws generally provides that all mergers that involve the acquisition of a controlling interest in a competitor, supplier or customer, and which breach the above financial threshold, must be notified.

Ministry of Industry and Commerce

Role and key functions: The Ministry of Industry and Commerce, working in conjunction with the Indigenisation and Economic Empowerment Unit, is a critical office to consider when seized with a transaction involving an economic sector reserved for indigenous Zimbabweans.

In terms of the Indigenisation and Economic Empowerment Act (Chapter 14:33), foreign investors are precluded from conducting business in certain economic sectors without an exemption from the aforesaid Ministry and Unit. The reserved sectors include retail and wholesale; transportation: passenger buses, taxis and car-hire services; barber shops; employment agencies; estate agencies; and tobacco processing, grading and packaging, to mention a few.

Zimbabwe Investment and Development Agency (ZIDA)

Role and key functions: Established under the Zimbabwe Investment and Development Agency Act (Chapter 14:37), ZIDA serves as the primary body for the promotion and facilitation of foreign investment in Zimbabwe.

The agency grants investment licenses which provide legal protections, such as the right to repatriate funds; protection from expropriation; and safeguards against discriminatory practices. Additionally, ZIDA is responsible for establishing and regulating special economic zones and appraising, as well as recommending the approval of Public Private Partnerships with the Government of Zimbabwe to the Cabinet.

For M&A professionals and dealmakers alike, ZIDA's One-Stop Investment Services Centre simplifies the regulatory process by providing a centralised point for approvals, thereby streamlining the transaction process. The One Stop Investment Services Centre is akin to the One Stop Centre of the Rwanda Development Board or, in the case of the Tanzanian Investment Centre, the One Stop Facilitation Centre. This setup significantly enhances the ease of doing business in Zimbabwe, making it more attractive to foreign investors seeking entry through M&A.

Zimbabwe Revenue Authority (ZIMRA)

Role and key functions: The Zimbabwe Revenue Authority is the tax man. In the context of M&A, ZIMRA plays an essential role by ensuring tax compliance, particularly under the Capital Gains Tax Act (Chapter 23:01). Under Zimbabwean law, no transfer of shares shall be valid without a duly issued capital gains clearance certificate; thus, it is essential to apply for same before consummating an M&A transaction.

Once regulatory approvals are secured, M&A transactions can proceed to completion. However, it should be noted that different regulatory bodies may be involved, depending on the exact nature of a transaction. For instance, acquiring a controlling interest in a telecommunications company requires approval from the Postal and Telecommunications Regulatory Authority, while buying a substantial stake (at least 5%) in a financial institution requires approval from the Registrar of Banks.

In conclusion, although navigating the regulatory frameworks of M&A is a complex and often time-consuming endeavour, with proper preparation and an understanding of the regulatory landscape, businesses can successfully execute M&A transactions in Zimbabwe.

Chivanga is a Partner | Scanlen & Holderness

Evolving M&A practices in Africa: how SPACS offer a compelling alternative

Vivien Chaplin and Phetha Mchunu

In recent years, the use of Special Purpose Acquisition Companies (SPACs) has gained traction globally as an alternative route for companies to go public, bypassing the traditional IPO process. However, SPACs have yet to gain widespread popularity in Africa's M&A landscape. Despite this, the potential for SPACs in Africa is significant, driven by the growing need for capital in sectors like fintech, infrastructure, and natural resources, alongside a surge in private equity activity and cross-border deals. This article explores how SPACs are structured in Africa, their advantages and challenges, and recent real-world examples to illustrate their potential impact on the M&A space.

UNDERSTANDING SPACS IN THE AFRICAN CONTEXT

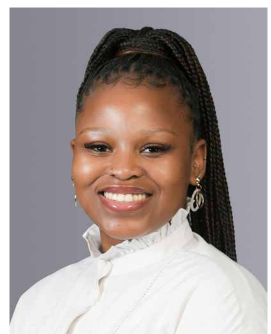
SPACs are publicly listed shell companies created specifically to merge with private companies, offering a faster and more flexible alternative to traditional IPOs. They are typically sponsored by a group of investors or operators, referred to as "sponsors," who aim to acquire an existing business within a specified timeframe, usually 18 to 24 months. If a suitable target is not found, the SPAC liquidates, and the capital is returned to shareholders.

SPAC LISTINGS ON THE JOHANNESBURG STOCK EXCHANGE (JSE)

In South Africa, the Johannesburg Stock Exchange (JSE) has been proactive in accommodating SPACs as part of its offering, outlining specific requirements for these entities:

- No commercial operations at inception: SPACs listed on the JSE cannot have any existing business operations or assets before listing. Their sole mandate is to raise capital and find a suitable acquisition target.
- Capital requirements: For a Main Board listing, the SPAC must raise a minimum of R500 million, while an AltX listing (Alternative Exchange for smaller companies) requires at least R50 million.
- Timeline for acquisitions: The JSE mandates that SPACs must complete an acquisition within 24 months of listing. If no deal is completed within this period, the SPAC is subject to suspension and eventual delisting.


Vivien Chaplin


Phetha Mchunu

- Investor safeguards: Capital raised by the SPAC must be held in escrow. If an acquisition is not completed within the stipulated time, funds are returned to the investors, ensuring a degree of capital protection.
- Management skin in the game: Directors of the SPAC are required to invest at least 5% of the capital and are restricted from selling their shares for six months post-acquisition. This requirement aligns the management's interests with those of the investors.
- Lower costs and faster listings: Given that SPACs start without operational assets, they often face fewer disclosure requirements compared to traditional IPOs, reducing listing costs and shortening the time to market.

This framework offers a structured route for SPACs to attract capital while protecting investors, making it an appealing option for both local and international investors interested in the African market.

ADVANTAGES OF SPACS IN AFRICA'S M&A SPACE

- Access to capital: SPACs provide African companies with an opportunity to access international capital without navigating the complexities of traditional IPOs.
- Mitigating IPO market volatility: Given the continent's market volatility and political risks, SPACs offer a more controlled environment for raising capital.
- Enhanced deal certainty: SPACs are designed with a clear acquisition objective, which provides a degree of certainty to target companies and stakeholders, making them attractive for businesses seeking growth or exit strategies.

EXAMPLES IN AFRICA

- As reported in September 2023, Zeder Investments' subsidiary, Zeder Financial Services announced the sale of its 92.98% stake in Capespan Group, excluding its pome fruit primary production operations and the Novo fruit packhouse, for R511,39 million. The buyer, 3 Sisters, was a special purpose acquisition vehicle financed by Agrarius Agri Value Chain and managed by 27four Investment Managers. (DealMakers, Who's Doing What, 21 September 2023)
- In December 2023, 10X Capital Venture Acquisition Corp. II (10X II) (NASDAQ), a publicly traded special purpose acquisition company sponsored by 10X Capital, announced the successful completion of its merger with African Agriculture, Inc. This global food security company, which runs a commercial-scale alfalfa farm in Africa, is now listed for trading on the Nasdaq. African Agriculture is the first pure-play U.S.-listed agricultural company to operate on the African continent. (Latham & Watkins LLP Announcement, 7 December 2023)
- On 1 August 2024, Catalyst Partners (a private equity firm focused on the MENA region) became the first to submit a request to the Egyptian Financial Regulatory Authority to establish a SPAC under the name, Catalyst Partners Middle East. (Grant Thornton, Could SPACs help Egypt's IPO market take off?, 16 September 2024)

CHALLENGES IN ADOPTING SPACS IN AFRICA

- Regulatory uncertainty: Different African countries have varying regulations governing SPACs, creating a complex legal environment for cross-border transactions. Harmonising SPAC regulations across key markets could unlock more potential for these vehicles.
- Limited market depth: Many African markets lack the deep secondary equity markets required to support SPAC liquidity, making it difficult for investors to exit their positions.
- Political and economic instability: Political instability and economic fluctuations can add additional layers of complexity and risk to SPAC transactions, deterring some investors.

THE ROAD AHEAD: SPACS AS A STRATEGIC TOOL FOR M&A

Despite the current challenges, SPACs hold significant potential in Africa. They could become a key instrument in consolidating industries such as technology, renewable energy, and real estate. As African capital markets mature and more sophisticated regulatory frameworks are developed, SPACs are likely to see increased adoption.

With growing investor interest and local capital markets adapting to accommodate such innovative structures, Africa is poised to become a fertile ground for SPAC-led M&A activity. For dealmakers and investors alike, SPACs present a compelling opportunity to tap into the continent's untapped potential.

Chaplin is a Director and Mchunu an Associate in Corporate & Commercial | CDH

Unlocking Namibia's potential: Trust Administration in a thriving economy

Willem Bodenstein and Nicola van Rooyen

Trust administration and management are global practices essential for wealth planning and asset protection. While Namibia may be lesser-known, compared to established jurisdictions like Jersey and Guernsey, it is quickly emerging as a key player in this space, offering a robust regulatory environment. These well-known offshore financial centres are renowned for their strong legal frameworks, offering flexibility, privacy, and asset protection. Investors often choose these jurisdictions for their stable, transparent systems and global recognition, making them prime choices for high-net-worth individuals seeking comprehensive wealth protection.

Namibia, though different in scale, shares many of these benefits. Bravura recognised early the growing demand for trust administration services. Initially established to manage internal structures, Bravura Administration Services (BAS) quickly identified a need in the market to assist clients with personal trust administration, especially following new regulations. These regulatory updates introduced hefty penalties for non-compliance, making it essential for clients to have a reputable partner to ensure that trusts remained compliant. Bravura, with its long-standing relationships and vast network, stepped in to help clients navigate these complexities and achieve the same high standards of administration, meeting international criteria.

The Namibian economy further supports this burgeoning demand for wealth management. According to the African Development Bank, Namibia's projected GDP growth is 3.8% in 2024 and 4.2% in 2025. This steady growth, driven by Namibia's ties to the Southern African Development Community (SADC) and its expanding energy sector, creates fertile ground for long-term wealth management strategies, including trusts. Establishing a trust in Namibia allows individuals to safeguard their assets, minimise tax exposure, and ensure a seamless transfer of wealth across generations.

Bravura's Namibian office is a team of nine, led by Willem Bodenstein. Today, BAS administers more than 100 trusts and companies, managing a growing portfolio of client assets. The company has fostered strategic partnerships with leading law and audit firms in Namibia, combined with the knowledge, networks and resources that Bravura's South African office can tap into. This allows BAS to remain up-to-date with all relevant laws and regulations, while providing access to top talent and skills. This symbiosis results in access to leading industry experts, and ensures that clients receive world-class service and the confidence that their trusts are compliant with the latest regulations.


Willem Bodenstein


Nicola van Rooyen

We are able to leverage cutting-edge technology and real-time dashboards to ensure compliance and efficiency, and it's been rewarding to see the systems we've invested in deliver such positive results for both BAS and our clients. Our Corporate and Trust division recently underwent a Financial Intelligence Centre (FIC) audit, and the outcome was extremely positive.

As BAS continues to grow and serve its clients, its ability to collaborate with top investment managers, while maintaining independent oversight, ensures that trusts and corporate structures are managed to the highest standards. For investors seeking both stability and opportunity, a trusted fiduciary service provider is essential to navigate the local and global requirements for safeguarding assets and preserving wealth for future generations.

Bodenstein is Head and Van Rooyen is Corporate and Trust Manager | Bravura Namibia

Reimagining sustainable development in African mining: the Catalyst Approach

Bruce Dickinson

In the complex landscape of African mining, particularly in South Africa, the concept of sustainable development has long been a point of contention. Mining companies, faced with increasing pressure to contribute to long-term community development, often view these initiatives as an additional tax – a perspective that can hinder both mining operations and genuine sustainable growth.

A paradigm shift is needed: from viewing mining companies as direct providers of development to seeing them as catalysts for sustainable economic ecosystems.

THE CURRENT PARADIGM: Unsustainable and unappreciated

The traditional approach to sustainable development in mining regions has been characterised by the direct provision of services and infrastructure by mining companies. This model, while well-intentioned, presents several critical issues, such as:

- Increased operational costs: Mining companies often see sustainable development initiatives as an additional financial burden, potentially driving away investment and increasing cut-off grades, thereby sterilising minerals that could otherwise be economically extracted.

- Misaligned responsibilities: Local municipalities, facing their challenges, increasingly push their responsibilities onto mines. This blurs the lines between corporate social responsibility and governmental duty.

Bruce Dickinson

- Lack of recognition: Despite significant investments in schools, clinics and other infrastructure, mining companies receive little recognition. Host communities often view these provisions as rights, rather than corporate contributions.

- Post-closure unsustainability: Services and infrastructure provided directly by mines often become unsustainable after mine closure, leaving communities vulnerable.

- Siloed approaches: Different departments often pursue separate sustainability initiatives within mining companies, missing opportunities for synergy and efficiency.

THE CATALYST MODEL: A new approach to sustainable development

To address these challenges, we propose a shift towards a "catalyst model" of sustainable development. In this approach, mining companies focus on creating conditions that catalyse broader economic development and attract diverse investments. Key elements of this model include:

- Strategic infrastructure development: Instead of building infrastructure solely for mining operations, companies should design and develop infrastructure that can serve as a foundation for diverse economic activities post-mining.

- Land use planning for the future: Mining companies should engage in long-term land use planning, considering how mining lands can be repurposed for agriculture, tourism or other industries after mine closure.
- Skills development for diversification: Training programmes should focus not just on mining-related skills, but on transferable skills that can support a diversified local economy.
- Incubation of local businesses: Mining companies can act as incubators for local businesses that can serve the mine but are not wholly dependent on it, fostering a more resilient local economy.
- Collaborative governance models: Developing structures for collaborative decision-making between mining companies, local governments and communities can ensure more sustainable and widely accepted development initiatives.

Benefits and key considerations of a catalyst approach

Embracing this catalyst model offers several benefits, such as reducing the perceived extra operational costs, which can make mining investments more appealing. Concentrating on initiatives with multiplier effects ensures more efficient resource utilisation, which fosters the development of a diversified local economy that can prosper beyond the mine's lifespan. By acting as catalysts, rather than service providers, mining companies can contribute to clearer stakeholder roles and responsibilities, potentially enhancing overall governance and service delivery. A successful catalyst approach can substantially improve community relations and strengthen the social license to operate.

Transitioning to a new catalyst model will necessitate significant adjustments from all parties involved. Governments must establish policies that encourage and reward this model, possibly through tax incentives or licensing regulations. Mining companies should adopt a more cohesive approach, breaking down departmental barriers to fully leverage the catalytic potential of their operations. Transparent communication with communities and other stakeholders is essential to manage expectations and emphasise the long-term advantages of this strategy.

New metrics will be required to gauge the effectiveness of sustainable development initiatives, focusing on long-term economic resilience, rather than short-term service provision. Furthermore, mining companies should collaborate on regional development initiatives, combining resources and expertise for a more substantial impact.

A call for transformative action

The catalyst model represents a transformative approach to sustainable development in mining regions. By shifting from direct provision to strategic enablement, mining companies can contribute to truly sustainable development while potentially reducing costs and increasing investment attractiveness.

Adopting this approach demands a long-term vision, creative problem-solving, and a collective effort from all parties involved. While challenging, the benefits of this transformation – thriving local economies, strengthened community ties, and a more environmentally conscious mining sector – make it an essential and worthwhile pursuit.

As we navigate the complex challenges of sustainable development in African mining, the catalyst model offers a promising path forward. It's time for mining companies, governments, communities and investors to embrace this new paradigm and work together towards a more sustainable and prosperous future for mining regions across the continent.

Dickinson is a Partner | Webber Wentzel

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Evaluating the risk-free rate in Africa's frontier markets

Sibongakonke Kheswa

The International Monetary Fund (IMF) projects that between 2024 and 2028, the gross domestic product (GDP) of African frontier markets will grow at an average rate of 4.2% per annum. Notably, countries such as Mozambique, Rwanda and Senegal are poised for substantial growth, with projected annual increases of 7.8%, 7.2% and 6.8% respectively.[1] Whilst Africa is well poised for growth, investors looking to invest in these markets are often confronted by challenges, especially when considering valuations and investment decisions. A central component in valuations and investment decisions is the risk-free rate (RFR) – typically represented by government bonds – which implies a return on investments devoid of financial loss. In current financial climates, the importance of the RFR has intensified due to increased economic volatility and geopolitical uncertainty, including significant fluctuations in inflation and interest rates. This heightened relevance of the RFR stems from its role in helping investors gauge the baseline returns on their investments against a backdrop of unpredictable market conditions. By understanding the RFR, investors can better assess the additional risks and potential returns associated with various investment opportunities.

Accordingly, it is crucial to identify the specific challenges faced in determining the RFR in African frontier markets, particularly those with less developed financial infrastructures. These markets often grapple with issues such as limited bond market liquidity and inconsistent economic data, which can complicate the accurate assessment of the RFR. By understanding these unique challenges, investors can better evaluate and account for the inherent risks when making investment decisions in these regions.

CHALLENGES WITH THE RFR IN AFRICA

Reliability of government bonds: Globally, government bond yields are often used as a proxy for RFR as, in principle, governments do not default on their debt because they can print more money to pay the bond, if required to. However, in frontier markets, government bonds may be an unreliable proxy for a "risk-free" rate, due to economic instability, political unrest and market illiquidity. The low liquidity in these bond markets can lead to broad yield spreads that do not accurately reflect market conditions, and make them difficult to price. Added to this is the limited availability of data on these bonds.

Sibongakonke Kheswa

Currency volatility: High currency volatility adds another layer of complexity in some African markets, especially for foreign investors. Fluctuating exchange rates can significantly impact the real value of returns due to the added forex risk, which, again, makes it difficult to price accurately.

THE IMPACT OF SUCH CHALLENGES WHEN DETERMINING THE WEIGHTED AVERAGE COST OF CAPITAL (WACC)

The RFR is a key building block when calculating the WACC and, ultimately, value. It encapsulates the required rate of return from all sources of capital and is intended to reflect the aggregate risk that the valuation subject is exposed to, including country risk.

The RFR anchors the calculation of the cost of equity through the Capital Asset Pricing Model (CAPM), which is integral to the WACC. The RFR serves as the baseline return required for an equity investment, before making adjustments for correlated and uncorrelated risks associated with the valuation subject in question, to adequately compensate investors for the risk assumed.

Similarly, the cost of debt, which forms the other part of the WACC, is also intrinsically linked to the RFR. The cost of debt can be described as the credit spread, which indicates the extra yield needed above the RFR, taking into account the lender's creditworthiness and the economic environment in which the lender operates. This is typically the rate at which a bank is willing to lend to a business after taking into account the risks associated with that business.

Given the typically higher RFR in Africa, the resultant WACC is also higher, indicating a perception of greater investment risk and the higher return required to compensate for this risk, which drives valuations down. This scenario poses a significant challenge to capital inflow, as investors require higher returns to justify the increased risk associated with investing in Africa and, in some instances, are not willing to assume such elevated risks (perceived or otherwise) to achieve higher returns.

1. International Monetary Fund, 2024. World Economic Outlook, April 2024: Steady but Slow: Resilience amid Divergence. [online] Available at: https://www.imf.org/en/Publications/WEO

POTENTIAL SOLUTIONS WORTH CONSIDERING

Leveraging local sovereign bonds: While U.S. Treasury Bonds are often used as a base for calculating the RFR due to their stability and liquidity, they do not fully capture the inherent risks present in African frontier markets. While adjustments can be made to recalibrate U.S. Treasury yields for country and currency-specific risks, this method can oversimplify the complexities of the African market.

A more suitable approach may be to use local sovereign bonds, if available and sufficiently liquid, to provide a closer approximation of the risks specific to the region. Often, this also more accurately reflects the risk of one country relative to another, where the one may have more reliable data available on it.

Composite indices for illiquid bonds: In cases where local bonds are illiquid, a composite index that factors in country risk premiums, inflation volatility and currency risk could offer a more accurate reflection of a RFR in these markets.

Strengthening local financial markets: In the long term, developing more robust financial systems in Africa is crucial for driving liquidity and providing reliable data for benchmarking and risk assessments. This should assist in attracting investment and laying the groundwork for improved capital markets and sustained economic growth.

To accurately value companies within the current constraints of African financial markets, it is crucial to leverage existing resources effectively. A more suitable approach may be to use local sovereign bonds, if available and sufficiently liquid, to provide a closer approximation of the risks specific to the region. If these bonds are illiquid, a composite index that factors in country risk premiums, inflation volatility and currency risk — calibrated against more stable regional/local markets – could offer a more accurate reflection of risk-free capital in these environments.

In the meantime, it is essential to recognise and adapt to the limitations of the current financial infrastructure. By refining how we use these existing tools (local sovereign bonds and region-specific indices), we can better understand and navigate the complexities of African markets. This strategy not only supports more accurate company valuations, but also contributes to enhancing financial stability and fostering investor confidence, which is vital for ongoing economic development across the continent.

Kheswa is a Corporate Financier | PSG Capital

PSG CAPITAL

The growing importance of ESG in large transactions

Pitso Kortjaas, Lydia Shadrach-Razzino and Virusha Subban

Global institutional capital is increasingly focused on sustainability, both as an investment opportunity and as part of investment criteria. This is driven by the forecasted (positive and negative) economic impact of the climate change mega-trend, regulation such as the EU's Carbon Border Adjustment Mechanism, and societal pressure to address unsustainable corporate practices.

Africa presents fertile ground for scalable, high impact Environmental, Social and Governance (ESG) projects and programs. The continent boasts some of the world's richest renewable energy generation potential, and many of the resources needed to build green technologies. African countries' unique developmental journeys also present a wide range of opportunities for corporate supported social interventions to have a real impact.

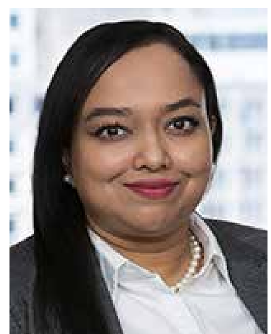
Sub-Saharan Africa has great potential for investments with material sustainability outcomes, and this is already being realised through higher transaction volumes and values in industries that are enablers of sustainability initiatives, such as renewable energy, copper, and other green tech minerals.

Sustainable, alternative investments are another key opportunity, with major African bourses listing green and sustainability linked bonds for several years, and the Johannesburg Stock Exchange's (JSE) Socially Responsible Investment (SRI) index's continuous innovation. Social impact investments by corporates are also on the rise, with the recognition that when properly designed and implemented, these projects and programs can have an exponential impact on an organisation's sustainability credentials and, most importantly, the lived reality of the participants.

The sub-Saharan Africa region is witnessing a surge in ESG-focused investments, catalysed by an increasing awareness of, and appetite to pursue, the opportunities presented by sustainable investment in Africa. The importance of leveraging ESG for economic development has been recognised, not only in market led initiatives such as green finance and sustainable investment strategies, but also in state-led, multilateral initiatives like the African Union's Agenda 2063. The market is seeing an increasing trend towards factors within the sustainability / ESG stable becoming central in large transactions. Capital is being directed towards value chains set to benefit from sustainability driven changes, like the electric vehicle value chain. Companies are driven to integrate ESG practices, not only to ensure continued social and regulatory license to trade, but as a strategic imperative to attract investment. Africa is well-positioned to attract large investments into its strategic sectors, and presents an opportunity for multinationals and other corporates to make investments that will have an exponential impact on their sustainability scorecard.


Pitso Kortjaas


Lydia Shadrach-Razzino


Virusha Subban

Climate change and increased scrutiny of corporates' sustainability practices by the public and regulators has driven ESG high up the agenda of many institutional investors and major corporates, leading to an increase in sustainability-focused investments – either purely for the green credentials, or for the potential for returns from a value chain that will benefit from increased take-up of sustainability actions. The deployment of capex and opex budgets by corporates is also increasingly being influenced by factors such as the social and environmental impact of the spend. ESG factors are thus becoming important considerations in transactions, especially in sectors which are set to grow due to sustainability initiatives, or those that are either socially or environmentally sensitive.

ESG's role as a major market force is undoubtable, with ESG-focused investments having surged and assets held surpassing US$30 trillion in 2022. The importance of ESG is emphasised by the significant rise in green and sustainability-linked financial service offerings, and ESG-focused spending by Corporates.

ESG'S MOMENTUM IN AFRICA

While sustainable investment is a global trend, Africa is seeing the manifestation of this shift through targeted initiatives and strategic investments that address both regional development and global sustainability goals. Indications of momentum include:

Strategic development initiatives: The African Union's Agenda 2063 integrates ESG as a key factor for continental development, prompting initiatives such as Gabon's "Green Gabon" for renewable resource regulation, Benin's launch of green bonds, and Côte d'Ivoire's mandatory CSR reporting since 2014.

Corporate strategy: a 2023 Oxford Business Group study revealed that 19.7% of African CEOs pursued ESG standards to enhance their reputation, alongside motivations like regulatory compliance and stakeholder demands. Companies adopt ESG principles to ensure their license to trade and attract capital, which is increasingly targeted at sustainable investments.

South African initiatives: South Africa is a leading African jurisdiction for sustainable investments with national measures. The Johannesburg Stock Exchange (JSE) was the first global stock exchange to introduce a SRI index and it has listed over 70 sustainability-linked bonds, raising approximately R11 billion in 2023. A 2024 review showed significant ESG adoption among JSE-listed companies, highlighting South Africa's proactive role in promoting sustainable finance and ESG integration across the region. ESG has also been a priority from a regulatory perspective, with the introduction of amendments to the Pensions Fund Act and Public Investment Corporation Act regulations to drive sustainability requirements.

ESG AND SUSTAINABILITY ARE KEY THEMES IN RECENT LARGE AFRICAN TRANSACTIONS

ESG has been a key consideration in recent major transactions in Africa, including:

- Proparco Group's September 2024 investment of $15 million into Pembani Remgro Infrastructure Fund II (PRIF II), a leader in infrastructure investments in Africa with strong ESG credentials;
- Vitol Africa's recent acquisition of Engen for R37 billion, a significant investment into South Africa, with strong ESG underpinnings due to its impact on disadvantaged communities; and
- a R9,3 billion loan provided by several lenders, including the Development Bank of Southern Africa Limited; Old Mutual Alternative Investments; Sanlam; and Stanlib Alternative Investments to fund Oya Energy, a hybrid energy project combining solar, wind, and lithium-ion batteries, expected to be the largest initiative of its kind in Africa.

Major corporate and investment banks with strong ESG focuses have also made a significant impact in the region. One South African bank has issued approximately R45 billion in sustainable financing and mobilised approximately R15,5 billion in green project finance and an additional R1,2 billion in social project finance to fund renewable energy, carbon projects, and basic infrastructure in Africa; and another has embraced numerous climate-related initiatives, such as their Green Private Power Tier 2 Bond, launched in 2023 with a notional value of R2,1 billion.

In addition, there are major renewable energy infrastructure projects being financed and coming online in Africa. For example, the Hive Hydrogen Project in Gqeberha – a $4,6 billion project that involves the construction of a green ammonia plant in the Coega Special Economic Zone – which aims to produce 780,000 tons of green ammonia annually, powered by renewable energy sources.

OVERCOMING THE CHALLENGES OF SUSTAINABLE INVESTING IN AFRICA

To successfully tap into the sustainable investment opportunities presented by sub-Saharan Africa, global corporates and capital must overcome the unique challenges of deploying capital and operating in the various jurisdictions on the continent, which requires an intimate and practical knowledge of the diverse regulatory frameworks in operation. In cases such as this, companies looking to invest will be best served by an adviser that understands their needs and priorities, as well as the intricacies of the African investment landscape.

Kortjaas, Shadrach-Razzino and Subban are Partners in Banking & Finance, M&A and Tax | Baker McKenzie (Johannesburg)

Navigating M&A in Africa: challenges, opportunities, and the path forward

Grant Tidbury

As Africa's largest bank by assets, Standard Bank Group stands at the forefront of the evolving M&A landscape in Africa. Its unique position in this dynamic environment, where strategic corporate actions hold the potential to unlock significant growth, is a testament to its expertise, capabilities and credibility.

Despite the hurdles of economic stagnation, poor infrastructure and high unemployment, the resilience of South Africa's business landscape is undeniable. As case in point, take the recent formation of our Government of National Unity (GNU), which has bolstered optimism across sectors, creating fertile ground for increased corporate activity in the latter half of this year and, I believe, beyond.

At Standard Bank, we are forecasting a busier and even more dynamic 2025 as corporates regain confidence and position themselves for growth. Conversations with our clients reveal a clear trend: businesses are ready to engage in mergers, acquisitions and restructuring as they seek to capitalise on new opportunities in an improving environment.

Opportunities Amid a Changing Economic Landscape

One key driver of this renewed activity is the recent improvement in South Africa's power supply. Eskom has provided uninterrupted power since March, boosting business confidence and increasing activity across industries. This is reflected in the S&P Global South Africa Purchasing Managers' Index, which rose to 51 in September – the highest reading since February – indicating expansion in manufacturing and business sectors.

While challenges such as crime, corruption and unemployment persist, the private sector is increasingly seen as a driving force, building the nation's future. There is a palpable sense of hope that, with the right partnerships, the private sector can be instrumental in overcoming these issues. This optimism is echoed by South African corporates, who are positioning themselves for M&A opportunities in this improving landscape.

The Johannesburg Stock Exchange (JSE) is also responding to the market's needs. With a substantial decrease in the number of listed companies since the late 1990s, the JSE is now taking steps to attract more listings. These reforms, aimed at reducing listing costs and easing compliance requirements, are expected to facilitate easier access to capital for corporates, particularly smaller companies. While the reforms will take time to bear fruit, they are a positive step toward increasing market liquidity and encouraging more companies to explore listing as part of their growth strategy.

Grant Tidbury

Standard Bank's M&A Expertise

At Standard Bank, we take pride in our ability to navigate complex M&A transactions across Africa. With over 40 full-time M&A professionals across key sub-Saharan African regions, including South Africa, East Africa and West Africa, we have the expertise and local knowledge to structure and execute successful deals in even the most challenging environments.

In 2023 alone, we completed several high-profile M&A transactions worth over US$8,43 billion, making us the top M&A adviser in the region by market share. Our team has consistently delivered value for clients by managing risk, ensuring regulatory compliance, and structuring innovative deals that maximise synergies.

We were proud to act as joint financial advisers in the acquisition of Engen, one of South Africa's largest gas-station chains, by Vivo Energy. This transaction exemplifies our ability to create pan-African champions in strategic sectors, such as energy. The deal's success hinged on careful negotiation with stakeholders, including South Africa's anti-trust regulator, and a comprehensive public-interest framework to ensure smooth completion.

Our advisory services are not limited to big-ticket transactions. We are also trusted advisers in smaller, yet equally strategic, cross-border deals. For example, our team advised China's Huaxin Cement on its US$231,6 million acquisition of Natal Portland Cement, a transaction that expanded the firm's presence in Southern Africa. This deal showcased our ability to structure cross-border transactions while navigating complex regulatory environments.

We have also been active on the rest of the continent, advising on landmark cross-border deals. Our East African team recently acted as sole financial adviser to Lipton Teas & Infusions, the world's largest teas and infusions company, on the sale of its tea estates in Kenya, Tanzania and Rwanda to Sri Lanka-based Browns Investments Plc. This deal was complex, yet transformational for the tea sector in East Africa, and resulted in the creation of a community welfare trust dedicated to addressing the needs of the local and neighbouring communities.

In Nigeria, we recently acted as sole financial adviser to Singapore-headquartered Tolaram's acquisition of Diageo Plc's majority stake in Guinness Nigeria Plc, which was established in 1950 and has grown to become a leading player in the beer and non-alcoholic drinks industry in Nigeria. Standard Bank also provided acquisition funding for the transaction.

Tailored Solutions for African M&A

One of the critical aspects of executing successful M&A in Africa is the ability to tailor solutions that address the unique challenges and opportunities of the continent. At Standard Bank, we offer a full suite of advisory services, including mergers and acquisitions, strategic disposals, corporate restructuring, and Black Economic Empowerment (BEE) advisory. Our established pan-African presence, coupled with strategic partnerships and presence in key financial hubs such as China, the UK, US and Dubai, allows us to structure deals across geographies, helping clients achieve their ambitions.

Whether by developing bespoke financing solutions or leveraging our deep local expertise, our approach is always innovative and strategic, ensuring that our clients are well-positioned to capitalise on growth opportunities while mitigating risks.

As South Africa and the broader African continent move towards greater economic stability, the opportunities for M&A will only continue to grow. Standard Bank is uniquely positioned to help corporates navigate this evolving landscape, offering world-class advisory services that help businesses grow, innovate and thrive. Whether you are looking to merge, acquire or restructure, Standard Bank is your trusted partner in realising your strategic ambitions.

Tidbury is Head of M&A Advisory | Standard Bank

Standard Bank
Also trading as Stanbic Bank

DEALMAKERS AFRICA Q3 2024 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS	TOMBSTONE PARTIES: FINANCIAL ADVISER	LEGAL ADVISER	TRANSACTIONAL SUPPORT SERVICES	ESTIMATED TRANSACTION VALUE	ANNOUNCED
EAST AFRICA								
M&A	Ethiopia	Disposal by √	8 Miles of an 89% stake in Awash Wines SC to a strategic investor consortium	Verdant Capital			undisclosed	Sep 3
M&A	Kenya	Investment by √	Village Capital's Reducing Inequalities Investment Facility in Aquarech				$350,000	Jul 9
M&A	Kenya	Acquisition by	HostAfrica of deepafrica's domains and hosting assets				undisclosed	Jul 10
M&A	Kenya	Investment by √	EQ2 Ventures, IgniteXL Ventures, Chui Ventures, Samata Capital and Altree Capital in Uncover				$1,4m	Jul 15
GCF	Kenya	Loan by	Development Bank of Southern Africa to Sosian Energy				$68m	Jul 18
M&A	Kenya	Acquisition by	Amsons Industries of 100% of Bamburi Cement (362,959,275 shares) at KES65 per share	KCB Investment Bank	Anjarwalla & Khanna		KES23,6bn	Jul 24
GCF	Kenya	Debt funding by	Norfund and I&M Bank to Kim-Fay East Africa for its new facility at Tatu City	I&M Burbidge			undisclosed	Jul 29
M&A	Kenya	Acquisition by	Muchai Mining Kenya (Marula Mining) of an 80% shareholding in Agarwal Metals and Ores (owner of the Kilifi Manganese Processing plant)	Cairn Financial Advisers			R57m	Aug 5
M&A	Kenya	Acquisition by	Peak and Dale Group of Bean Interactive				undisclosed	Aug 8
M&A	Kenya	Acquisition by	Savannah Crest KE of a 40% stake in Angata Sugar Mills				KES500m	Aug 8
GCF	Kenya	Debt funding by √	Pepea fund [Oxfam Novib managed by Goodwell Investments] to Gaea Foods				undisclosed	Aug 15
M&A	Kenya	Investment by √	Ken Njoroge, Plesion Capital, Techstars, Norrsken, Renew Capital, ViKtoria Ventures, Benjamin Fernandes, Paul Kimani, Jackson Kibigo and other angel investors in Chpter [pre-seed]				$1,2m	Sep 2
M&A	Kenya	Acquisition by	KEDA (Kenya) Ceramics Company of certain assets of Ramoda Ceramics				undisclosed	Sep 3
M&A	Kenya	Investment by √	Phoenix Beverages, Chandaria Capital, Perivoli Innovations and Amaya Capital in African Originals				$2m	Sep 7
M&A	Kenya	Acquisition by	Savannah Clinker of 100% of Bamburi Cement (362,959,275 shares) at KES70 per share				KES25,4bn	Sep 10
M&A	Kenya | Nigeria	Acquisition by	Rise of Hisa				undisclosed	Sep 11

√ Private Equity deal

DEALMAKERS AFRICA Q3 2024 (excludes South Africa)

				TOMBSTONE PARTIES				
◆	COUNTRY	TRANSACTION TYPE	DETAILS	FINANCIAL ADVISER	LEGAL ADVISER	TRANSACTIONAL SUPPORT SERVICES	ESTIMATED TRANSACTION VALUE	ANNOUNCED
M&A	Kenya	Investment by √	Aavishkaar Capital's ESG First Fund in partnership with KfW in Privamnuts EPZ (Kenya)		Cliffe Dekker Hofmeyr		$3m	Sep 16
M&A	Kenya	Investment by √	Norfund in Buchan (Irvine's Group)	Africa Insight Advisors			$18m	Sep 18
GCF	Kenya	Loan by √	Social Enterprise Fund for Agriculture in Africa (SEFAA) [Sahel Capital] to Apple Orchards - term and working capital loan		JMK Partners Advocates		$1m	Sep 29
M&A	Rwanda	Acquisition by	Medicamen Organics of a 51% stake in Depot Pharmacy Yego				$75,000	Jul 15
M&A	Rwanda	Acquisition by √	Fortis Green Renewables Investment Management and AXIAN Energy of 100% of Gigawatt Global Rwanda [51%:49%]		Hogan Lovells		undisclosed	Aug 8
M&A	Rwanda	Investment by √	Sanofi Global Health Unit's Impact Investment Fund in Kasha				undisclosed	Sep 2
GCF	Tanzania	Term loan facility by √	Africa Credit Opportunities Fund (ACOF) [Gateway Partners and Fund for Export Development in Africa (Afreximbank) JV] to Usangu Logistics to expand the truck fleet			EY	$10m	Sep 12
M&A	Uganda	Acquisition by	Level Africa of Utilis Ventures				undisclosed	Jul 1
M&A	Uganda	Acquisition by	Rowad Capital Commercial of a 60% stake in Uganda Telecommunications Corporation				$225m	Aug 8
M&A	Uganda	Investment by √	uMunthu II (Goodwell Investments) in Agent Banking Company of Uganda (ABC)				undisclosed	Sep 19
AFRICA								
M&A	Africa	Disposal by	Scatec of its 51% stake in the African hydropwer JV with Norfund and BII [SN Power] which includes a 28.3% stake in the Bujagali hydropower plant in Uganda and stakes in 2 projects under development in Rwanda and Malawi to TotalEnergies	Standard Chartered Bank	Covington & Burling		undisclosed	Jul 30
M&A	Africa	Investment by √	BluePeak Private Capital in Robust International	Blend Financial Services	Covington & Burling		$25m	Sep 16
M&A	Africa	Reverse takeover	Kibo Energy by ESGTI AG: diverse portfolio of renewable energy projects across Europe and Africa	River Group			€400m	Sep 16
M&A	Africa	Investment by √	Africa Go Green Fund in BioLite to finance the distribution of improved cookstoves across 10 African countries				$5m	Sep 23

√ Private Equity deal

DEALMAKERS AFRICA Q3 2024 (excludes South Africa)				TOMBSTONE PARTIES				
◆	COUNTRY	TRANSACTION TYPE	DETAILS	FINANCIAL ADVISER	LEGAL ADVISER	TRANSACTIONAL SUPPORT SERVICES	ESTIMATED TRANSACTION VALUE	ANNOUNCED
WEST AFRICA								
M&A	Côte d'Ivoire	Investment by √	WIC Capital in Wood Packaging Industry				undisclosed	Sep 9
M&A	Côte d'Ivoire	Acquisition by	AFG Holding SA of a controlling stake in Access Microfinance Holding AG and indirectly its African subsidiaries	FINACTU	Willkie Farr & Gallagher; Norton Rose Fulbright; Dentons Europe	Mazars (France)	undisclosed	Sep 18
M&A	Côte d'Ivoire	Acquisition by	AXIAN Investment (AXIAN Group) of a stake in WiASSUR				undisclosed	Sep 24
M&A	Ghana	Disposal by	AIH International (Attacq) and Hyprop Investments Mauritius (Hyprop Investments) of Accra Mall, Kumasi City and West Hills Mall to Lango Real Estate		Herbert Smith Freehills South Africa		$27,3m	Aug 12
GCF	Ghana	Debt funding by †	Stanbic Bank Ghana and Growth Investment Partners to Fido [part of Series B]				$10m	Sep 3
M&A	Ghana	Investment by	BlueOrchard Finance and FMO in Fido [part of Series-B]				$20m	Sep 3
GCF	Guinea	Loan by †	International Finance Corporation to Marifala Gallery Sarlu to construct a modern industrial complex				$13m	Sep 12
M&A	Nigeria	Investment by √	EHA Impact Ventures, TVC Labs and Innovest Africa in Blueroomcare [pre-seed]				undisclosed	Jul 2
M&A	Nigeria	Acquisition by	Zedcrest Group of RMB Nigeria Stockbrokers				undisclosed	Jul 3
GCF	Nigeria	Rights issue by	Access Holdings: 17,772,612,811 are at ₦19.75 per share	Chapel Hill Denham Advisory; Coronation Merchant Bank; Stanbic IBTC Capital; Vetiva Advisory Services; Greenwich Merchant Bank; FCSL Asset Management Company; CardinalStone Partners; First Ally Capital; FCMB Capital Markets; Renaissance Securities (Nigeria); Meristem Capital	Aluko & Oyedobe; Wigwe & Partners; Templars; Banwo & Ighodalo; Paul Usoro & Co	KPMG Professional Services	₦351bn	Jul 7
GCF	Nigeria	Syndicated loan facility by	FMO, British International Investment, BIO, BlueOrchard, FinDev Canada, Finnfund, Norfund, Oikocredit and Swedfund to Access Bank				$295m	Jul 16
M&A	Nigeria	Disposal by	TotalEnergies EP Nigeria of its 10% stake in SPDC JV licenses to Chappal Energies				$860m	Jul 17

√ Private Equity deal † Debt/funding transaction – excluded for ranking purposes – refer ranking criteria

DEALMAKERS AFRICA Q3 2024 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS	TOMBSTONE PARTIES: FINANCIAL ADVISER	LEGAL ADVISER	TRANSACTIONAL SUPPORT SERVICES	ESTIMATED TRANSACTION VALUE	ANNOUNCED
GCF	Nigeria	Rights issue by	FCMB Group: 15,197,289,219 shares at ₦7,30 per share	Chapel Hill Denham Advisory; FCMB Capital Markets; Capital Bancorp; Coronation Merchant Bank; FBNQuest Merchant Bank; FSDH Capital; Futureview Financial Services; Meristem Capital; Stanbic IBTC Capital; United Capital	Banwo & Ighodalo; Olaniwun Ajayi	Ernst & Young	₦110,9bn	Jul 23
M&A	Nigeria	Investment by √	Village Capital's Reducing Inequalities Investment Facility in Coamana				$500,000	Jul 26
GCF	Nigeria	Rights issue by	Zenith Bank: 5,232,748,964 shares at ₦36.00 per share	Stanbic IBTC Capital; Quantum Zenith Capital & Investment; Cardinal Stone Partners; Chapel Hill Denham Advisory; Coronation Merchant Bank; Meristem Capital; Vetiva Advisory Services	Banwo & Ighodalo; Olaniwun Ajayi	PWC; Deloitte & Touche	₦188bn	Jul 29
M&A	Nigeria	Acquisition by √	MTN Nigeria (MTN) of the remaining 7.17% stake in MoMo Payment Service Bank from Acxani Capital				$4,36m	Aug 2
M&A	Nigeria	Disposal by	AIH International (Attacq) and Hyprop Investments Mauritius (Hyprop Investments) of Ikeja City Mall In Lagos to Lango Real Estate		Herbert Smith Freehills South Africa		$32m	Aug 12
M&A	Nigeria	Acquisition by	EverQuest Acquisition LLP (Custodian Investments PLC, Aion Investments and Evercorp Industries) of FBNQuest Merchant Bank from FBN Holdings		Banwo & Ighodalo; Olaniwun Ajayi	PwC Nigeria	undisclosed	Sep 6
M&A	Nigeria | Kenya	Acquisition by	Rise of Hisa				undisclosed	Sep 11
M&A	Nigeria	Investment by √	Techstars, Rally Cap VC, DCG Expeditions, Africa Fintech Collective, Musha Ventures and several angel investors in Regfyl [pre-seed]				$1,1m	Sep 17
M&A	Nigeria	Acquisition by	Excelsior Shipping Company of the remaining minority 23.62% stake (354,969,946 shares) in Flour Mills of Nigeria at ₦70.00 per share	Chapel Hill Denham Advisory	Banwo & Ighodalo	Deloitte Nigeria	₦24,8bn	Sep 23
GCF	Senegal	Loan by †	Proparco to Rubyx				€400 000	Aug 26
M&A	Togo	Acquisition by	Enko Education of Cours Lumiére				undisclosed	Jul 2
GCF	Togo	Loan by †	International Finance Corporation and the International Development Association Private Sector Window Blended Finance Facility to Star Garments to build a greenfield clothing factory in the Plateforme Industrielle d'Adétikopé in Lomé				$15m	Jul 8

√ Private Equity deal † Debt/funding transaction – excluded for ranking purposes – refer ranking criteria

DEALMAKERS AFRICA Q3 2024 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS	TOMBSTONE PARTIES: FINANCIAL ADVISER	TOMBSTONE PARTIES: LEGAL ADVISER	TOMBSTONE PARTIES: TRANSACTIONAL SUPPORT SERVICES	ESTIMATED TRANSACTION VALUE	ANNOUNCED
NORTH AFRICA								
M&A	Algeria	Investment by √	Reach Capital, Classera, Brighteye Ventures, e& capital, Cedric Sellin, Mohammed Husamaddin and other investors in LabLabee [seed funding]				$3,4m	Sep 10
M&A	Egypt	Investment by √	Edventures in Elkheta				$400 000	Jul 3
M&A	Egypt	Acquisition by	QuestionPro of CMILES CX				undisclosed	Jul 3
M&A	Egypt	Investment by √	Argentem Creek Partners and existing investors in Dopay [Series A extension]				$13,5m	Jul 16
M&A	Egypt	Investment by √	International Finance Corporation, Development Partners International, Lorax Capital Partners, funds managed by Apis Partners, Lunate and GB Corp in MNT-Halan	Arqaam Capital	Maatouk Bassiouny & Hennawy; Van Campen Liem; Hogan Lovells; Freshfields; Gibson Dunn		$157,5m	Jul 19
M&A	Egypt	Investment by √	KBW Ventures in NoorNation				undisclosed	Jul 21
M&A	Egypt	Acquisition by	MNT-Halan of 100% of Tam Finans in Turkey from Actera Group and the European Bank for Reconstruction and Development (EBRD)				undisclosed	Jul 26
M&A	Egypt	Investment by √	Tlcom Capital, Plus VC, Egypt Venture and the HBAN syndicate in Educatly				$2,5m	Jul 29
GCF	Egypt	Debt investment by √	Camel Ventures and GlobalCorp in Cartona [Series A extendion - debt & equity round]				$2,5m	Jul 30
M&A	Egypt	Investment by √	Algebra Ventures, Silicon Badia and the SANAD Fund for MSME in Cartona [Series A extension - debt & equity round]				$5,6m	Jul 30
M&A	Egypt	Investment by √	Silicon Badia and other investors in Synapse Analytics				$2m	Jul 31
M&A	Egypt	Investment by √	White Field Ventures, Vastly Valuable Ventures and some angel investors in Qardy [pre-seed]				undisclosed	Aug 4
GCF	Egypt	Convertible note by √	Lucky ONE to Lorax Capital Partners, KEM, DisrupTech Ventures and other existing investors				$3m	Aug 6
M&A	Egypt	Acquisition by	Noatum Marine of a majority stake in Safina B.V.				undisclosed	Aug 16
M&A	Egypt	Acquisition by √	Entlaq Holding of a minority stake in Brotinni				undisclosed	Sep 9

√ Private Equity deal

DEALMAKERS AFRICA Q3 2024 (excludes South Africa)

				TOMBSTONE PARTIES				
◆	COUNTRY	TRANSACTION TYPE	DETAILS	FINANCIAL ADVISER	LEGAL ADVISER	TRANSACTIONAL SUPPORT SERVICES	ESTIMATED TRANSACTION VALUE	ANNOUNCED
M&A	Egypt	Acquisition by	a consortium of investors comprising SPE PEF III (SPE Capital), the European Bank for Reconstruction and Development (EBRD), Tanmiya Capital Ventures and British International Investors of Tamweely Microfinance S.A.E. from Ayady for Investment & Development, NI Capital Holding for Financial Investments S.A.E. and Post for Investment Company S.A.E.	MF Strategy; Mediterranean Corporate Finance; PricewaterhouseCoopers	Baker McKenzie (Helmy, Hamza & Partners); BLC Robert & Associates; ADSERO - Ragy Soliman & Partners	IBIS Consulting	< EGP2,5bn	Sep 9
M&A	Egypt	Investment by √	EBRD Venture Capital, Endeavor Catalyst, PayPal Ventures, British International Investment, FMO, A15, Nclude and Helios Digital Ventures in Paymob [series B extension]				$22m	Sep 11
M&A	Egypt	Acquisition by √	Sultan Ventures of Acasia Group				undisclosed	Sep 12
M&A	Egypt	Investment by √	Amal bint Abdulaziz Al-Ajlan in Farid [pre-seed]				$250,000	Sep 18
M&A	Egypt	Investment by √	Shorooq Partners, El Sewedy Capital Holding, Acasia Ventures, Plus VC and other investors in SETTLE PAYMENTS [pre-seed]				$2m	Sep 18
M&A	Egypt	Investment by √	EdVentures in Saikoro				undisclosed	Sep 26
M&A	Egypt	Investment by √	EdVentures in The Copywriter				undisclosed	Sep 26
M&A	Egypt	Investment by √	EdVentures in Techy App				undisclosed	Sep 26
M&A	Egypt	Investment by √	EdVentures in SchoolZ				undisclosed	Sep 26
M&A	Egypt	Investment by √	EdVentures in Armstrong				undisclosed	Sep 26
M&A	Egypt	Investment by √	EdVentures in Tutoro				undisclosed	Sep 26
M&A	Egypt	Investment by √	EdVentures in InvestED				undisclosed	Sep 26
M&A	Morocco	Investment by √	Azur Innovation Management in KWIKS				MAD8m	Sep 11
GCF	Morocco	Mezzanine funding by √	Vantage Capital to Société de Production Maraichére Samir S.A. (SPMS)	Deloitte; Majorelle Capital	Clifford Chance (Morocco); Baker McKenzie (Luxembourg); Mouttaki & Partners	Deloitte Morocco; Emerton; IBIS Consulting	€14m	Sep 23
M&A	Tunisia	Investment by √	Lateral Frontiers, 216 Capital, Outlierz Ventures, Satgana, Octerra Capital, Karim Beguir, Guillaume and other angel investors in Wattnow				undisclosed	Sep 5

√ Private Equity deal

DEALMAKERS AFRICA Q3 2024 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS	TOMBSTONE PARTIES: FINANCIAL ADVISER	TOMBSTONE PARTIES: LEGAL ADVISER	TOMBSTONE PARTIES: TRANSACTIONAL SUPPORT SERVICES	ESTIMATED TRANSACTION VALUE	ANNOUNCED
SOUTHERN AFRICA								
M&A	Botswana	Disposal by	Absa of 100% of shareholdings in Global Alliance Seguros in Mozambique, Absa Life Botswana and Absa Life Zambia to Hollard International (Hollard Insurance)		CMS; ENS; GDA Advogados; Viera De Almeida & Associados		undisclosed	Jul 4
M&A	Botswana	Acquisition by	Belararox of 100% of KCB Resources, the owner of Blackrock and NI MG Northern Nickel [which own the rights to 14 prospecting licenses on the Kalahari Copper Belt]	Evolution Capital			up to 9m Belararox shares	Sep 12
M&A	Botswana	Disposal by	Kamoso [76% held] (Choppies Enterprises) of Mediland Health Care Distribution to V Sanooj and JS Senwelo				BWP100	Sep 13
M&A	Botswana	Joint Venture	BHP Group (BHP) and Cobre: earn-in over Cobre's Kitlanya West and East Copper Projects				undisclosed	Sep 23
GCF	Malawi	Trade finance facility by	African Export-Import Bank (Afreximbank) to National Bank of Malawi				$100m	Sep 25
M&A	Mauritius	Investment by √	Untapped Global in 4G Capital				undisclosed	Sep 27
GCF	Mauritius	Listing of	Emtel: 455,400,000 shares at MUR23.00 each	Absa Bank (Mauritius)	Chambers of Sir Hamid Moollan; SC Legal; JAC Legal	Pricewaterhouse-Coopers; KPMG Advisory Services	MUR10,47bn	Jul 5
M&A	Mozambique	Disposal by	Triton Minerals of its 70% stake in the Ancuabe Graphite Project, its 70% stake in the intellectual property and drill core assets relating to the Nicanda Hill and Nicanda West Projects and its 70% interest in the Cobra Plains mining concession to a subsidiary of Shandong Yulong Gold Co				A$17m	Jul 2
M&A	Mozambique	Disposal by	Absa of 100% of shareholdings in Global Alliance Seguros in Mozambique, Absa Life Botswana and Absa Life Zambia to Hollard International (Hollard Insurance)		CMS; ENS; GDA Advogados; Viera De Almeida & Associados		undisclosed	Jul 4
M&A	Mozambique	Acquisition by	Grindrod Mauritius of the remaining 35% interest in Terminal de Carvão da Matola from Vitol Mauritius	Rand Merchant Bank	ENS		$77m	Sep 18
M&A	Namibia	Disposal by	Trustco Business Developments (Trustco) of a 1.3% stake in Trustco Resources to Riskowitz Value Fund LLP				$4,55m	Jul 17
M&A	Namibia	Disposal by	Sanlam to SanlamAllianz (Sanlam and Allianz joint venture) of its Namibian operations	Standard Bank	Bowmans; Webber Wentzel		R2,5bn	Sep 5
M&A	Zambia	Disposal by	Absa of 100% of shareholdings in Global Alliance Seguros in Mozambique, Absa Life Botswana and Absa Life Zambia to Hollard International (Hollard Insurance)		CMS; ENS; GDA Advogados; Viera De Almeida & Associados		undisclosed	Jul 4
GCF	Zambia	Restructuring and recapitalisation of	Konkola Copper Mines by Vedanta Resources		Bowmans		$245,75m	Jul 19
GCF	Zimbabwe	Loan by	British International Investment to NMB Bank Zimbabwe				$10m	Jul 15
M&A	Zimbabwe	Acquisition by	Tigere Property Fund of 100% of Highland Park Phase 2 from Modern Touch Investments	Kreston Zimbabwe; MMC		PKF	$11,3m	Aug 14
M&A	Southern Africa	Acquisition by	Pepkor Lifestyle (Pepkor) of the furniture businesses operating in SA, Botswana, Lesotho, Namibia, Eswatini and Zambia from Shoprite	Standard Bank	Bowmans; Webber Wentzel		R3,2bn	Sep 3

√ Private Equity deal

LEAGUE TABLE CRITERIA

1. DealMakers AFRICA tracks M&A and other corporate finance activity across the African continent. Transactions are recorded by country and region.
2. DealMakers AFRICA records the following advisory roles:
   a. Investment / Financial / Corporate Adviser
   b. Legal Adviser
   c. Transactional Support Services
3. DealMakers AFRICA records transactions in two category types:
   a. Mergers & Acquisitions (M&A)
   This is defined as resulting in new parties acquiring exposure to new growth opportunities that they did not have prior to the conclusion of the transaction in question.
   b. General Corporate Finance (GCF)
   This includes –
   i. IPOs and share issues
   ii. Share repurchases
   iii. Unbundlings
   iv. Project funding/debt facilities
4. **Transactions are recorded at announcement date except in the following cases:**
   a. Rights issues are recorded at shareholder approval date.
   b. Listings are recorded at date of listing.
   c. If a deal has not been publicly announced but a company has approved the disclosure of the deal to DealMakers AFRICA, the signature date will be used.
   d. DealMakers AFRICA tables record deals by calendar year – January to December.
5. **Transaction classification (Foreign vs Local)**
   a. Local deals involve the acquisition or disposal by a company headquartered in an African country (other than South Africa) or an asset that is based in an African country (other than South Africa).
   Example : A UK-based firm buys a gold mine in Ghana. This is a local deal as the asset is based in Ghana, regardless of who made the purchase or sale.
   b. Foreign deals are recorded when a company being acquired is based in a non-African country, but has subsidiaries/assets in one or more African countries and the sale agreement requires local input to complete the deal – e.g. competition clearance.
6. **Advisory credit**
   a. Firms advising on local deals will get both deal value and deal flow credit.
   b. Local advisory teams will get deal flow credit for foreign deals.
   c. If the advisory firm's role is not listed on the company announcement, proof must be submitted to DealMakers AFRICA.
   d. If an advisory firm advises both parties to a deal, advisory credit will only be given once.
   e. Advisers to advisers will not be credited other than in the case of bookrunners to IPO's, rights issues, listings and bonds.
   f. Companies with offices in multiple countries – deal credit will be awarded under the local entity trading name, but the rankings for the region will be made under the group global name (this applies only to regional group offices and not to member affiliations).
7. **Additional notes :**
   a. Deal values are recorded in the currency announced and converted to US$ for ranking purposes using the exchange rate on the recorded date.
   b. Schemes of arrangements/offers will be included at the maximum consideration until such time as the results are released, at which point the database will be updated.
   c. Acquisition or disposal of properties by property companies – only deals with a minimum value of $10m will be included for ranking purposes (smaller deals will be included for information purposes only and to showcase the advisory firms scope of work, but will not count towards the rankings).
   d. Debt/funding transactions – only transactions valued at $20m and above will be included for ranking purposes (smaller deals will be included for information purposes only and to showcase the advisory firms scope of work, but will not count towards the rankings). This applies only to West Africa.
   e. Any deal that has failed, will be recorded in the tables for information purposes only and will not be included for rankings.
   f. Advisory firms are asked to submit their list of deals by the end of the first week after the close of each quarter. These lists will be checked against our databases and any queries or discrepancies dealt with. Firms will be asked to check and sign off on a final list of transactions credited to them before publishing.
8. DealMakers AFRICA does not accept responsibility for any errors or omissions.

RANKINGS

DealMakers AFRICA will publish transactions for all African countries, but at this stage rankings will only be published for EAST, WEST Africa and pan-Africa regions on an annual basis. Two types of rankings will be published for each region

- **M&A by deal value and deal flow.**
- **GCF by transaction value and transaction flow**