



Burbidge  
Capital

# EAST AFRICA FINANCIAL REVIEW

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JANUARY 2026



## Editor's Note

East African capital markets kicked off the year with a robust deal making environment with 12 deals (from 8 in December), totaling approximately USD 162.3 million in disclosed value across 6 deals with disclosed deal values. Private Equity (PE) led deal activity during the month, emerging as the most active investor segment with 6 transactions, followed by M&A with 3 deals, VC recorded 2 deals and PE-Exit capped the list with a singular entry. Investment activity spanned a diverse range of sectors, led by agribusiness, financial services and logistics each recording 2 deals each. Automotive, healthcare, hospitality and mining recorded singular entries each. Transaction activity was highest in Kenya with 11 deals, while Ethiopia recorded 1 transaction during the month.

Across Africa's venture capital landscape, 2025 has marked a noticeable shift toward more balanced and sustainable funding structures, with venture debt increasingly complementing traditional equity rounds. Rather than relying solely on equity injections, startups are blending equity with structured debt to fund working capital, asset financing, and growth initiatives. This shift not only supports capital efficiency at the company level but also improves risk-adjusted returns for investors by diversifying funding instruments and moderating entry valuations. At the same time, the deepening participation of domestic investors is strengthening local capital formation and reducing overreliance on foreign funding cycles. The rise of venture debt and more locally anchored capital pools is helping stabilise Africa's early-stage ecosystem and move it toward a more resilient, sustainable long-term funding model.

Ethiopia's central bank has eliminated all controls on commercial lending and deposit rates in a far-reaching deregulation measure set to transform liquidity management, credit pricing, and competition within the country's banking industry. In Directive No. NBE/INT/13/2026, issued by the National Bank of Ethiopia and effective January 9, 2025, banks are authorized to independently determine interest rates on all loan and deposit products, according to a document reviewed by Addis Insight. The move brings to a close decades of state-mandated rate setting in one of Africa's most tightly regulated financial systems.

The Kenya Pipeline IPO launched in January 2026, offering 65% of KPC's equity at KES 9 per share, with an expected yield of around KES 106 billion if fully subscribed, making it one of the largest listings in Kenyan history. KPC remains strategically important for Kenya and the broader East African region, transporting petroleum products across a 1 300 km pipeline network. Uganda secured 20% stake in the Company. The IPO is significant for the NSE's efforts to deepen market liquidity and broaden the investor base particularly through electronic and digital subscription avenues that could attract retail participation at scale.

IMBC's Deal of the Month features WASSHA Inc., a Tokyo-based company, and its acquisition of Zaribee, a Kenyan mobility fintech start-up. WASSHA operates one of Africa's largest solar distribution networks, partnering with local kiosk operators to deliver solar-powered energy solutions across multiple markets. Zaribee provides rent-to-own financing for motorcycle taxi (boda boda) riders. The transaction marks a significant consolidation in East Africa's asset-as-a-service sector, combining solar energy distribution with motorcycle financing to broaden access to essential infrastructure for informal workers. Moreover, The acquisition allows WASSHA, which already operates a sprawling network of solar kiosks across Sub-Saharan Africa, to integrate mobility assets into its existing Energy-as-a-Service (EaaS) platform.

The listed equities recorded a positive performance in January, with the NSE 20, NSE 25 and NSE All Share Index posting 5.1%, 4.4% and 4.7% in positive returns, respectively. Average daily turnover increased however, to USD4.75 million, from USD6.52 million in December. Top gainers during the month included Kenya Airways and Uchumi Supermarket which were up by 36.8% and 23.5%, respectively. Olympia Capital Holdings and WPP Scangroup recorded the largest losses ending the month down by 9.5% and 8.7%, respectively.

## KEY HIGHLIGHTS

- The East African private capital markets begin the year with 12 deals.
- Total disclosed deal values in the YTD now c. USD 162.3 million.
- PE investment activity account for 50% of YTD deal activity, with M&A accounting for 25%, VC accounting for 17% and PE Exit comprising 8% of total corporate deals.

## JANUARY

### In Numbers



The number of disclosed deals in EA



Disclosed deal value in USD million



### IMBC Deal of the Month:

WASHHA Inc.'s cross-sector acquisition of Zaribee

### The Editorial Team

KIRIGA KUNYIHA | ODEKE EKIRAPA  
AAYUSH SHAH | JOAN MUIRURI



# PART I : DEAL STATISTICS

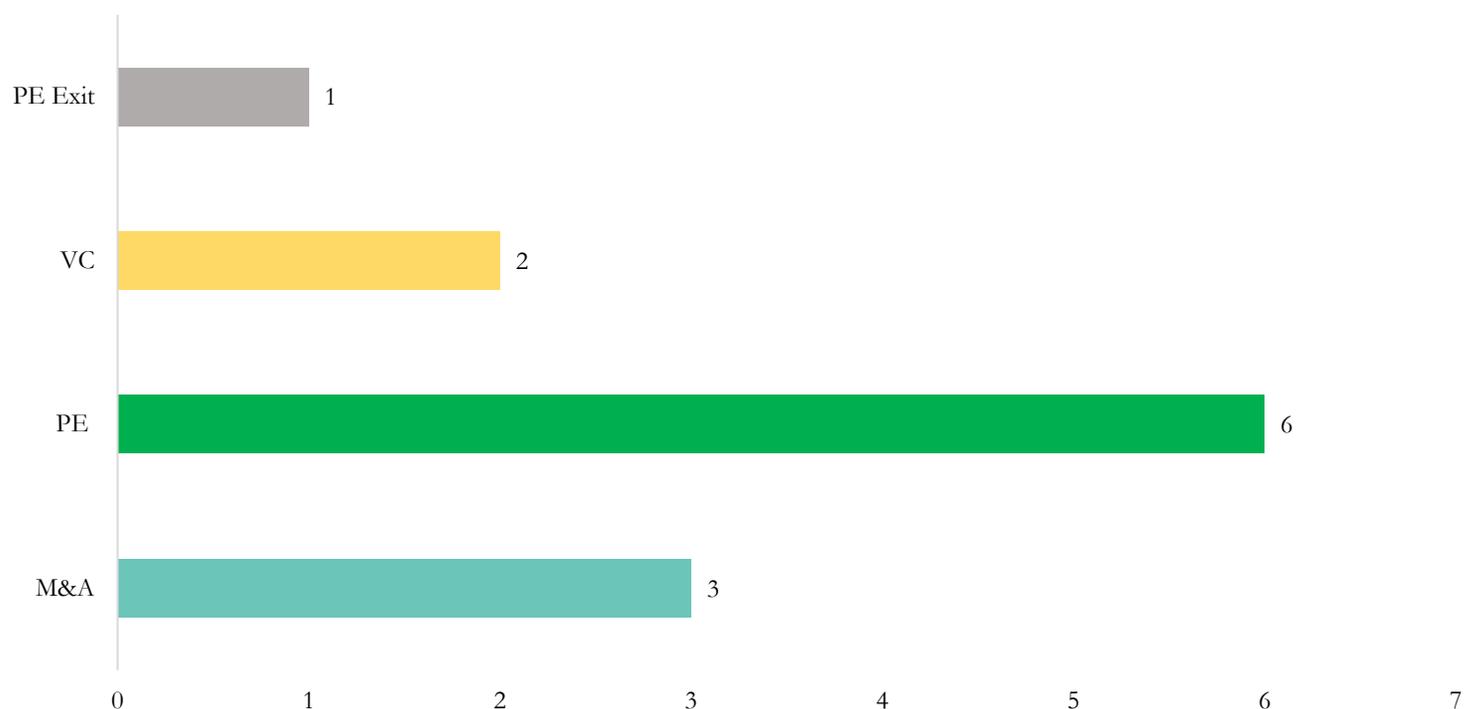
## Analysis by Sector

Sector	No. of Deals YTD	Disclosed Deal Value YTD (USD million)
 Logistics	2	59.1
 Energy	2	9.2
 Financial Services	2	3
 Agribusiness	2	0
 Hospitality	1	80
 Mining	1	11
 Automotive	1	Undisclosed
 Healthcare	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

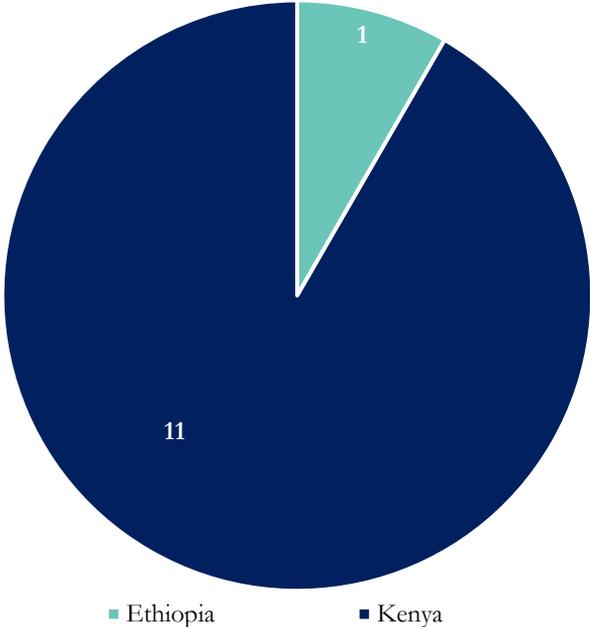
### TOTAL NUMBER OF DEALS IN EA - YTD 2026



# PART I : DEAL STATISTICS

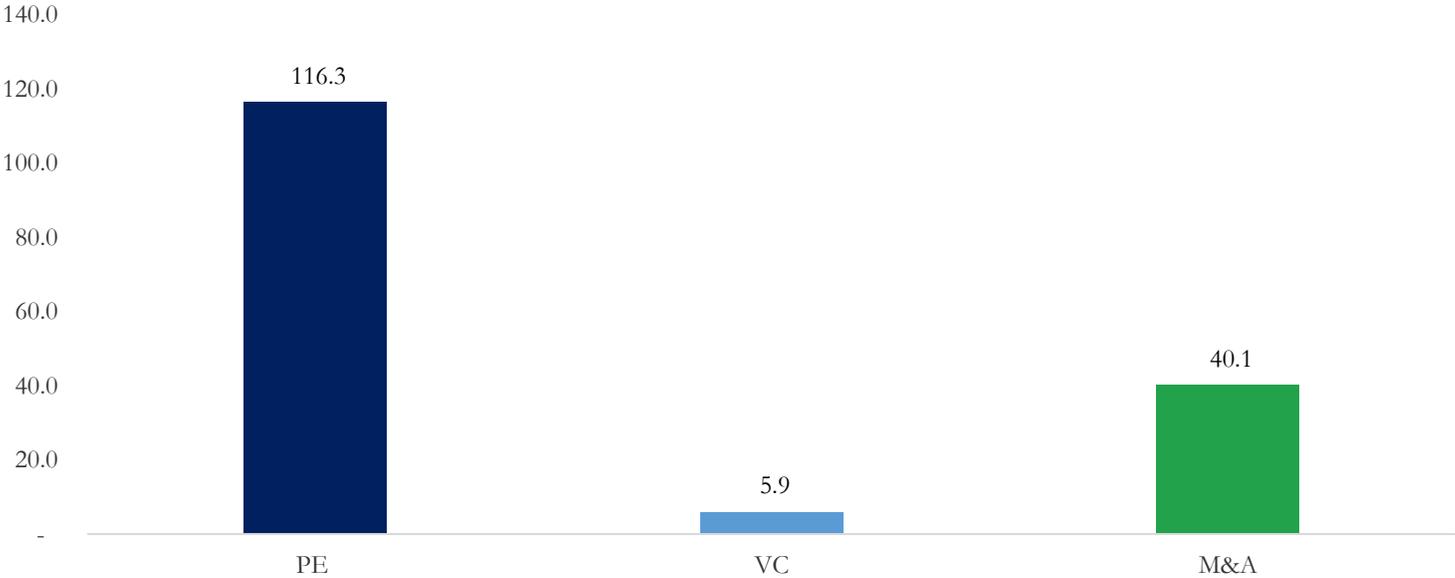
## Analysis by Country

### TOTAL NUMBER OF DEALS IN EA - YTD 2026



\*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.

### DEAL SIZE YTD 2026 IN USDM



## PART II : KEY MARKET INDICATORS

(As at 31<sup>st</sup> January 2026)

### Coupon Rate on Government Securities

Years	91-day	2 year	5 year	10 year
Kenya	7.63%	10.00%	10.05%	12.54%
Tanzania	5.08%	10.00%	10.75%	11.75%
Uganda	11.50%	15.10%	15.50%	16.75%

Source: Refinitive, respective Central Bank

### LTM Inflation Rates

Years	Kenya	Tanzania	Uganda	Rwanda
2025 Actual Inflation	3.28%	3.10%	3.60%	5.70%
2026 Projected Inflation	4.40%	3.30%	3.20%	7.50%

Source: World Bank

### Central Bank Rates

Country/Region	Rate as at January 2026	Rate as at December 2025
Central Bank of Kenya (Kenya)	9.00%	9.00%
Bank of Uganda (Uganda)	9.75%	9.75%
Bank of Tanzania (Tanzania)	5.75%	5.75%
National Bank of Rwanda (Rwanda)	6.75%	6.75%
National Bank of Ethiopia	15.00%	15.00%
South African Reserve Bank (RSA)	6.75%	6.75%
Central Bank of Nigeria (Nigeria)	27.00%	27.00%
Central Bank of Egypt (Egypt)	20.50%	21.00%
Bank of England (UK)	4.00%	3.75%
Federal Reserve Bank (USA)	3.89%	3.89%
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
1-Jan-26	WASHHA Group	Zaribee	Undisclosed	Automotive	M&A	Kenya	Tokyo-headquartered WASHHA Inc. acquired Zaribee, a Kenyan mobility fintech startup, for an undisclosed sum. The deal, which closed on January 1, 2026, marks a significant consolidation in East Africa's "asset-as-a-service" sector—merging solar energy distribution with motorcycle financing in a play that could redefine how informal workers access critical infrastructure.
14-Jan-26	Ikemori Venture Support GK	Mamy	Undisclosed	Healthcare	VC	Kenya	The company raised an undisclosed amount of venture funding from Ikemori Venture Support GK on January 14, 2026. The funds will be used to support regional growth and strengthen operations as demand for affordable eyecare services rises across the region.
16-Jan-26	Triodos Investment Management	MyCredit	3	Financial Services	PE - Debt	Kenya	Digital loans provider MyCredit Limited raised USD3 million (Sh387 million) in funding to expand its loan, guarantee, and insurance services in Kenya. MyCredit said the capital is a senior debt issue from the Netherlands-based Triodos Investment Management.
19-Jan-26	Private Infrastructure Development Group (PIDG)	Sanivation	3.3	Energy	PE	Kenya	The Private Infrastructure Development Group (PIDG) announced a USD3.3 million equity investment to finance the expansion of Sanivation's waste-to-value offering in Kenya. Sanivation, in partnership with Nakuru County, established a pilot project in 2018, transforming human waste into solid fuel briquettes for use in industrial heating.
19-Jan-26	Undisclosed Investors	Neo Energy Metals	11	Mining	PE	Kenya	The company (LON: NEO) received approximately GBP 8 million (USD 10.95m) of development capital from undisclosed investors through a private placement as of January 19, 2026. The proceeds will be used to fund the costs under the 4-phase implementation assessment programme that is underway and is considered sufficient to fully fund the company's working capital requirements through to completion of the Beisa Mine acquisition from Sibanye-Stillwater.
21-Jan-26	Celebi Cargo GmbH	Transglobal Cargo Centre Limited	40.1	Logistics	M&A	Kenya	The Competition Authority of Kenya (CAK) cleared the US\$40.1 million acquisition of Transglobal Cargo Centre Ltd, the operator of Africa Flight Services (AFS) at Jomo Kenyatta International Airport (JKIA), by German air cargo company Celebi Cargo GmbH. AFS, owned by Kenyan businessman Peter Muthoka, handles about a third of export cargo at Kenya's main airport including flowers, vegetables, and other time-sensitive goods.

## PART III : SELECTED DEALS

Date	Buyer	Seller	Deal size (M USD)	Sector	Type	Country	Synopsis
22-Jan-26	Undisclosed Dutch Family Office	GrowPact Kitale	Undisclosed	Agribusiness	PE	Kenya	Truvalu, a global impact investment firm, announced its exit from GrowPact Kitale, a Kenyan company specialising in high-quality seedling production. The exit is a strategic sale to a private Dutch family office. Founded in 2016 by Maicy and Joshua Mugendi, the company addresses a critical agricultural bottleneck: the transition from traditional seed-sowing to professionalised seedling transplanting, which offers significantly higher yields and resilience for smallholder farmers.
22-Jan-26	GrowPact Kitale	Truvalu	Undisclosed	Agribusiness	PE Exit	Kenya	Truvalu, a global impact investment firm, announced its exit from GrowPact Kitale, a Kenyan company specialising in high-quality seedling production. The exit is a strategic sale to a private Dutch family office. Founded in 2016 by Maicy and Joshua Mugendi, the company addresses a critical agricultural bottleneck: the transition from traditional seed-sowing to professionalised seedling transplanting, which offers significantly higher yields and resilience for smallholder farmers.
22-Jan-26	Mirova	Cold Solutions Kiambu	19	Logistics	PE	Kenya	Mirova, through its Mirova Gigaton Fund, announced a USD19 million investment in Cold Solutions Kiambu, a provider of temperature-controlled warehouse and logistics services in Kenya. Cold Solutions Kiambu enhances Kenya's logistics capabilities by focusing on energy-efficient refrigeration systems that directly impact both the agricultural and pharmaceutical sectors.
23-Jan-26	Zenith Bank Plc	Paramount Bank Limited	Undisclosed	Financial Services	M&A	Kenya	Nigeria's Zenith Bank PLC received regulatory approval to acquire 100% of Paramount Bank Limited, paving the way for the Tier 1 lender's entry into the East African market. The Competition Authority of Kenya (CAK) said the transaction does not raise competition concerns in the banking sector, but attached conditions aimed at protecting jobs. Under the approval, Zenith is barred from undertaking immediate staff layoffs as part of the post-acquisition integration.
23-Jan-26	International Finance Corporation (IFC)	Midroc Ethiopia	80	Hospitality	PE - Debt	Ethiopia	The International Finance Corporation disclosed a proposed loan of up to USD80m to Midroc Ethiopia to fund the refurbishment of the Sheraton Addis and the development of a new Sheraton hotel. Midroc is owned by Sheikh Mohammed Hussein Ali Al-Amoudi (75%) and Sofia Saleh Al-Amoudi (25%). The total estimated cost of the project is up to USD116 million.
27-Jan-26	Trine	Miale Solar Inventions Limited	5.9	Energy	VC	Kenya	The company received EUR 5 million (USD 5.9m) of development capital from Trine on January 26, 2026. The investment will help the company to deploy long-term capital into high-quality solar and storage assets for commercial and institutional clients, while maintaining strong risk management and asset performance.

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### Head Office

3rd Floor, 1 Park Avenue  
1st Parklands Avenue, Parklands  
P.O. Box 51525-00100  
Nairobi, Kenya  
Tel: +254 (0) 719 088 160

### Kampala Office

Kingdom Kampala  
Nile Avenue  
P.O. Box 3072  
Kampala, Uganda

### Editorial Team

 **KIRIGA KUNYIHA**, CEO  
 [Kiriga.Kunyiha@imburbidgecapital.com](mailto:Kiriga.Kunyiha@imburbidgecapital.com)

 **ODEKE EKIRAPA**, Senior VP  
 [odeke.ekirapa@imburbidgecapital.com](mailto:odeke.ekirapa@imburbidgecapital.com)

 **AAYUSH SHAH**, Senior Analyst  
 [Aayush.Shah@imburbidgecapital.com](mailto:Aayush.Shah@imburbidgecapital.com)