

DealMakers

AFRICA

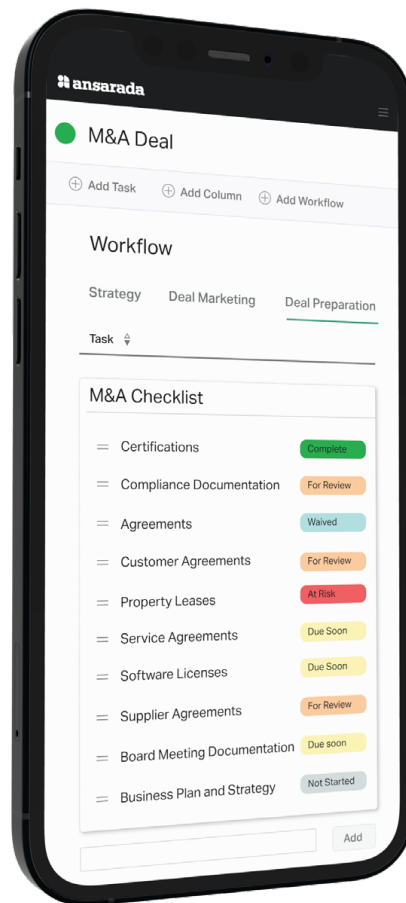
Vol 14: No 2

2021



AFRICA'S CORPORATE FINANCE MAGAZINE

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from the editor's desk

The effects of COVID-19 on M&A activity has highlighted and changed not only the way deals are structured, but also the expectations of the end goal. This issue carries a number of interesting articles to this point.

There is increasing pressure for transactions to take account of the impact on the environmental, social and governance (ESG) strategy, and an interesting article takes a look at how ESG considerations are set to influence dealmaking, investment and growth on the Continent. Also included is an article on the restructuring of distressed private equity portfolio companies and the emergence of 'Earn-outs' as a popular mechanism to structure and secure deals in the face of ongoing COVID-induced uncertainty.

The effect of the pandemic on merger and acquisition activity across the Continent continues, although a gradual recovery is notable. Analysis by **DealMakers AFRICA** shows that the total value of deals (excluding South Africa) captured for the period H1 2021 was US\$6,61 billion (up 17% on H1 2020) off 261 transactions (pg 3). Behind the increase in value, which is deceptive, are a number of large transactions – just 10 deals constitute 67% of the total value at US\$4,429 billion (pg 4). A more meaningful view, perhaps, is the jump in the number of transactions announced. Of the 261 transactions announced (up 40 deals on H1 2020), 54% of these involved private equity firms, reinforcing the view that, at present, the main driver in investment on the Continent is private equity, especially considering that, more often than not, the values of these deals are not disclosed.

West Africa continues to be the most active region, pulled along by Nigeria, which saw US\$1,77 billion in investment over the period (the bulk of that for the region), off 44 transactions, 26 of which were

private equity in nature.

Interestingly, Egypt, which has made the

most notable recovery, has four deals in the top 10 by value for the period across various sectors – pharmaceutical, energy, financial and education, and is less reliant on private equity activity. A robust recovery in M&A activity continues to elude East Africa, and Kenya in particular. While the value of deals reported in Kenya declined 59% to US\$57,6 million, the number of deals announced was up 18% to 40 transactions, 30 of which were private equity transactions.

Until such time as countries can fully open up their economies, investors will remain hesitant. While technology has proven to be a reasonable substitute for certain aspects of the dealmaking process, the need to 'kick the tyres' remains. The call by the World Health Organisation for wealthier nations to halt booster shots of the COVID-19 vaccines, and to do more to share doses with poorer countries who are struggling to get access for their most vulnerable, can only accelerate a return to 'normal'.

DealMakers Online, the database established in 2000, provides a wealth of information on M&A and capital market activity on the Continent. In this issue (pg 6) a new section, 'AFRICA in Numbers', highlights trends that we hope will add value. •

MARYLOU GREIG



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The magazine is available for download at www.dealmakersdigital.co.za

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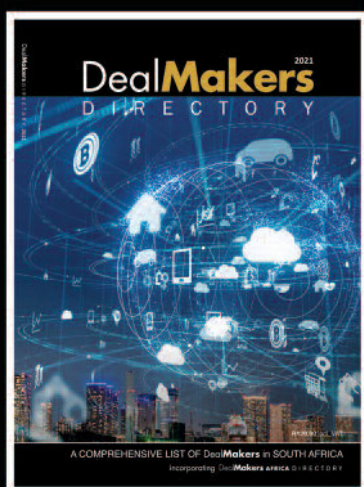
Design & Layout:
Suzie Assenmacher

Deal**Makers AFRICA** is published by the proprietor Gleason Publications (Pty) Ltd, reg no: 1996/010505/07 from its offices at 31 Tudor Park, 61 Hillcrest Avenue, Blairgowrie, Randburg 2194.

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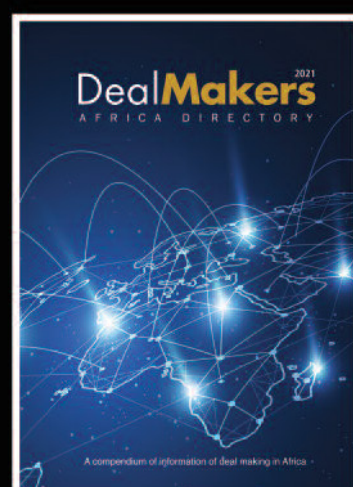


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DealMakers AFRICA M&A Analysis H1 2021

REGIONAL ANALYSIS (Excluding failed deals)

LOCAL DEAL				FOREIGN DEALS		TOTAL		PE ANALYSIS LOCAL	
Region	Country	US \$ Value	No	US \$ Value	No	US \$ Value	No	US \$ Value	No
Africa		6 018 397	1	none		6 018 397	1	none	
Central Africa	Cameroon	8 060 000	4	none		8 060 000	4	6 500 000	2
	DRC	137 600 000	4	none		137 600 000	4	none	
	Equatorial Guinea	94 000 000	1	none		94 000 000	1	none	
	Gabon	90 000 000	2	none		90 000 000	2	none	
		329 660 000	11	0 0		329 660 000	11	6 500 000	2
East Africa	Djibouti	undisclosed	1	none		undisclosed	1	none	
	Ethiopia	5 000 000	4	none		5 000 000	4	5 000 000	4
	Kenya	57 755 000	40	1 000 000	2	58 755 000	42	38 335 000	30
	Rwanda	3 500 000	6	none		3 500 000	6	3 500 000	3
	Sudan	undisclosed	1	none		undisclosed	1	none	
	Tanzania	175 716 149	6	3 204 170 401	1	3 379 886 550	7	350 000	1
	Uganda	6 900 000	5	none		6 900 000	5	6 900 000	5
		248 871 149	63	3 205 170 401	3	3 454 041 550	66	54 085 000	43
North Africa	Egypt	2 588 483 825	46	none		2 588 483 825	46	86 960 000	30
	Libya	undisclosed	1	none		undisclosed	1	none	
	Morocco	137 464 061	9	none		137 464 061	9	220 679	3
	Tunisia	250 000	8	none		250 000	8	undisclosed	4
		2 726 197 886	64	0 0		2 726 197 886	64	87 180 679	37
Southern Africa	Angola	600 000 000	2	3 204 170 401	1	3 804 170 401	3	none	
	Botswana	9 633 564	4	none		9 633 564	4	600 000	1
	Eswatini	undisclosed	1	none		undisclosed	1	none	
	Lesotho	undisclosed	1	none		undisclosed	1	none	
	Madagascar	108 000 000	4	none		108 000 000	4	undisclosed	2
	Malawi	108 000 000	2	none		108 000 000	2	none	
	Mauritius	11 833 884	7	none		11 833 884	7	10 790 000	3
	Mozambique	293 010 653	2	none		293 010 653	2	none	
	Namibia	48 827 434	9	none		48 827 434	9	44 827 434	6
	Zambia	117 114 346	8	none		117 114 346	8	undisclosed	1
	Zimbabwe	3 000 000	2	none		3 000 000	2	undisclosed	1
		1 299 419 881	42	3 204 170 401	1	4 503 590 282	43	56 217 434	14
West Africa	Burkina Faso	undisclosed	1	none		undisclosed	1	none	
	Côte d'Ivoire	60 000 000	6	none		60 000 000	6	undisclosed	4
	Ghana	23 944 844	18	none		23 944 844	18	23 250 000	13
	Guinea	2 500 000	1	none		2 500 000	1	none	
	Liberia	4 208 568	1	none		4 208 568	1	none	
	Mali	132 535 831	6	none		132 535 831	6	undisclosed	1
	Nigeria	1 772 967 580	44	3 204 170 401	1	4 977 137 981	45	287 813 000	26
	Senegal	undisclosed	3	none		undisclosed	3	undisclosed	1
		1 996 156 823	80	3 204 170 401	1	5 200 327 224	81	311 063 000	45
		6 606 324 136	261	9 613 511 203	5	16 219 835 339	266	515 046 113	141

DealMakers 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.

Africa's Largest Deals H1 2021 (Excluding South Africa and foreign deals)

REGION	COUNTRY	NATURE OF DEAL	DETAILS	INVESTMENT ADVISER	LEGAL ADVISER	ESTIMATED DEAL VALUE	ANNOUNCEMENT DATE	VALUE (US\$)
West Africa	Nigeria	Acquisition by	TNOG Oil and Gas [Heirs Holdings and Transnational Corporation of Nigeria] of a 45% stake in OML 17 from Shell Petroleum Development Company of Nigeria [30%], Total E&P Nigeria [10%] and ENI [5%]	United Capital	Templars	\$800m	Jan 15	\$800m
North Africa	Egypt	Disposal by	Bausch Health Companies of its entire stake in Amoun Pharmaceutical Company to ADQ	Goldman Sachs; Morgan Stanley	Wachtell, Lipton, Rosen & Katz	\$740m	Mar 31	\$740m
North Africa	Egypt	Disposal by	Shell Egypt of its upstream assets in Egypt's Western Desert to subsidiaries of Chevron Petroleum and Cairn Energy		Norton Rose Fulbright	\$646m plus a contingency of \$280m	Mar 9	\$646m
Southern Africa	Angola	Acquisition by	Sonangol of the Puma Energy Angolan assets			\$600m	Apr 19	\$600m
North Africa	Egypt	Acquisition by	Arab Bank Corporation (Bank ABC) of a 99.4% stake in Blom Bank Egypt from Blom Bank S.A.L	HSBC Bank Middle East; CI Capital	Freshfields Bruckhaus Deringer; Zulficar & Partners; Baker McKenzie	EGP6,7bn	Jan 17	\$427m
Southern Africa	Mozambique	Disposal by	Sasol to consortium Gas Development Company and Companhia Mocambicana de Gasoduto of a 30% stake in the Republic of Mozambique Pipeline Investments (Rompc). Exercise of pre-emptive rights of 15% stake each	Nedbank CIB	Webber Wentzel	R4,1bn	Jun 27	\$293m
West Africa	Nigeria	Acquisition by	Mwendo (MultiChoice) of a further 29% stake in Blue Lake Ventures t/a BetKing			\$281,5m	Jun 10	\$281,5m
North Africa	Egypt	Acquisition by	Palm Hills Development of a 28.16% stake in Palm Hills Education from Mansour-Maghaby Investment and Development Company (MMID)			EGP4,195bn	Mar 2	\$267,5m
West Africa	Nigeria	Acquisition by	The Rise Fund (TPG) of a minority stake in Airtel Mobile Commerce BV [Airtel Africa]			\$200m	Mar 18	\$200m
East Africa	Tanzania	Disposal by	Airtel Africa of the tower portfolio of Airtel Tanzania to a JV company [subsidiary of SBA Communications Corporation and Paradigm Infrastructure]			\$175m	Jun 2	\$175m

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92%

To investigate an issue

72%

Make an investment decision

Reasons to use digital source for work

48%

Learn what the c-suite is saying

38%

Learn what specific CEOs are saying

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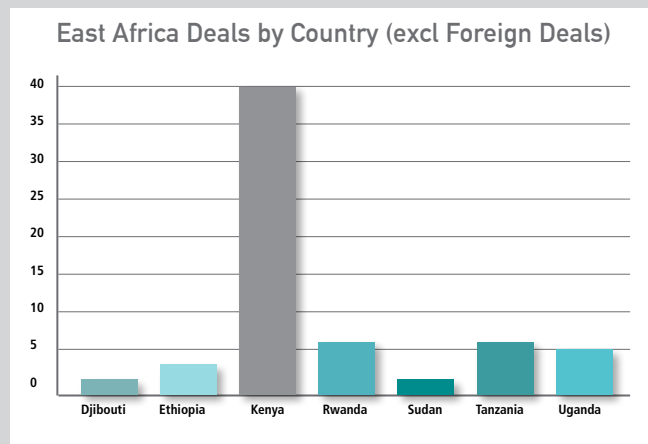
2 OVER
YEARS
2
WITH A PRESENCE
IN SOUTH AFRICA

Africa in Numbers - H1 2021

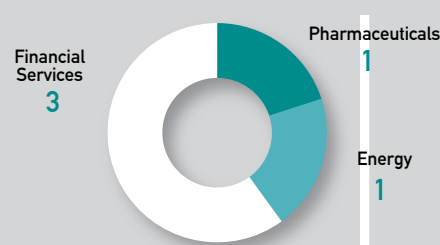
EAST AFRICA

Agriculture	1	3.57%
Education	2	7.14%
Energy	4	14.29%
Financial Services	4	14.29%
Food Beverages	3	10.71%
Healthcare	2	7.14%
Insurance	4	14.29%
Real Estate	1	3.57%
Retail	4	14.29%
Sanitation	1	3.57%
Transportation Logistics	2	7.14%

Kenya PE Deal Activity by Sector (excl debt funding)

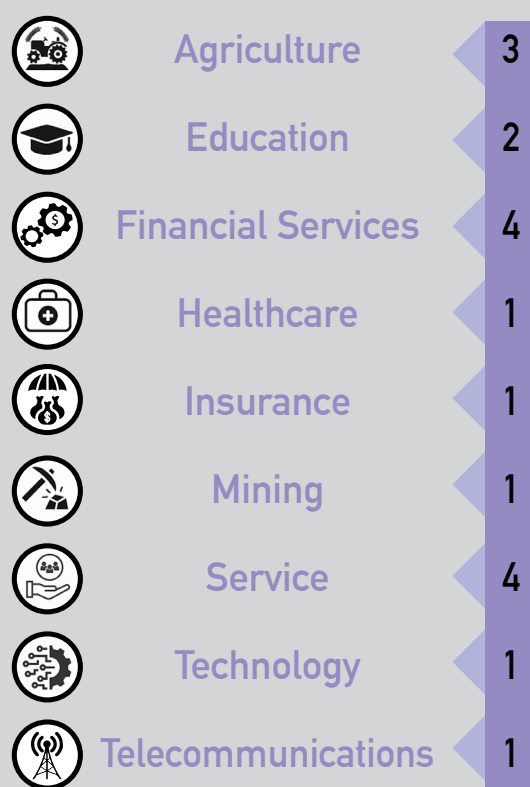


Uganda | PE Deal Activity by Sector (excl debt funding)



WEST AFRICA

Ghana | Deal Activity by Sector



BIGGEST DEAL FOR H1

Acquisition by TNOG Oil and Gas of a 45% stake in OML 17 from Shell Petroleum Development Company of Nigeria [30%]. Total E&P Nigeria [10%] and ENI [5%]
\$800m

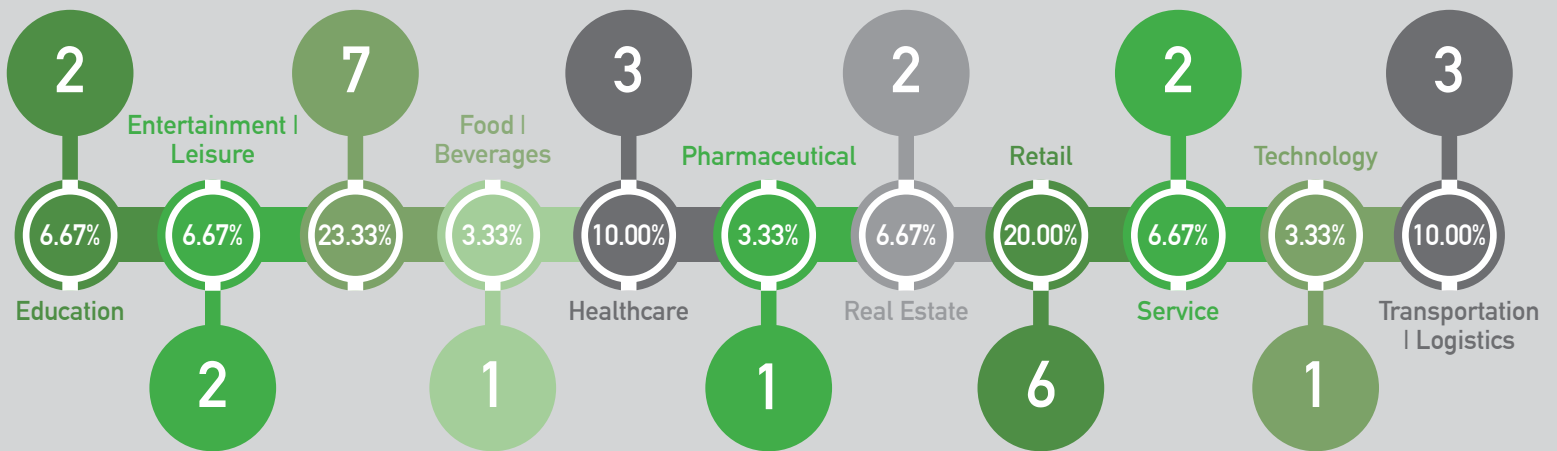
Nigeria PE Deal Activity by Sector (excl debt funding)

Energy	1	3.85%
Education	1	3.85%
Financial Services	9	34.62%
Food Beverages	2	7.69%
Healthcare	2	7.69%
Insurance	1	3.85%
Pharmaceuticals	1	3.85%
Real Estate	1	3.85%
Technology	4	15.38%
Telecommunications	1	3.85%
Transportation Logistics	3	11.54%



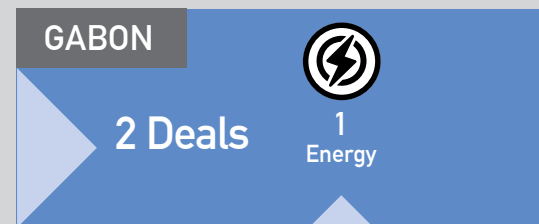
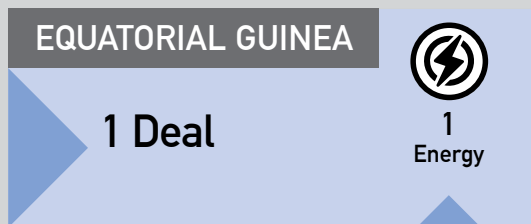
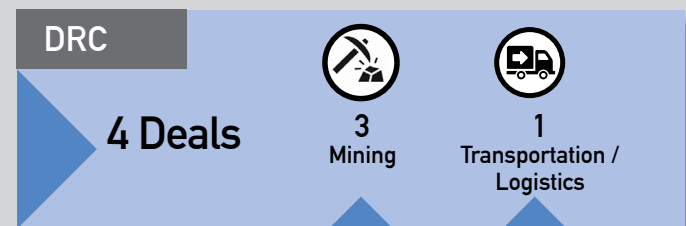
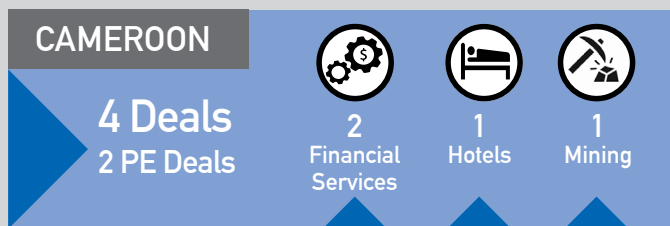
NORTH AFRICA

Egypt PE Deal Activity by Sector (excl debt funding)



CENTRAL AFRICA

Central Africa Deals by Country



SOUTH AFRICA

Southern Africa Deal Activity by Country





T H O R T S

Restructuring distressed private equity portfolio companies in Kenya – an overview

JOYCE MBUI AND VRUTI SHAH

As a result of COVID-19 and other market factors, private equity funds may well have investments in operating entities (Portfolio Companies) that may currently be experiencing declining revenues, liquidity constraints and potential challenges to servicing debt.

Where the business fundamentals of such distressed Portfolio Companies are sound, there may be a number of restructuring options available to them. For restructuring action to succeed, it should be taken at the earlier stages of distress, rather than at a point of no return.

There are three main stages that a company goes through when it is in financial difficulty. The first is **underperformance**, where a cash generative business loses profitability. It is in this phase that the company has its best chance to effect a restructuring.

The next stage is **distress**, where the business of the company cannot fund any of its activities outside of its immediate operations, and it has difficulty meeting its commitments to its lenders or its trade creditors. Action taken in this period is useful, though the options and the environment for a successful restructuring may be less than favourable.

The final stage is **crisis**, where the company faces a critical shortage of cash, forcing it to use all of its cash generated by the business to meet debts as they fall due. By this time, it is either insolvent or about to become insolvent.

What next if a Portfolio Company is in distress?

If a private equity fund finds itself in a position where there are numerous signs that its Portfolio Company may be facing financial distress, then, as a first step, it should consider undertaking an independent business review (IBR) of the company.



JOYCE MBUI



VRUTI SHAH

The IBR would give an indication of the stability of the Portfolio Company and its financial viability in the short to medium term. It will also highlight any areas of concern that need to be addressed. If the results of the IBR reveal areas of concern, then the following considerations need to be taken into account.

Operational restructuring

Operational restructuring involves identifying the causes of operational underperformance and developing a strategy to achieve improvement. Operational restructuring focuses on the profitability of operations. It does not address the capital or financing structures of a company.

Balance sheet restructuring

A balance sheet restructuring involves restructuring the components of the business that form part of the reporting on the balance sheet. This is usually implemented by concessions made by debt and equity holders in an effort to make the balance sheet stronger. Stronger, in this context, can mean a number of things, but always involves the company having less leverage than it did before.

One element of a balance sheet restructuring could be the injection of additional cash. Cash (or liquidity) may be injected by equity or debt. Where a private equity fund is looking at debt financing as a way to raise capital or obtain funding, there are several considerations that it needs to take into account, including:

- the Portfolio Company's leverage ratios;
- contractual obligations and/or restrictions on incurring additional debt;
- whether any structure of debt financing may be treated as a voidable transaction under insolvency laws.

For equity financing, a review of the fund's regulatory documents and shareholders' agreement (SHA) (if any), as well as the company's constitutional documents, is needed to ascertain the:

- funding options and restrictions for the private equity fund at the fund level;
- funding provisions in the SHA; and
- consequences of dilution if the private equity fund has no more capital to inject into the company.

Another element of balance sheet restructuring is reducing leverage. This may be done by way of covenant waivers and resets, debt waivers or haircuts, extended maturity dates, or payment rescheduling combined with company-led contributions, such as non-cash capital contributions or debt for equity swaps for shareholder loans.

Consensual restructuring versus statutory process

Any restructuring may be implemented consensually or by using a statutory process, depending on the situation. Where there are fewer key stakeholders and creditors, it is possible to effect a restructuring by using a consensual contractual route. This type of restructuring will require early, honest and open engagement with the company's lenders and other key stakeholders. However, where there is a multitude of creditors, a formal restructuring process is more appropriate.

What are the available statutory processes?

The following statutory processes are available to implement a restructuring.

- **Scheme of arrangement:** an arrangement carried out between the company and a particular class of members or creditors. In order to be effective, the scheme of arrangement must be approved by the majority of the creditors or members (as applicable) representing 75% in value of those creditors or members. The scheme must be sanctioned by the court and a copy of the sanction order must be filed with the Registrar of Companies in Kenya. This is not an insolvency procedure and can be used by both solvent and insolvent companies.
- **Pre-insolvency moratorium:** this is a procedure that can be used by the directors of an eligible company to obtain temporary protection from creditors while the company considers a business rescue plan. There is no eligibility threshold for a company to qualify for the moratorium, provided that the applying company is in financial distress. The moratorium will be for a period of 30 days, but the court has discretion to extend it for a further 30 days. This process must be supervised by a 'monitor', who must be a licensed insolvency practitioner.
- **Administration:** this allows for the reorganisation of an insolvent company or the realisation of its assets under the protection of an automatic 12-month statutory moratorium. It is conducted by an administrator, who must be a licensed insolvency practitioner in Kenya.
- **Company voluntary arrangements:** this is a procedure, proposed by the directors of a company, which allows a company to satisfy debts owed by paying only a proportion of the amount owed, or coming to another repayment arrangement. It is usually used to restructure unsecured creditors. It is supervised by a supervisor, who must be a licensed insolvency practitioner in Kenya.
- **Liquidation:** This is usually the last resort, where numerous efforts to rescue a company have failed. It spells the death of a company and is conducted by a liquidator, who must be a licensed insolvency practitioner in Kenya.

Other considerations: Director's duties

The private equity fund will have appointed directors to the board of the Portfolio Companies. These

directors will have the same fiduciary duties as all the other directors of the company.

The Kenyan Companies Act has codified common law duties of directors and their conduct and includes possible liability if they fail. The duties owed by a director to a company are altered where that company is in or is facing the threat of insolvency. In those circumstances, directors have a duty to act in the interests of the company's creditors as a whole (i.e. to preserve the value in the company in order to maximise the return to creditors).

This is important because the Kenyan Insolvency Act provides for two statutory offences of wrongful and fraudulent trading, which could result in the directors being personally liable if they are found culpable. Wrongful trading is usually a case of poor judgement or denial, where the directors continue to trade when they know that there is no reasonable prospect of the company avoiding insolvency. Current and former directors can be found liable. Fraudulent trading occurs where the directors knowingly carry on trading with no intent to pay their debts.

Directors can mitigate the risk of liability by taking proactive measures, such as holding regular board meetings which are fully minuted, closely monitoring the company's financial position, ensuring that directors who are nominees do not have conflicts of interest, and seeking legal and financial advice early.

Mbui and Shah are Partners | Bowmans Kenya.



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Earn-outs ensure emerging market deals can carve out the unknowns

DE WET DE VILLIERS

Earn-outs are gaining ground in Africa and other emerging markets as a popular mechanism to structure and secure deals in the face of ongoing COVID-induced uncertainty.

These arrangements – which typically entail a seller of a business or part of an entity only receiving future earnings if certain financial goals are achieved – are giving buyers and sellers much needed certainty and peace of mind.

The World Bank says in its 2021 Global Economic Prospects reports that per capita income losses will not be unwound by 2022 for about two-thirds of emerging market and developing economies. Fortunately, this need not signal the death knell for deals. In fact, AJM is experiencing close to a doubling in demand for earn-outs.

Lower value deals are, of course, going to be with us for some time, but in our experience, the flexibility provided by carefully planned earn-out provisions, together with tailored structured financing solutions and

It is, however, very important to remember that the timing of the various stages of an earn-out transaction becomes important when determining tax consequences. The full purchase consideration is not known and so the payment of each earn-out tranche needs to be assessed for its respective tax consequences. A tax loss can also potentially be created when earn-outs are involved.

earn-out tranche needs to be assessed for its respective tax consequences. A tax loss can also potentially be created when earn-outs are involved.

Let's use a simple example to explain: Let's assume the base cost of shares being sold at the time of the transaction is R100, but only R50 is paid up front. The ultimate purchase price could be as high as R200 if certain conditions are met. Clearly, there is a tax loss at the initial stage, but each completed earn-out



DE WET DE VILLIERS

careful tax management strategies, are seeing many successful deals still being done. This is helping keep emerging market economies healthy and on track for more upside once vaccine rollouts improve.

It is, however, very important to remember that the timing of the various stages of an earn-out transaction becomes important when determining tax consequences. The full purchase consideration is not known and so the payment of each

tranche becomes very important to ultimately determine the overall tax liability of the transaction, keeping in mind a completed earn-out can take up to three years in certain instances.

These amounts impact capital gains tax. In year one, the base cost is used (resulting in the tax loss), but as the earn-out provisions are met, the proceeds will likely have no base cost against which to be offset, which would result in capital gains being realised in subsequent years. In cases where the future is unknown, it may, therefore, make more sense to spread the deal over multiple years.

Other taxes to factor in would then be provisional tax and securities transfer tax. Managing tax risks includes determining value very carefully, which is a complex calculation entailing multiples of profit after tax, historic and future earnings and cash flow, among others.

However, with all these elements in place, uncertainty is reduced substantially and in the current volatile world, this is the way to go.

Earn-outs are not just beneficial for large businesses, as they are helping smaller deals get out of the blocks too, accelerating growth opportunities for buyers and sellers. What we are finding is that earn-outs are proving to be a good way to get through any lingering “deal fatigue”, or reluctance to pull the trigger by an owner who, at the final hurdle, does not want to give up his “baby”.

A well-structured clause will also help buyers when things go wrong, and this leads to a smooth handover, especially as buyers often don’t know the business well enough in the initial stages. We are, therefore, seeing these structures helping with transitions, especially as most of the existing executives are likely to have had an equity stake in the business prior to the sale – and it is often good to ensure that good people with skin in the game are retained for as long as possible.

These structures are also proving important when specific COVID “carve outs” are required – for instance, a condition could be inserted that a store remains open for the deal to be completed. These carve-outs do lead to inevitable delays in the final conclusions of deals, but they are ensuring that buyers are not left in the lurch when lockdowns happen.

It is true that Africa, as a whole, remains frontier territory, with risks for business. AJM has advised on many transactions where earn-outs are being used to factor in these uncertainties, to ensure that deals happen. We have, for instance, found that our clauses which include a carve-out period for election violence are proving popular and necessary. We have found that clients like the certainty that this creates prior to them taking the leap into doing business in Africa.

On the whole, a properly structured earn-out leads to better planning, sustainability and prospects down the line.

While we are faced with an uneven COVID-19 recovery, earn-outs are helping to ensure that economies can keep ticking, with deals still very much on the agenda.

De Villiers is a Director: Private Clients | AJM Tax

ESG considerations set to increasingly influence dealmaking, investment and growth in Africa

DURAN RIBEIRO

Environmental, social and governance (ESG) factors are now quintessential points of discussion, and key strategic informants, in most boardrooms around the world. Some organisations use ESG as the foundation for their vision and strategy, and some seek to leverage ESG factors in an attempt to enhance their public image. Others focus on the potential return, risk mitigation and long-term value that ESG prioritisation can deliver to the firm and, in some cases, to the broader community in which they operate.



DURAN RIBEIRO

From an investment perspective, ESG is primarily concerned with the long-term impact that a company, fund or other investment vehicle can have on the environment, society, and organisational performance. Investors that prioritise these ESG considerations typically follow a strategy of investing in companies that can demonstrate that they are working to make the world a better place or, at least, reduce the negative impact of their operations on the environment.

In recent years, there has been steadily increasing evidence that a strong ESG proposition can create significant value for all stakeholders, including investors, which is why there has been such a significant increase in investor focus on ESG factors when selecting investment opportunities. There is no doubt that ESG is becoming an increasingly important driver of deal activity. Investors no longer simply evaluate balance sheets and financial projections; they want to see evidence of far more complex, nuanced factors that influence long-term value creation. A sincere and measurable ESG commitment is often at the top of that list of non-negotiable factors.

It is not just investors who want to see evidence of this ESG commitment. Regulators and customers have the same expectations of companies, which means that organisations are under pressure from all sides to ensure that demonstrable ESG commitment is one of their most urgent priorities. Small wonder, then, that according to research done by McKinsey, 83% of C-Suite business executives say that over the next two years, ESG factors will become increasingly important to them in their assessment of potential merger and acquisition (M&A) opportunities. This feedback reinforces the fact that companies are increasingly looking beyond whether an acquisition is just a good fit from a business perspective; they are also carefully considering how the M&A transactions they enter into will positively impact their all-important ESG strategies, helping to fuel long-term value, as well as mitigate risks.

Of course, strategic fit and aligned financial profiles are likely to always be the most important factors influencing any company's M&A strategy, but it can be argued that ESG considerations are a significant

component of that strategic fit. In fact, there is likely to be an increasing trend towards selecting an M&A target company based on the potential that it offers to enhance the acquiring organisation's ESG profile. Irrespective of the proportion that ESG considerations make up of the overall M&A assessment, though, the undeniable reality is that ESG will have a part to play in almost every such valuation. And as ESG considerations become more influential in the process of identifying M&A targets, they will also become increasingly important in the pre-deal due diligence process.

Interestingly, however, while ESG considerations have emerged as an integral part of identifying M&A targets, focus on this significant topic has still been all but absent from the vast majority of deal announcements. This will likely change as investors increasingly expect greater ESG transparency from companies in every aspect of their business. When pursuing a transformative deal or adding assets to impact strategy, investors want to understand how the move creates value and how that value is preserved and/or enhanced in the long term, through ESG initiatives.

Based on this expectation, the investment community today views ESG measurement as a core component of effective corporate strategy and, as such, the topic warrants representation in deal communications. It is, therefore, essential that transacting parties acknowledge how ESG considerations impacted the deal process, and how ESG was factored into the entire deal process, from target selection and risk identification to securing finance and preparing for integration. As money continues to pour into funds with a mandate to invest in responsible companies, overlooking communication around ESG in deal announcements could threaten shareholder value.

The COVID-19 pandemic has massively intensified the focus on ESG considerations and standards. This is especially relevant in Africa, where a key focus is obviously ensuring a sustainable recovery from the pandemic. New funding models are needed to underpin this recovery, support those impacted by the pandemic, and ensure a smooth and steady recovery that is sustainable financially, socially and environmentally.

Development financial institutions (DFIs) are key drivers of this recovery, given that they are at the forefront of sustainable developments in emerging economies. But while they have long promoted the ESG agenda, it is only recently that we have seen on-the-ground willingness of projects in Africa to ensure that they are adhering to the same ESG standards prioritised by the DFIs.

As this momentum increases, the DFIs will be in a better position to partner with other finance institutions to develop appropriate, ESG-driven models that can be structured in various ways to propel Africa's post-pandemic recovery forward.

And it is not just in Africa that the pandemic has given rise to intensified discussions about the interconnectedness of sustainability and the financial system. It is estimated that one in every three investments in the world will be ESG-mandated by 2025. Investing evolves as the world evolves, and ESG investing has become a global phenomenon that is set to shape the way M&A materialises across Africa.

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DEALMAKERS AFRICA Q2 2021 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS
EAST AFRICA			
M&A	Djibouti	Acquisition by	Salaam African Bank of Uwezo Microfinance Bank
M&A	Ethiopia	Investment by ✓	Cepheus Growth Capital Partners in JP Textile
M&A	Ethiopia	Acquisition by ✓	OP Finnfund Global Impact Fund I of a stake in EthioChicken
M&A	Ethiopia	Investment by ✓	Addis Ababa Angels Network in Eshi Express
GCF	Kenya	Loan by † ✓	The eco.business Fund to Co-Operative Bank of Kenya [subordinated loan]
M&A	Kenya	Acquisition by	Eat'N'Go of the Domino's Pizza and Cold Stone Creamery franchises in Kenya
M&A	Kenya	Investment by ✓	Persistent Energy Capital in Ecobadaa
M&A	Kenya	Investment by ✓	Blue Haven Initiative and Kepple Africa Ventures in Tibu Health
M&A	Kenya	Investment by ✓	Learn Star Capital, Launch Africa Ventures Fund, Graph Ventures, Century Oak Capital and local and global angel investors in Kidato
M&A	Kenya	Acquisition by	Ajua of WayaWaya
M&A	Kenya	Investment by ✓	Accion Venture Lab with participation from AAIC, Consonance, P1 Ventures, Acuity Ventures, The Continent Ventures partners and Future Africa in Lami Technologies
M&A	Kenya	Acquisition by	Branch International of a majority stake [84.89%] in Century Microfinance Bank
M&A	Kenya	Investment by ✓	ADAP Capital in FarmMoja
M&A	Kenya	Acquisition by	Starsight Energy of a 50% stake in the East African operations [through the creation of Starsight Premier Energy Group] of Premier Solar Group
M&A	Kenya	Acquisition by	Salaam African Bank of Uwezo Microfinance Bank
M&A	Kenya	Investment by ✓	Energy Access Ventures in SolarX Africa
M&A	Kenya	Acquisition by ✓	Proparco of a stake in d.light
M&A	Kenya	Investment by ✓	Mobility 54 Investment [Toyota Tsusho Corporation and CFAO SA] in AiCare Group
M&A	Kenya	Acquisition by	Zaad (Zeder Investments) of a 40% stake in EA Seeds (Kenya)
GCF	Kenya	Share repurchase by	Nation Media Group: 10% [maximum of 20,739,652] shares at Ksh25 per share
M&A	Kenya	Acquisition by	Molmarcom of a majority stake in Monarch Insurance Company
M&A	Kenya	Acquisition by ✓	Adenia Partners of a stake in Africa Biosystems
M&A	Kenya	Investment by ■ ✓	Social Investment Managers and Advisors (Sima) in Renewvia Energy Corporation [for expansion of access to electricity on the islands of Ringiti and Ndeda in Lake Victoria]
M&A	Kenya	Investment by ✓	JAM Fund, Gregory Rockson, Cem Garih, Early Berrywood Capital and some angel investors in Kibanda TopUp [pre-seed]

◆ M&A represents pure mergers and acquisitions, GCF covers transactions where this is not the case
 ■ Foreign transaction - refer ranking criteria

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

TOMBSTONE PARTIES

FINANCIAL ADVISER	FOREIGN FINANCIAL ADVISER	LEGAL ADVISER	FOREIGN LEGAL ADVISER	ESTIMATED TRANSACTION VALUE	ANNOUNCEMENT DATE
				undisclosed	May 20
				undisclosed	May 4
				\$5m	Jun 2
				undisclosed	Jun 9
				\$10m	Apr 1
				undisclosed	Apr 8
				undisclosed	Apr 20
				undisclosed	Apr 26
				\$1,4m	Apr 26
				undisclosed	Apr 28
				\$1,8m	May 5
				undisclosed	May 7
				undisclosed	May 10
		Clyde & Co; Templars		undisclosed	May 12
				undisclosed	May 20
				undisclosed	May 21
		Bowmans		\$10m	May 25
				undisclosed	May 26
PSG Capital				\$12m	May 26
		ENSAfrica		Ksh518m	May 31
				undisclosed	May 31
		Clyde & Co		undisclosed	Jun 1
				\$1m	Jun 2
				\$460 000	Jun 4

DEALMAKERS AFRICA Q2 2021 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS
M&A	Kenya	Investment by ■ √	Proparco, IFU and Si Advisers in Global Tea & Commodities [assist with building a new packaging facility in Mombasa]
M&A	Kenya	Acquisition by √	Launch Africa Ventures and other investors of a stake in Pawame
M&A	Kenya	Investment by √	SANAD Fund for MSME, Aavishkaar, Uncovered Fund and KSK Angel Fund in Sky.Garden
GCF	Kenya	Loan by † √	Vital Impact Relief Facility (Vital Capital) to Sollatek
GCF	Kenya	Loan by † √	Vital Impact Relief Facility (Vital Capital) to Privamnuts
M&A	Kenya	Investment by √	Acumen, I&P and Zephyr with participation from existing investors in Ed Partners Africa
M&A	Kenya	Acquisition by	MarketForce of Digiduka
GCF	Kenya	Facility by † √	The BUILD Fund to Mwezi
M&A	Kenya	Investment by √	Launch Africa Ventures, Century Oak Capital, Consonance and Pariti in Kune [pre-seed]
GCF	Kenya	Credit facility by † √	The Agri-Business Capital Fund (ABC Fund) to Apollo Agriculture
GCF	Rwanda	Mezzanine debt by † √	AgDevCo for Uzima Chicken
M&A	Rwanda	Investment by √	Ecosystem Integrity Fund in Ampersand Rwanda
GCF	Rwanda	Unbundling of	a 20 % stake [270,177,320 shares] in MTN Rwanda by Crystal Telecom to its shareholders
GCF	Rwanda	Listing of	MTN Rwanda: 1,350,886,600 shares at Rwf269 each
M&A	Rwanda	Investment by √	Restart East Africa (Opes-Lcef) in Munyax Eco
M&A	Rwanda	Disposal by √	Kibo Capital Partners of its 6.01% stake in I&M Bank Rwanda to Egide Gatera
M&A	Tanzania	Disposal by	Millicom International Cellular of its entire operations in Tanzania to Axian Group
M&A	Tanzania	Investment by √	Grassroots Business Fund in Rainbow Haulage & Commodities Traders Company
M&A	Tanzania	Disposal by	Airtel Africa of the tower portfolio of Airtel Tanzania to a JV company [subsidiary of SBA Communications Corporation and Paradigm Infrastructure]
M&A	Uganda	Investment by √	MFS Africa with participation from DRK Foundation, Equilibria Capital and Segal Family Foundation in Numida [seed funding]
M&A	Uganda	Investment by √	FCA Investments in Ensibuuko

◆ M&A represents pure mergers and acquisitions, GCF covers transactions where this is not the case
 ■ Foreign transaction - refer ranking criteria

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

TOMBSTONE PARTIES

FINANCIAL ADVISER	FOREIGN FINANCIAL ADVISER	LEGAL ADVISER	FOREIGN LEGAL ADVISER	ESTIMATED TRANSACTION VALUE	ANNOUNCEMENT DATE
		Trinity LLP; Anjarwalla & Khanna; Stephenson Harwood		undisclosed	Jun 4
				\$750 000	Jun 6
				\$4m	Jun 14
				undisclosed	Jun 15
				undisclosed	Jun 15
				\$1,9m	Jun 15
				undisclosed	Jun 15
				\$500 000	Jun 17
				\$1m	Jun 17
				\$1m	Jun 21
		Trust Law Chambers; BLC Robert		\$3m	Apr 8
				\$3,5m	Apr 8
BK Capital; Renaissance Capital		ENSafrica		Rwf72,7bn	Apr 19
BK Capital; Renaissance Capital		ENSafrica		Rwf363,4bn	May 4
				undisclosed	May 13
				undisclosed	Jun 10
Standard Bank				undisclosed	Apr 19
				\$350 000	May 18
				\$175m	Jun 2
				\$2,3m	Apr 13
				\$1m	May 1

DEALMAKERS AFRICA Q2 2021 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS
WEST AFRICA			
M&A	Burkina Faso	Acquisition by	Thor Explorations of the remaining 51% stake in the Central Houndé Project from Barrick Gold Corporation in exchange for 1% Net Smelter Royalty
GCF	Burkina Faso	Loan by † √	Agri-Business Capital Fund (ABC Fund) to Kaworo
GCF	Côte d'Ivoire	Investment by † √	Energy Entrepreneurs Growth Fund [managed by Triple Jump] in Baobab+ for expansion
M&A	Côte d'Ivoire	Investment by √	I&P Acceleration Technologies platform in Keiwa
M&A	Côte d'Ivoire	Investment by √	I&P Acceleration Technologies platform in Legafrik
M&A	Côte d'Ivoire	Disposal by √	Adenia of its 100% stake in Ademat to SPE Capital
GCF	Côte d'Ivoire	Loan by † √	Agri-Business Capital Fund (ABC Fund) to ROCFED
M&A	Côte d'Ivoire	Acquisition by √	Adiwale Fund I of a minority stake in Maintenance Climatisation Technique (MCT)
GCF	Côte d'Ivoire	Project finance by √	Proparco and Emerging Africa Infrastructure Fund (EAIF) for Biovea Energie [first biomass power plant with grid injection in Africa]
M&A	Ghana	Investment by √	GOODsoil VC in BezoMoney
M&A	Ghana	Acquisition by	Zeepay Ghana of a 51% stake in Mangwee Mobile Money Zambia
M&A	Ghana	Disposal by	Millicom International Cellular of its stake in AirtelTigo to the Government of Ghana
M&A	Ghana	Investment by √	I&P Afrique Entrepreneurs 2 in XpressGas
M&A	Ghana	Acquisition by	Asante Gold of 8 concessions [Diaso, Juabo, Manhia, Dunkwa Gyimigya, Gyimigya, Agyaka Manso, Amuabaka and Nkronua-Atifi] from Goknet
M&A	Ghana	Investment by √	Oasis Africa VC Fund in appsNmobile Solutions
M&A	Ghana	Acquisition by	Enterprise Group of Acacia Health Insurance
M&A	Ghana	Disposal by √	Injaro Agricultural Capital of its 30% stake in M&B Seeds and Agricultural Services Ghana to the founder and other shareholders
M&A	Ghana	Investment by √	Oasis Capital Ghana in Joyce Ababio College of Creative Design
M&A	Ghana	Investment by √	Alitheia IDF, Golden Palm Investments, 4DX Ventures, Lightspeed Venture Partners, Asia Pacific Land, Breyer Labs and MSA Capital in Jetstream
M&A	Ghana	Investment by √	Investisseurs & Partners (I&P)[\$3m], GOODsoil VC [\$800,000] and ARK Holdings [\$800,000] in Zeepay

◆ M&A represents pure mergers and acquisitions, GCF covers transactions where this is not the case

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

TOMBSTONE PARTIES

FINANCIAL ADVISER	FOREIGN FINANCIAL ADVISER	LEGAL ADVISER	FOREIGN LEGAL ADVISER	ESTIMATED TRANSACTION VALUE	ANNOUNCEMENT DATE
		Fasken		1% Net Smelter Royalty	Apr 5
				€450 000	May 27
				€2m	Apr 1
				undisclosed	Apr 14
				undisclosed	Apr 14
KeysFinance Partners; Deloitte; KPMG		Asafo & Co; Mondon Conseil International; Gide Loyrette Nouel; BLC Robert		undisclosed	Apr 29
				€300 000	May 27
		Asafo & Co		undisclosed	Jun 10
				€165m plus €13m grants	Jun 11
				\$200 000	Apr 14
Verdant Capital				undisclosed	Apr 16
				undisclosed	Apr 19
				undisclosed	Apr 27
				3m Asante shares	May 28
				\$1m	Jun 2
				undisclosed	Jun 16
				undisclosed	Jun 21
				undisclosed	Jun 25
				\$3m	Jun 29
Verdant Capital; Obsidian Achernar		JLD & MB Legal Consultancy		\$4,6m	Jun 30

DEALMAKERS AFRICA Q2 2021 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS
GCF	Ghana	Investment by †	Absa Bank Ghana [\$1,8m] and First National Bank Ghana [\$1,5m] in Zeepay
M&A	Liberia	Acquisition by	Seahawk Gold Corp of Sama Resources Development Corp. (Cayman) [which holds 100% of Sama Resources Liberia, which holds the Zwedru South Project, the St-John River Gold Project and the Nuon Project] from Sama Resources
M&A	Mali	Acquisition by	Roscan Gold Corporation of the Bantanko East permit (Kandiole Project)
M&A	Mali	Acquisition by	Galiano Gold of ABG Mali Exploration SARL from a subsidiary of Barrick Gold
M&A	Mali	Investment by √	Energy Access Ventures in SolarX Africa
GCF	Mali	Loan by † √	Agri-Business Capital Fund (ABC Fund) to Etablissement Yaffa et Frères (EYF)
M&A	Mali	Acquisition by	GFL International (Ganfeng Lithium) of a 50% stake in Netherlands SPV Company [owner of 100% of Lithium du Mali SA - Goulamina Spodumene Mine Project] from Firefinch
M&A	Nigeria	Investment by √	Samurai Incubate, Launch Africa Ventures and angel investors in PricePally
M&A	Nigeria	Acquisition by	Mastercard of a minority stake in Airtel Mobile Commerce BV [Airtel Africa]
GCF	Nigeria	Bond issue by	MTN Nigeria Communications Plc Series III & IV
M&A	Nigeria	Acquisition by	Eat'N'Go of the Domino's Pizza and Cold Stone Creamery franchises in Kenya
M&A	Nigeria	Acquisition by	DLM Capital Group of Links Microfinance Bank
M&A	Nigeria	Investment by √	Cardinalstone Capital Advisors with participation by V8 Capital, Lateral Investment Partners, Constant Capital and Itanna Capital Ventures in Appzone
M&A	Nigeria	Acquisition by	Access Bank of an additional 41.4% stake in Grobank [total stake now 90.35%] (2nd tranche comprising 769,230,769 shares at R0.39 per share)
M&A	Nigeria	Acquisition by	Access Bank of a 78.15% stake in African Banking Corporation of Botswana (BancABC Botswana) from Atlas Mara
M&A	Nigeria	Investment by √	Susa Ventures, Ticom Capital (follow-on investment), Accenture Ventures and some angel investors in Okra
GCF	Nigeria	Bond listing by (NGX)	Emzor Pharma Funding SPV: 13,729,000 bonds at ₦1,000 each
M&A	Nigeria	Acquisition by	CryptoLocally of Finance Bridge Academy
M&A	Nigeria	Investment by √	Platform Capital in STRAP Technologies [Mexico]

◆ M&A represents pure mergers and acquisitions, GCF covers transactions where this is not the case

† Debt/funding transaction – excluded for ranking purposes – refer ranking criteria

√ Private Equity deal

TOMBSTONE PARTIES

FINANCIAL ADVISER	FOREIGN FINANCIAL ADVISER	LEGAL ADVISER	FOREIGN LEGAL ADVISER	ESTIMATED TRANSACTION VALUE	ANNOUNCEMENT DATE
Verdant Capital		JLD & MB Legal Consultancy		\$3,3m	Jun 30
				8,5m Seahawk shares [20.8% of Seahawk] - C\$5m	May 4
				undisclosed	Apr 12
				\$1,5m	May 3
				undisclosed	May 21
				€250 000	May 27
				\$130m	Jun 14
				undisclosed	Apr 1
				\$100m	Apr 1
Chapel Hill Denham Advisory		Udo Udoma & Belo Osagie; Aluko & Oyebode		₦ 19,8bn and ₦ 53,7bn	Apr 8
				undisclosed	Apr 8
				undisclosed	Apr 9
				\$10m	Apr 12
				R300m	Apr 12
				undisclosed	Apr 19
				\$3,5m	Apr 21
Renaissance Securities (Nigeria); Afrinvest (Nigeria)				₦ 13,7bn	Apr 21
				undisclosed	Apr 27
				\$1,3m	Apr 29

DEALMAKERS AFRICA Q2 2021 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS
M&A	Nigeria	Investment by √	Apitive Capital in Rabawa
M&A	Nigeria	Investment by √	Beta Ventures, Launch Africa Ventures and Greenhouse Capital in BFREE
M&A	Nigeria	Acquisition by	Starsight Energy of a 50% stake in the East African operations [through the creation of Starsight Premier Energy Group] of Premier Solar Group
M&A	Nigeria	Investment by √	Entrée Capital, TCVP, existing investor, Lateral Capital and angel investors in Mono
M&A	Nigeria	Acquisition by	Custodian Investment of up to 34,415,332 UACN Property Development Company shares at 90 kobo per share [mandatory takeover offer]
M&A	Nigeria	Investment by √	Uncovered Fund, Future Africa, Kepple Africa Ventures, ARM, Magic Fund and other angel investors in Bongalow
M&A	Nigeria	Investment by √	Sputnik ATX, Norrsken and The Guardian Nigeria in CribMD
M&A	Nigeria	Disposal by	Shoprite International (Shoprite) to Ketron Investment (Persianas Investment) of Retail Supermarkets Nigeria
M&A	Nigeria	Disposal by	Airtel Africa of the tower portfolio of Airtel Tanzania to a JV company [subsidiary of SBA Communications Corporation and Paradigm Infrastructure]
GCF	Nigeria	Loan by † √	Oikocredit to First City Monument Bank (FCMB)
M&A	Nigeria	Acquisition by	Mwendo (MultiChoice) of a further 29% stake in Blue Lake Ventures t/a BetKing
M&A	Nigeria	Acquisition by	Ardova of 100% of Enyo Retail and Supply
M&A	Nigeria	Investment by √	Kepple Africa Ventures, Rising Tide Africa, Moabi Group and angel investors, Albert Essien, Ibrahim Sanga and Jamie Broderick in Seso Global [pre-seed]
M&A	Nigeria	Disposal by	Capital Hotel of a 51% stake in the company to 11Plc at ₦7.00 per share
M&A	Nigeria	Acquisition by	Jiji of Cars45
M&A	Nigeria	Investment by √	Newtown Partners via the Imperial Venture Fund, CRI Foundation, FINCA Ventures, Techstars and Future Africa in Mdaas Global
GCF	Senegal	Investment by † √	Facility for Energy Inclusion Off-Grid Energy Access Fund [managed by LHGP Asset Management] in Baobab+ for expansion

◆ M&A represents pure mergers and acquisitions, GCF covers transactions where this is not the case

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

TOMBSTONE PARTIES

FINANCIAL ADVISER	FOREIGN FINANCIAL ADVISER	LEGAL ADVISER	FOREIGN LEGAL ADVISER	ESTIMATED TRANSACTION VALUE	ANNOUNCEMENT DATE
				\$163 000	May 7
				\$800 000	May 11
		Clyde & Co; Templars		undisclosed	May 12
				\$2m	May 24
				₦30,97m	May 24
				undisclosed	May 25
				\$2,6m	May 26
Investec Bank				undisclosed	Jun 2
				\$175m	Jun 2
				\$10m	Jun 3
				\$281,5m	Jun 10
Stanbic IBTC Capital; Rand Merchant Bank		Banwo & Ighodalo; Herbert Smith Freehills Paris		undisclosed	Jun 14
				\$600 000	Jun 16
				to be advised	Jun 18
				undisclosed	Jun 28
				\$2,3m	Jun 30
				€2m	Apr 1

DEALMAKERS AFRICA Q2 2021 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS
SOUTHERN AFRICA			
M&A	Angola	Acquisition by	Sonangol of the Puma Energy Angolan assets
M&A	Angola	Acquisition by	Oceana Group from its joint venture partner of the Ocean Boa Pesca fishmeal plant
M&A	Botswana	Investment by ✓	Launch Africa Ventures, Century Oak Capital and some angel investors in Alpha Direct
M&A	Botswana	Disposal by	PPC Botswana (PPC) of PPC Aggregate Quarries Botswana
M&A	Eswatini	Acquisition by	Cambelle Trust of Tin Can Holdings
M&A	Lesotho	Acquisition by	Coca-Cola Beverages Africa of the Maluti Mountain Breweries stake in the soft drinks business, to be renamed Coca-Cola Beverages Lesotho
M&A	Madagascar	Disposal by	Millicom International Cellular of its entire operations in Tanzania to Axian Group
M&A	Madagascar	Investment by ✓	I&P Acceleration Technologies and Miarakap in Sayna
M&A	Mauritius	Acquisition by ✓	TRT Investments of a 49% stake in KAS Africa
GCF	Mauritius	Debt facility by	CDC Group to Export Trading Group (ETG)
M&A	Mauritius	Acquisition by	Critical Metals of a 57% stake in Madini Occidental [which holds a 70% stake in the Small Scale Mining License PEPM 14784 - Molulu project]
GCF	Mauritius	Debt facility by	Standard Bank and Rand Merchant Bank for Lango Real Estate
GCF	Mauritius	Loan by † ✓	U.S. International Development Finance Corporation to Africa Healthcare Network
M&A	Mauritius	Disposal by	Consolidated Infrastructure Group International (Consolidated Infrastructure Group in Business Rescue) to two private individuals of a shareholding in GIGenCo
M&A	Mozambique	Disposal by	Sasol to consortium of black investors (Reatile Group and the Ideas Fund [managed by AIIM - Old Mutual]) of a 30% stake in the Republic of Mozambique Pipeline Investments (Rompcu)
M&A	Mozambique	Disposal by	Sasol to consortium Gas Development Company and Companhia Mocambicana de Gasoduto of a 30% stake in the Republic of Mozambique Pipeline Investments (Rompcu). Exercise of pre-emptive rights of 15% stake each
M&A	Namibia	Disposal by	Consolidated Infrastructure Group (in Business Rescue) to Mergence Unlisted Investment Managers (Namibia) of a 49% stake in the two renewable energy projects in Gobabis
M&A	Namibia	Acquisition by ✓	Kasada Capital Management of the Safari Hotels and Conference Centre in Windhoek
M&A	Namibia	Acquisition by ✓	Namibia Infrastructure Development and Investment Fund (Eos Capital) of Utility Energy Partners
M&A	Namibia	Acquisition by ✓	Allegrow Fund (Eos Capital) of The Mushara Collection [Mushara Lodge, Mushara Bush Camp and Mushara Outpost]

◆ M&A represents pure mergers and acquisitions, GCF covers transactions where this is not the case
 — Failed deal (excluded for ranking purposes)

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

TOMBSTONE PARTIES

FINANCIAL ADVISER	FOREIGN FINANCIAL ADVISER	LEGAL ADVISER	FOREIGN LEGAL ADVISER	ESTIMATED TRANSACTION VALUE	ANNOUNCEMENT DATE
				\$600m	Apr 19
				undisclosed	Jun 2
				\$600 000	Apr 29
				R60m	Jun 9
				undisclosed	May 4
		Webber Wentzel		undisclosed	May 10
Standard Bank				undisclosed	Apr 19
				undisclosed	Jun 30
				\$10m	Apr 14
				\$100m	May 10
				\$100 000	May 20
Standard Bank				\$300m	May 24
				\$5m	May 25
Birkett Stewart McHendrie		Werksmans		R13,5m	not announced
Nedbank CIB; Renaissance Capital		Webber Wentzel; Cliffe Dekker Hofmeyr; Freshfields Bruckhaus Deringer; HRA Advogados		R4,15bn	May 14
Nedbank CIB		Webber Wentzel		R4,1bn	Jun 27
		Cliffe Dekker Hofmeyr		undisclosed	May 7
				undisclosed	May 12
				undisclosed	Jun 2
				undisclosed	Jun 4

DEALMAKERS AFRICA Q2 2021 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS
M&A	Namibia	Acquisition by ✓	Imperial Capital (Imperial Logistics) from Salt Capital Ventures, DEG - Deutsche Investitions - und Entwicklungsgesellschaft, C Kubirske, J-D Geyser and L Geyser of Deep Catch Namibia
M&A	Zambia	Acquisition by	Zeepay Ghana of a 51% stake in Mangwee Mobile Money Zambia
M&A	Zambia	Investment by ✓	Restart East Africa (Opes-Lcef) in WidEnergy Africa
M&A	Zambia	Disposal by	Lafarge Zambia of a 14% stake in Mbeya Cement to Pan African Cement
M&A	Zambia	Acquisition by	Central Copper Resources of Armada Minerals
M&A	Zambia	Disposal by	Financière Lafarge SAS and Pan African Cement of a 75% stake in Lafarge Zambia to Huaxin (Hainan) Investment Co
M&A	Zimbabwe	Acquisition by ✓	Takura Ventures of a 57.4% stake in StarAfrica Corporation from Zimbabwe Asset Management Company
M&A	Zimbabwe	Acquisition by	Tharisa from Leto Settement of Salene Chrome Zimbabwe

NORTH AFRICA

M&A	Egypt	Acquisition by	Agthia Group of a 75.02% stake in Ismailia Agricultural and Industrial Investment
GCF	Egypt	Listing of	Taaleem Management Services: 730,250,000 shares at EGP6.1 per share
M&A	Egypt	Investment by ✓	Global Ventures, A15 and FMO in Paymob
M&A	Egypt	Investment by ✓	A15 in Laverie
M&A	Egypt	Acquisition by	EFG Hermes and The Sovereign Fund of a 76% [51% and 25%] stake in Arab Investment Bank
M&A	Egypt	Investment by ✓	Ahmed Al Alola, Afropreneurs Fund and Jedar Capital in Appetito
M&A	Egypt	Investment by ✓	Cairo Angels in Kashat
M&A	Egypt	Acquisition by	Elsowedy Electric of a 95% stake in PT CG Power Indonesia and 100% of Validus Engineering PVT
M&A	Egypt	Investment by ✓	Sequoia Capital with participation from Global Founders Capital and Class 5 Global in Telda
M&A	Egypt	Investment by ✓	Silicon Badia with participation from 4DX, Plug and Play Ventures, Wealthwell VC, Khawarizmi VC and other investors in Bosta
M&A	Egypt	Acquisition by	Cleopatra Hospital Group of 100% of Alexandria New Medical Center at EGP38.53 per share
M&A	Egypt	Acquisition by	TAT for Medical Services (Alexandria Healthcare Investments) of 100% of Alexandria New Medical Center at EGP49.04 per share

◆ M&A represents pure mergers and acquisitions, GCF covers transactions where this is not the case

✓ Private Equity deal

TOMBSTONE PARTIES

FINANCIAL ADVISER	FOREIGN FINANCIAL ADVISER	LEGAL ADVISER	FOREIGN LEGAL ADVISER	ESTIMATED TRANSACTION VALUE	ANNOUNCEMENT DATE
Investec Bank		Tugendhaft Wapnick Banchetti; Webber Wentzel		N\$633m	Jun 17
Verdant Capital				undisclosed	Apr 16
				undisclosed	May 13
				ZMW26,2m	May 24
				undisclosed	May 25
				\$112,5m	Jun 11
				undisclosed	Apr 28
				\$3m	May 4
				EGP2,4bn	Apr 6
CI Capital; First Abu Dhabi Bank; Renaissance Capital Egypt		Matouk Bassiony & Hennawy; Norton Rose Fulbright		EGP4,5bn	Apr 7
				\$15m	Apr 8
				undisclosed	Apr 12
Pricewaterhouse- Coopers				undisclosed	Apr 13
				\$450 000	Apr 19
				undisclosed	Apr 26
		Bunjamin & Tandjung		\$60m	May 6
				\$5m	May 17
				\$6,7m	May 17
CI Capital				EGP550m	May 17
CI Capital				EGP700m	May 17

DEALMAKERS AFRICA Q2 2021 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS
M&A	Egypt	Investment by √	MSA Capital and Nuwa Capital with participation from EQ2 Ventures, Impact46, Outliers Capital and Rise Capital in Homzmart [Series A]
GCF	Egypt	Listing of	Integrated Diagnostics Holdings: 600,000,000 shares at EGP18,40 each
GCF	Egypt	Mezzanine funding by √	Vantage Capital to PickAlbatros
GCF	Egypt	Debt financing by	International Finance Corporation to Integrated Diagnostics Holdings
M&A	Egypt	Investment by √	Algebra Ventures, Disruptech Ventures and with participation from EFG-EV and angel investors in Mozare3
M&A	Egypt	Investment by √	Flat6Labs Bahrain and Tamkeen in Gamesbandy
M&A	Egypt	Investment by √	EdVentures in iSchool
M&A	Egypt	Investment by √	Openner in tejarra.com
M&A	Egypt	Investment by √	COTU Ventures, Ventures Platform, Kepple Africa Ventures and some angel investors in MoneyHash [pre-seed]
M&A	Egypt	Investment by √	Egypt Ventures in DressCode
GCF	Egypt	Loan by	The African Export-Import Bank (Afreximbank) to Banque du Caire
M&A	Egypt	Acquisition by	eMushrif of Tareeqi
M&A	Egypt	Investment by √	Sawari Ventures and Arzan VC with participation from Egypt Ventures, EFG-VC, The Cairo Angels and Khwarizmi Ventures in Fatura [pre-Series A]
M&A	Egypt	Acquisition by	Tycoon Holding of 90% of Alexandria National Company for Financial Investments at EGP6.25 per share
M&A	Egypt	Acquisition by	Compass Capital for Direct Investment of 100% of Alexandria National Company for Financial Investments at EGP6.12 per share
M&A	Egypt	Investment by √	Maersk Growth and Raed Ventures in Trella
GCF	Egypt	Debt investment by †	Lendable and other financial institutions in Trella
M&A	Egypt	Investment by √	4DX Ventures, B&Y Venture Partners and Global Ventures with participation from regional funds and angel investors in Minly

◆ M&A represents pure mergers and acquisitions, GCF covers transactions where this is not the case
 — Failed deal (excluded for ranking purposes)

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

TOMBSTONE PARTIES

FINANCIAL ADVISER	FOREIGN FINANCIAL ADVISER	LEGAL ADVISER	FOREIGN LEGAL ADVISER	ESTIMATED TRANSACTION VALUE	ANNOUNCEMENT DATE
				\$15m	May 18
EFG Hermes; Renaissance Capital		Clifford Chance; White & Case		EGP11bn	May 20
Zilla Capital		Matouk Bassiouny & Hennawy; Werksmans		\$23m	May 24
Renaissance Capital		Clifford Chance; Nour & Partners in Association with Al Tamimi & Company		\$45m	May 25
				undisclosed	May 26
				undisclosed	Jun 1
				\$160 000	Jun 6
				undisclosed	Jun 6
				undisclosed	Jun 7
				\$250 000	Jun 9
				\$200m	Jun 10
				undisclosed	Jun 13
				\$3m	Jun 14
				EGP29,4m	Jun 16
				EGP31,9m	Jun 20
				\$30m	Jun 22
				\$12m	Jun 22
				\$3,6m	Jun 27

DEALMAKERS AFRICA Q2 2021 (excludes South Africa)

◆	COUNTRY	TRANSACTION TYPE	DETAILS
M&A	Morocco	Investment by ✓	Witamax Once [Southbridge A&I and AXXAM Family Office] in Kezakoo
GCF	Morocco	Loan by	International Finance Corporation in African Hotel Development Luxembourg (Onomo)
M&A	Morocco	Acquisition by	SAN JV (Sanlam and Santam joint venture) from S Alj, Sanam Holdings and First Commercial Estate Company of a further 22.8% stake in SAHAM Assurance Maroc
M&A	Morocco	Acquisition by	Molmarcom of a majority stake in Monarch Insurance Company
M&A	Morocco	Acquisition by	Orange Middle East and Africa and AXA Assurance Maroc of a majority stake in DabaDoc
GCF	Morocco	Exit by ✓	SPE Capital from H&S Invest Holdings (Dislog)
M&A	Tunisia	Acquisition by	Monbat of a 60% stake in Batteries NOUR
M&A	Tunisia	Acquisition by	Britus Education (GFH Financial Group) of a 70% stake in The British International School of Tunis

CENTRAL AFRICA

M&A	Cameroon	Acquisition by	Oriole Resources of a 51% stake in RMC Sarl (exercise of option)
M&A	Cameroon	Investment by ✓	MFS Africa in Maviance
M&A	DRC	Acquisition by	Ningbo Brump CATL New Energy (Contemporary Amperex Technology) of a 25% stake in KFM Holding (China Molybdenum) which holds a 95% stake in the Kisanfu copper-cobalt mine
M&A	DRC	Acquisition by	Rackla Metals of Golden Mining [which is acquiring 99.43% of Casa Mining which holds a 73.5% stake in Leda Mining Conga which owns the Misisi Gold Project]
M&A	DRC	Acquisition by	Critical Metals of a 57% stake in Madini Occidental [which holds a 70% stake in the Small Scale Mining License PEPM 14784 - Molulu project]
M&A	DRC	Acquisition by	International Container Terminal Services of an additional 10% stake in International Container Terminal Services - DR Congo [total stake now 62%] from La Societe D'Investissement et de Placement SARL

AFRICA

M&A	Africa	Disposal by	Ascendis Biosciences and Klipspringer Products (Ascendis Health) to Agricultural Biosciences of Avima, Ascendis Biosciences (East Africa), Klub M5 and Ortus Chemicals
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- ◆ M&A represents pure mergers and acquisitions, GCF covers transactions where this is not the case
- Foreign transaction - refer ranking criteria

✓ Private Equity deal



TOMBSTONE PARTIES

FINANCIAL ADVISER	FOREIGN FINANCIAL ADVISER	LEGAL ADVISER	FOREIGN LEGAL ADVISER	ESTIMATED TRANSACTION VALUE	ANNOUNCEMENT DATE
				MAD2m	Apr 2
				€20,9m	Apr 7
Rothschild & Co		Allen & Overy (South Africa); Webber Wentzel		R1,98bn	May 3
				undisclosed	May 31
				undisclosed	Jun 4
		Hilmi Law; Asafo & Co		undisclosed	Jun 7
				undisclosed	May 11
				undisclosed	Jun 8

				\$1,56m	Apr 6
				\$3m	May 11
				\$137,5m	Apr 12
				11m Rackla shares plus \$4,8m Casa acquisition price	May 5
				\$100 000	May 20
				undisclosed	May 26

Deloitte; Questco				R85m	May 13
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DealMakers **AFRICA** 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 Advisor
 - b. Legal Advisor
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. IPO's 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).
 - b. 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.
 - c. 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. Advisors to advisors will not be credited other than in the case of bookrunners to IPO's, rights issues and listings.
 - 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).
 - 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.



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From powerful partnerships come powerful solutions.

Partner

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