Burbidge Capital

EAST AFRICA FINANCIAL REVIEW

JUNE 2026

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Editor's Note

Deal activity in East Africa's capital markets increased in June, with 10 announced transactions (up from 6 in May), totaling approximately USD 306 million across the eight deals with disclosed values. Private equity investors were the most active participants, accounting for five transactions, followed by M&A activity with three deals and development finance institutions (DFIs) with two. The automotive and financial services sectors led investment activity, each recording three transactions, while agribusiness, energy, healthcare and mining each saw one transaction. Kenya remained the region's most active market with seven announced deals, while Uganda, Rwanda and Tanzania each recorded one transaction during the month.

Globally, investor sentiment improved during June as resilient corporate earnings, moderating inflation expectations, and easing energy market pressures supported a gradual recovery in risk appetite despite ongoing geopolitical uncertainty and elevated financing costs. Capital allocation remained disciplined with investors increasingly favouring fundamentally strong businesses, defensive sectors, and markets offering credible policy reforms and macroeconomic stability. Across Africa, M&A activity continued to gather momentum particularly in infrastructure, financial services, logistics, and critical minerals while development finance institutions and private equity investors remained active in financing productive sectors. Structured financing solutions, including private credit, convertible debt and blended finance, also continued to gain traction as businesses sought more flexible funding alternatives amid tighter credit conditions.

June marked a notable return in investor confidence across Kenya's capital markets despite persistent macroeconomic headwinds. Investors increasingly pivoted from the cautious positioning observed earlier in the year towards high-quality, fundamentally strong assets. This renewed investor confidence was reflected in net foreign inflows of USD 3.98 million into the NSE alongside notable capital market transactions, including Vodafone Kenya's acquisition of a 15% stake in Safaricom and Family Bank's listing by introduction on the Main Investment Market Segment (MIMS). Moreover, strategic investments in the banking sector underscored growing confidence in Kenya's long-term fundamentals. Absa Group announced plans to increase its stake in Absa Bank Kenya from 68.5% to up to 85%, while Nedbank's acquisition of a controlling stake in NCBA Group highlighted continued regional and foreign investor interest in well-capitalised financial institutions. Collectively, these developments signal a broad-based recovery in investor sentiment, with capital increasingly flowing into Kenya's anchor sectors as confidence in the country's long-term growth outlook continues to strengthen.

IMBC's Deal of the Month features the USD 270 million investment of Impact Fund Denmark, Equitane, NewTrails and others in Spiro. Spiro, an Africa-focused electric mobility company, raised the capital to accelerate the expansion of its battery-swapping network, manufacturing capabilities and energy infrastructure across the continent. Having already deployed more than 100,000 electric motorcycles and established over 2,500 battery-swapping stations, the company will use the proceeds to develop solar-powered swap stations, battery energy storage systems, and support its expansion into Ethiopia and the Democratic Republic of Congo. The investment, backed by institutional investors including Impact Fund Denmark, Equitane and NewTrails, reflects growing investor confidence in Africa's clean mobility and energy sectors. The latest raise follows a USD 50 million debt facility from Afreximbank, Nithio and the Africa Go Green Fund less than a year after Spiro secured a landmark USD 100 million equity round led by FEDA, the impact investment arm of Afreximbank.

The listed equities ended with on a bullish note in June, with the NSE 20, NSE 25 and NSE All Share Index posting 6.9% and 9.7% and 9.05 in positive returns, respectively. Average daily turnover increased drastically, to USD90.0 million in June, from USD6.09 million recorded in May. respectively. This strong June performance underpinned a robust Q2 2026, resulting in positive quarterly returns to 15.1%, q/q. Top gainers during the month included Car & General (K) and I&M Holdings which were up by 48.3% and 36.9%, respectively. Sasini and Liberty Kenya Holdings recorded the largest losses ending the month down by 13.5% and 9.7%, respectively.

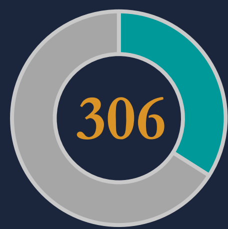
KEY HIGHLIGHTS

- *Total number of disclosed deals in the YTD is 57.*
- *Total disclosed deal values in the YTD now c. USD 663.3 million.*
- *PE investment activity account for 53% of YTD deal activity, with M&A accounting for 26%, DFI accounting for 10%, VC with 7%, and PE Exit and Commercial Debt/Bond comprising 2% each of total corporate deals.*

JUNE

In Numbers

The number of disclosed deals in EA



Disclosed deal value in USD million

IMBC Deal of the Month:

Impact Fund Denmark, Equitane and NewTrails' USD 270 million investment in Spiro

The Editorial Team

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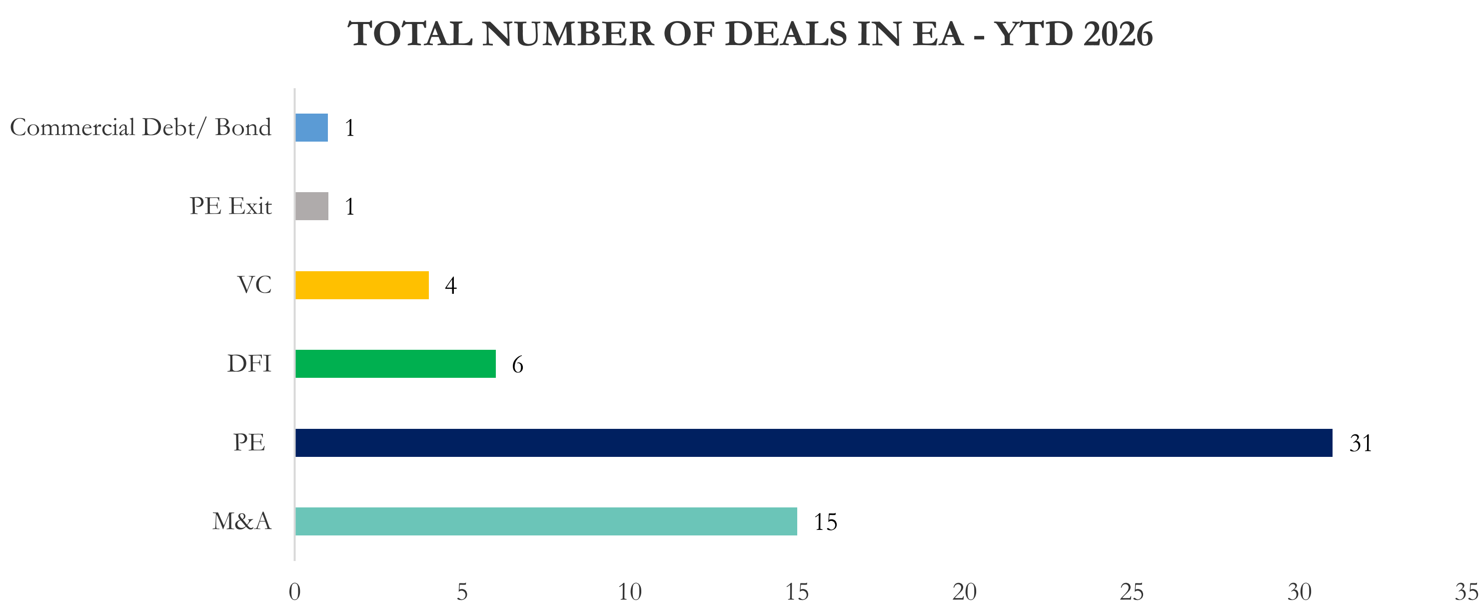
PART I : DEAL STATISTICS

Analysis by Sector

Sector	No. of Deals YTD	Disclosed Deal Value YTD (USD million)
Agribusiness	17	64.9
Financial Services	14	62.5
Automotive	7	351.5
Energy	5	23.7
Healthcare	5	0.6
Logistics	3	59.1
Mining	2	21
Professional and other Services	2	Undisclosed
Hospitality	1	80
Manufacturing	1	Undisclosed

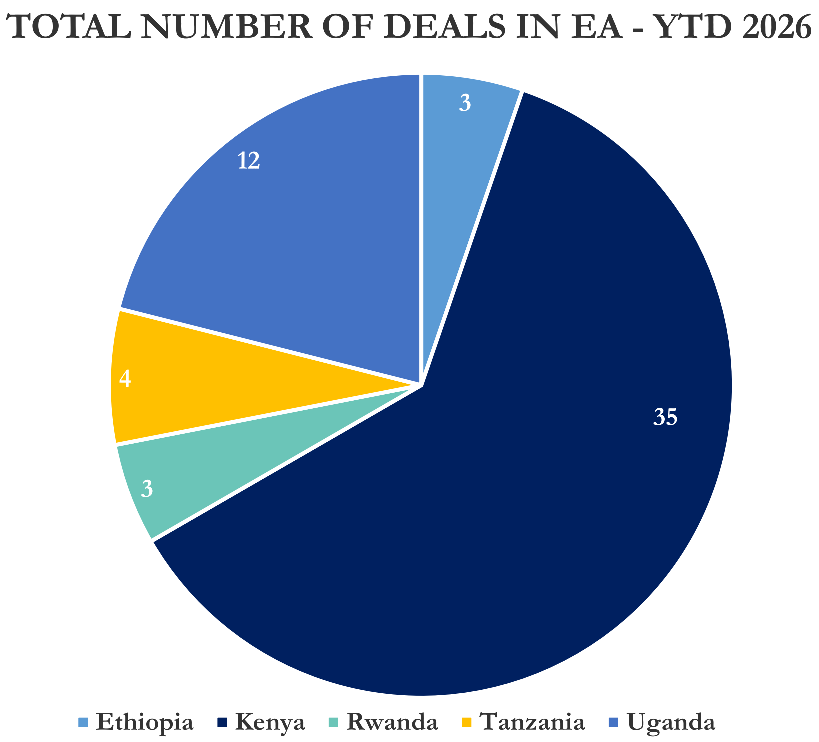
*Deals in the "Sector Analysis" table that have an impact on a company's operations in more than one country have been treated as a single deal. In the "Analysis by Country" chart above, each country operation has been considered as a separate deal. There may therefore be a mismatch between the "Sector Analysis" and "Analysis by Country" deal numbers.

Analysis by Type of Transaction



PART I : DEAL STATISTICS

Analysis by Country



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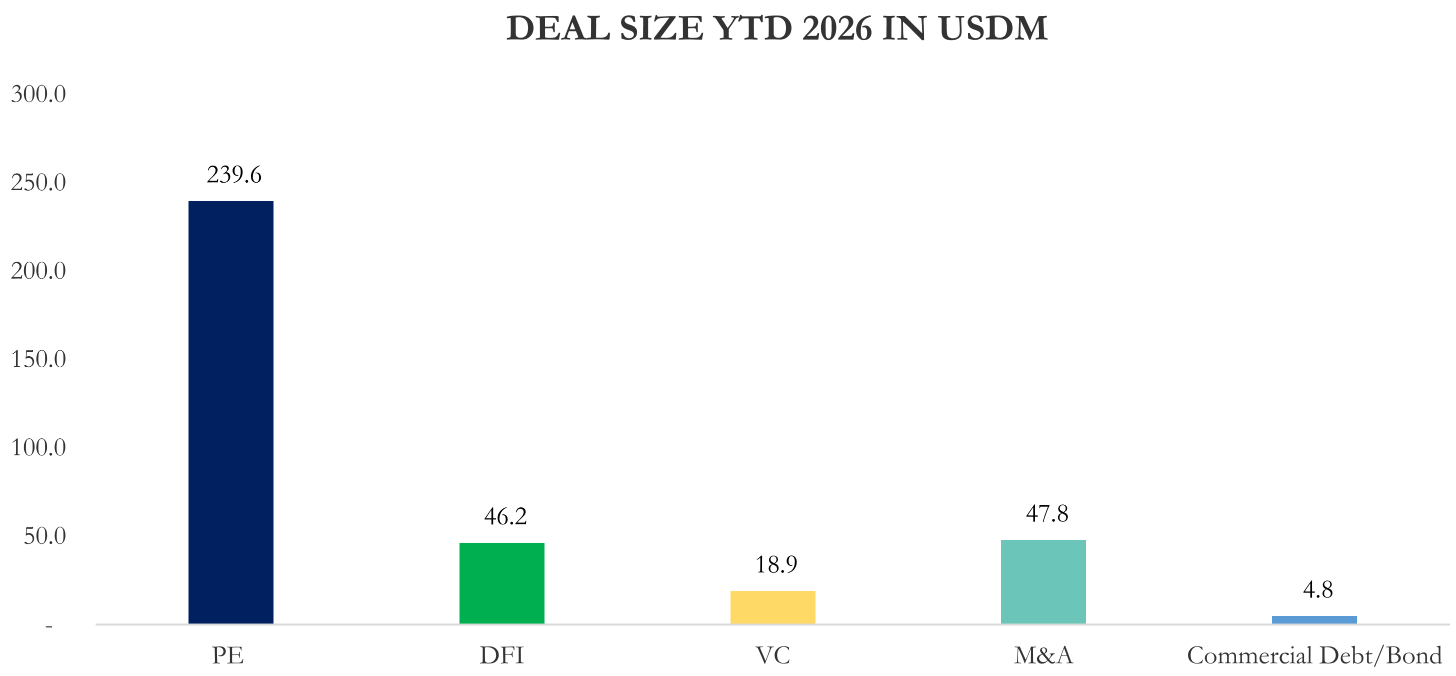

PART II : KEY MARKET INDICATORS

(As at 30th June 2026)

Coupon Rate on Government Securities

Years	91-day	2 year	5 year	10 year
Kenya	8.83%	9.49%	9.63%	12.39%
Tanzania	3.45%	9.50%	10.25%	10.50%
Uganda	11.86%	12.85%	14.60%	15.65%

Source: respective Central Bank

LTM Inflation Rates

Years	Kenya	Tanzania	Uganda	Rwanda
2025 Actual Inflation	3.80%	3.30%	3.90%	7.00%
2026 Projected Inflation	6.40%	4.00%	3.70%	13.60%

Source: World Bank

Central Bank Rates

Country/Region	Rate as at June 2026	Rate as at May 2026
Central Bank of Kenya (Kenya)	8.75%	8.75%
Bank of Uganda (Uganda)	9.75%	9.75%
Bank of Tanzania (Tanzania)	6.25%	5.75%
National Bank of Rwanda (Rwanda)	8.25%	8.25%
National Bank of Ethiopia	15.00%	15.00%
South African Reserve Bank (RSA)	7.00%	7.00%
Central Bank of Nigeria (Nigeria)	26.50%	26.50%
Central Bank of Egypt (Egypt)	19.50%	19.50%
Bank of England (UK)	3.75%	3.75%
Federal Reserve Bank (USA)	3.62%	3.62%
European Central Bank (EU)	2.00%	2.00%

Source: CB Rates

PART III : SELECTED DEALS

Date	Buyer	Seller	Deal size (M USD)	**Sector**	Type	Country	Synopsis
2-Jun-26	Impact Fund Denmark, Equitane and Others	Spiro	215	Automotive	PE - DFI	Kenya	Spiro has announced a USD 215 million investment round to accelerate the deployment of its electric mobility and battery-swapping infrastructure across Africa. Investors include Impact Fund Denmark and Equitane. The company has operations across seven African markets Kenya, Rwanda, Uganda, Togo, Benin, Nigeria and Cameroon and plans to enter new markets such as the Democratic Republic of Congo (DRC) and Ethiopia. Spiro's industrial footprint includes manufacturing plants in Kenya, Rwanda and Uganda, alongside a battery recycling facility in Nigeria.
2-Jun-26	Proparco	Tibu Health	Undisclosed	Healthcare	DFI	Kenya	The company raised an undisclosed amount of venture funding from Proparco on June 2, 2026. The funds will be used to scale its network of clinics offering medical imaging, pediatrics, gynecology, laboratory testing, and telemedicine and help accelerate the rollout of its proximity embedded clinics and improve access to healthcare for underserved populations.
2-Jun-26	Triodos Investment Management	Sun King	4.5	Energy	PE	Kenya	The company raised USD 4.5 million of debt financing on June 2, 2026. The funds will be used for the expansion of its off-grid solar business across sub-Saharan Africa.
9-Jun-26	CFAO Mobility Kenya	Kenya Vehicle Manufactureres (KVM)	18.5	Automotive	M&A	Kenya	CFAO Mobility Kenya has taken a controlling stake of 99.4% in Thika-based Kenya Vehicle Manufacturers (KVM) after investing Ksh2.4 billion in the assembler. The injection of new capital by CFAO resulted in a major dilution of its partners, CMC Holdings and the National Treasury, which now hold 0.3% each in KVM.
10-Jun-26	Janngo Capital and Other Investors	CreditChek	0.6	Financial Services	PE	Kenya	CreditChek, a Nigeria-based credit infrastructure company that enables fintechs, lenders, and financial institutions to assess risk, reduce defaults, and scale lending through credit and alternative data, raised USD 600,000 to expand its data coverage across East Africa. The round was led by Janngo Capital, with participation from existing investor Assembly Investors and new investors Vastly Valuable Ventures and Unipeg Capital.

PART III : SELECTED DEALS

Date	Buyer	Seller	Deal size (M USD)	**Sector**	Type	Country	Synopsis
12-Jun-26	Caro Holdings	Goldrange Resources	10	Mining	M&A	Tanzania	Goldrange Resources reached a definitive agreement to sell a 49% stake in the Mining Rights of Properties Located in Bukombe and Chato Districts, Tanzania, to Caro Holdings (PINX: CAHO) for approximately USD 10 million on June 12, 2026.
23-Jun-26	Proparco	Eden Care	0.3	Financial Services	DFI	Rwanda	The company raised USD 250,000 of venture funding from Proparco on June 23, 2026. The funds will be used to startup strengthen its position in Rwanda, support its expansion into Kenya, and further develop its technology platform designed to simplify health insurance management.
23-Jun-26	NewTrails Capital	Spiro	55	Automotive	PE	Kenya	African electric vehicle platform Spiro announced a USD 55 million investment from NewTrails Capital, a Chinese growth-stage investment fund.
30-Jun-26	Oxano Capital	Delta Bee	Undisclosed	Agribusiness	PE	Uganda	Oxano Capital has invested in Delta Bee, a Uganda-based apiculture business. Through its work with thousands of smallholder beekeepers, the company produces and processes honey and other bee products. “This investment marks the beginning of a long-term partnership. Beyond providing growth capital, Oxano Capital will work alongside Delta Bee by offering strategic guidance, governance support, and access to our network to accelerate the company’s next stage of growth.”
30-Jun-26	Rock Investment Bank	Nabo Capital	2.1	Financial Services	M&A	Kenya	Kenya-based Rock Investment Bank has acquired a controlling 60% stake in fund manager Nabo Capital from Centum Investment Company in a deal estimated at Sh271 million, ending the listed firm’s majority ownership after more than a decade. The transaction hands Rock immediate control of one of Kenya’s established investment managers as competition for institutional and retail savings intensifies among financial services firms.

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