



Burbidge
Capital

EAST AFRICA FINANCIAL REVIEW

MARCH 2025

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EAST AFRICA FINANCIAL REVIEW

Editor's Note

Deal activity in East Africa's capital markets remained subdued in March, with 6 transactions (6 in February) having been announced, which held a total disclosed value of c. USD 5.43 million (from 3 transactions that had disclosed deal values). M&A was the most active investor segment with 3 transactions, with PE, DFI, and VC recording singular investments each. Activity was broadly spread across a large cross-section of the major sectors in the region with healthcare recording the most transactions with 2 entries, and logistics, energy, ICT and telecommunication services each recording singular entries. Moreover, the FMCG sector recorded its first entry of the year. Kenya took the largest share of deals with 4 deals, with Tanzania and Uganda capping the list with singular entries.

The deal activity in March has brought the year-to-date deal count to 25, reflecting a decrease compared to 41 deals closed during the same period in 2024, whilst the total disclosed deal value increased to USD648.2 million, 1.5 times higher than the same period in 2024. We continue to anticipate moderate activity into Q2 as experienced in Q1, attributable to global macro changes in developed countries that increased caution among investors. However, existing headwinds are hedged by increasing interest in the region, given growing uncertainty and volatility in developed countries encouraging private equity investors to continue focusing on businesses with long-term growth potential. Kenya's macroeconomic environment remains stable, attracting foreign investors seeking currency resilience amidst volatility in developed markets. Equity investors continue to seek platforms that are scalable with a focus on assets that can demonstrate an ability to expand into neighboring countries. The Kenyan shilling has remained relatively stable, depreciating slightly to close at KES 129.3, driven by foreign direct inflows, lower interest rates, and increased liquidity. The April Monetary Policy Committee meeting further lowered the Central Bank Rate by 50.0 bps to 10.00%, encouraging banks to reduce lending rates and as a result, ease inflationary pressures and support GDP growth.

On April 2, President Trump introduced new tariffs, designating the day as "Liberation Day." The measures included a base 10% tariff on all imports into the United States, along with reciprocal tariffs on 60 countries, aimed at addressing trade deficit imbalances. The announcement sent ripples through global markets, leading to declines in stock indexes and a drop in share prices of companies heavily reliant on global supply chains. East African nations were also affected, with each facing the 10% import tariff while Lesotho, Madagascar and Mauritius faced the highest rates being 50%, 47%, and 40% tariffs, respectively. This development is expected to exacerbate trade deficits and impact exports to the US, potentially slowing economic growth in the E.A. region over the short to medium term. Trade disruptions are anticipated, with East African countries experiencing strained trade relations with the US, which could result in reduced export volumes and higher costs for imported goods. It is speculated that these tariffs may be a strategic move by the US to facilitate future bilateral agreements, though the long-term impact remains to be seen as a 90-day pause to additional tariffs for countries (bar China) has seen a rebound in global stock indexes.

IMBC's Deal of the Month highlights Bidco Africa Group's acquisition of Groupaco Holdings Ltd (GHL), marking its expansion into the breakfast cereals and snacks sector. This move significantly enhances Bidco's already diverse portfolio, which has grown since 1985 from a soap manufacturer into a major player in the FMCG industry. With its goods distributed across 17 African countries, today Bidco produces a broad range of edible oils, fats, hygiene and personal care products, as well as food and beverages. The acquisition is expected to leverage Bidco's robust manufacturing and distribution network, driving improved production efficiency and streamlining supply chain operations.

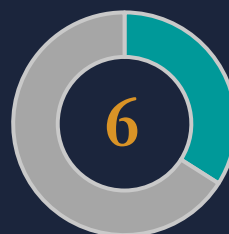
The listed equities recorded a decline in performance in March, with the NSE 20, NSE 25 and NSE All Share Index posting 3.2%, 1.7% and 1.0% in negative returns, respectively. Average daily turnover reduced further to USD3.14 million, from USD3.30 million in February and USD3.70 million in January. Top gainers during the month included Liberty Kenya Holdings and E.A Portland Cement which were up by 32.4% and 20.1%, respectively. Car & General (K) and Centum recorded the largest losses ending the month down by 18.8% and 16.1%, respectively.

KEY HIGHLIGHTS

- Total number of disclosed deals in the YTD is 25.
- Total disclosed deal values in the YTD now c. USD 648.2 million.
- M&A, VC and PE investment activities account for 27% of YTD deal activity each, with DFI accounting for 15% and PE exit activity comprising 4% of total corporate deals.

MARCH

In Numbers



The number of disclosed deals in EA



Disclosed deal value in USD million



IMBC Deal of the Month:

Bidco Africa Group's Acquisition of Groupaco Holdings Ltd (GHL)












The Editorial Team

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PART I : DEAL STATISTICS

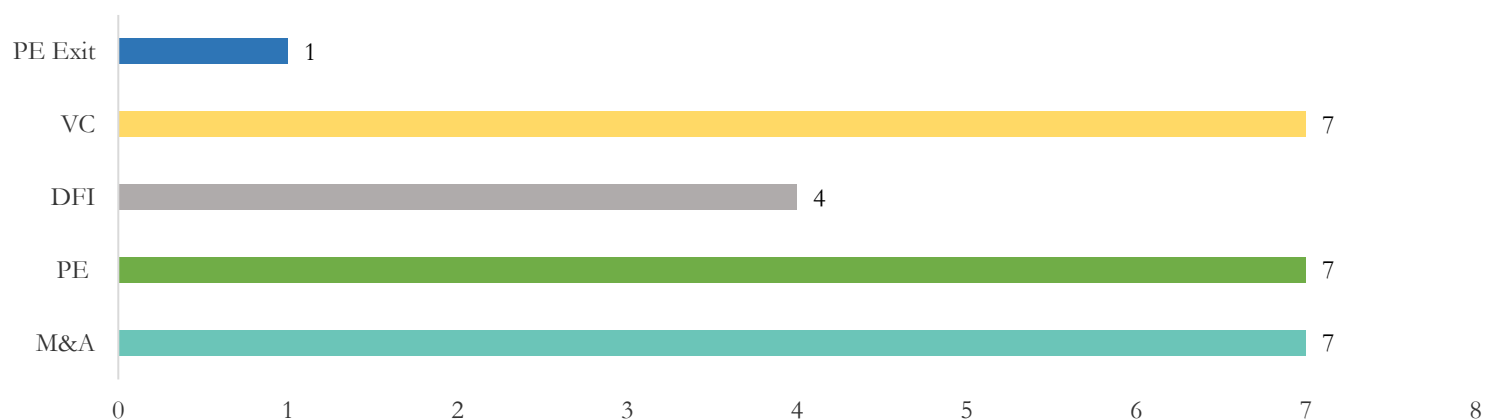
Analysis by Sector

	Sector	No. of Deals YTD	Disclosed Deal Value YTD (USD million)
	Financial Services	6	20
	Agribusiness	3	600.2
	Energy	3	7.5
	Healthcare	3	0.03
	ICT and Telecommunication	2	0.4
	Manufacturing	1	15
	Logistics	1	5
	Professional and other Services	1	Undisclosed
	Entertainment	1	Undisclosed
	Automotive	1	Undisclosed
	FMCG	1	Undisclosed

*Deals in the “Sector Analysis” table that occurred in a one sector but involved different types of transactions have been treated as a single deal. In the “Total Number of Deals in EA” chart below, each type of transaction has been considered as a separate deal. There may therefore be a mismatch between the “Sector Analysis” and “Analysis by Type of Transaction” deal numbers.

Analysis by Type of Transaction

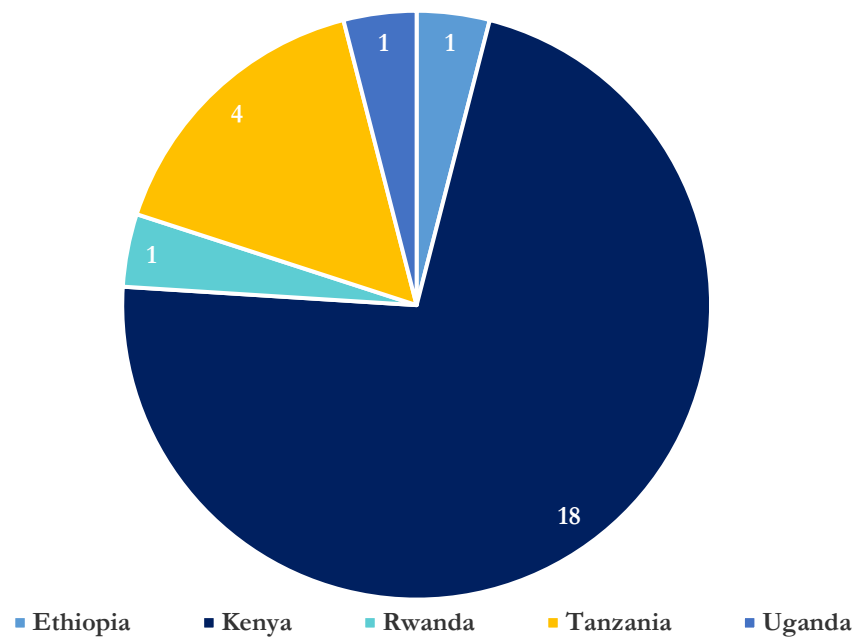
TOTAL NUMBER OF DEALS IN EA - YTD 2025



PART I : DEAL STATISTICS

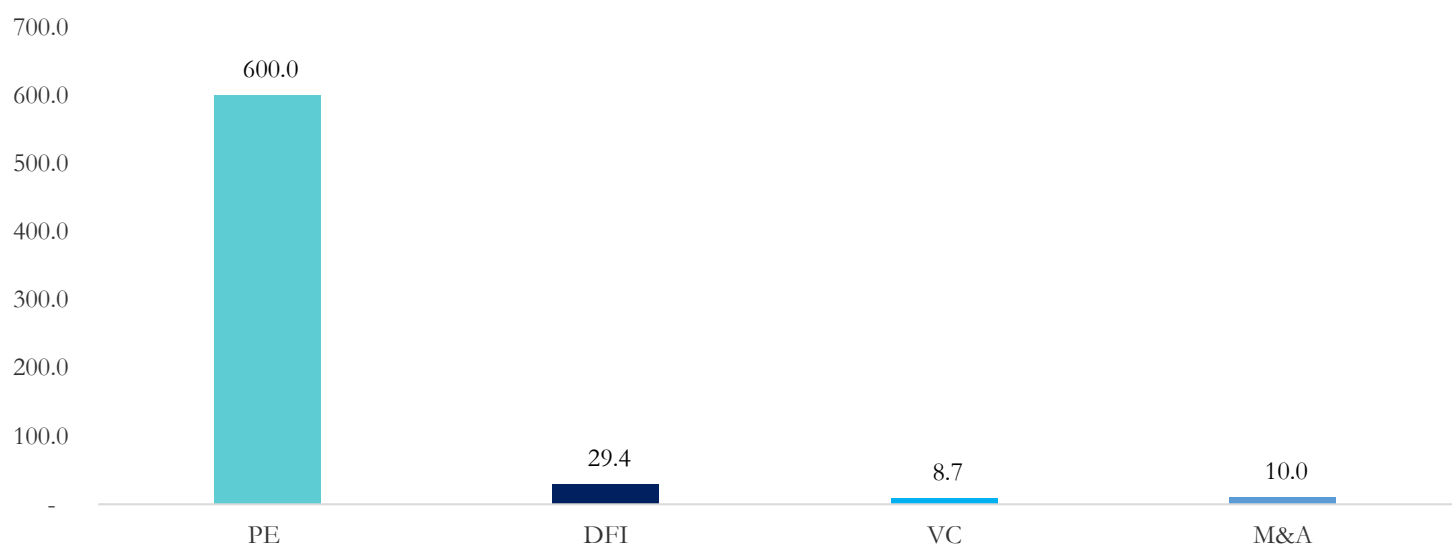
Analysis by Country

TOTAL NUMBER OF DEALS IN EA - YTD 2025



*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 2025 IN USDM



PART II : KEY MARKET INDICATORS

(As at 31st March 2025)

Coupon Rate on Government Securities

Years	91-day	2 year	5 year	10 year
Kenya	8.63%	11.40%	11.50%	13.52%
Tanzania	7.45%	12.55%	13.15%	14.06%
Uganda	11.00%	15.74%	16.25%	17.10%

Source: Refinitive, respective Central Bank

LTM Inflation Rates

Years	Kenya	Tanzania	Uganda	Rwanda
2024 Actual Inflation	5.70%	3.00%	3.30%	10.20%
2025 Projected Inflation	3.60%	3.20%	3.36%	3.80%

Source: World Bank

Central Bank Rates

Country/Region	Rate as at March 2025	Rate as at February 2025
Central Bank of Kenya (Kenya)	*10.00%	10.75%
Bank of Uganda (Uganda)	9.75%	9.75%
Bank of Tanzania (Tanzania)	6.00%	6.00%
National Bank of Rwanda (Rwanda)	6.50%	6.50%
South African Reserve Bank (RSA)	7.50%	7.50%
Central Bank of Nigeria (Nigeria)	27.50%	27.50%
Central Bank of Egypt (Egypt)	27.75%	27.75%
Bank of England (UK)	4.50%	4.50%
Federal Reserve Bank (USA)	4.35%	4.35%
European Central Bank (EU)	2.50%	2.75%

Source: CB Rates

*The Monetary Policy Committee of Kenya lowered the Central Bank Rate (CBR) to 10.00% at its April 8, 2025, meeting.

PART III : SELECTED DEALS

Date	Buyer	Seller	Deal size (M USD)	Sector	Type	Country	Synopsis
3-Mar-25	Thyrocare Technologies Ltd	Thyrocare Laboratories (Tanzania) Ltd	0.03	Healthcare	M&A	Tanzania	Thyrocare Technologies Ltd of India acquired an undisclosed minority stake in Thyrocare Laboratories (Tanzania) Ltd, medical laboratory operator, for a total TZS 64.484 mil (USD 0.025 mil), in a privately negotiated transaction.
4-Mar-25	Bidco Africa Group	Groupaco Holdings Limited	Undisclosed	FMCG	M&A	Kenya	Bidco Africa Group acquired a breakfast cereals and snacks manufacturer, marking the latest deal that increases the products of the firm that started in 1985 as a soap-maker and now also produces cooking oil. The firm acquired the assets and brands of Groupaco Holdings Ltd (GHL), including Fillows, Shapies, Elbbin, and Nibble. The deal marks Bidco's entry into the breakfast cereals and snacks market.
10-Mar-25	Proparco	Badili	0.4	ICT	DFI	Kenya	French development finance institution Proparco granted Kenya-based Badili a USD 400,000 loan, through its Bridge facility. Badili offers refurbished smartphones, providing consumers with affordable devices. Proparco's Bridge facility enables African companies to benefit from bridging finance of up to 24 months to accelerate their development between two rounds of financing.
12-Mar-25	XRP Healthcare	Pharma Ville Limited	Undisclosed	Healthcare	M&A	Uganda	XRP Healthcare, a company focused on healthcare improvements, acquired Pharma Ville, a well-established retail and wholesale pharmacy chain in Uganda. The acquisition marks XRP Healthcare's entry into Africa's growing healthcare sector, setting the stage for efficient, technology-supported pharmaceutical distribution across the continent. Pharma Ville operates two retail pharmacies and five wholesale distribution centers located throughout Uganda, improving access to medicines nationwide.

PART III : SELECTED DEALS

Date	Buyer	Seller	Deal size (M USD)	Sector	Type	Country	Synopsis
18-Mar-25	Mirova	KOKO	Undisclosed	Energy	PE	Kenya	Mirova, an affiliate of Natixis Investment Managers, announced financing for KOKO, a clean-cooking solutions company. Through a scalable carbon finance debt facility, the loan from the Mirova Gigaton Fund will enable KOKO to scale up a new type of residential energy utility across Kenya and Rwanda.
20-Mar-25	Speedinvest and Other Investors	Leta	5	Logistics	PE - VC	Kenya	Leta, a Nairobi-based company that has built a supply chain and logistics operating system, raised USD 5 million in seed funding, led by Speedinvest with participation from Google's Africa Investment Fund and Equator. Founded by Nick Joshi, Kip Maritim and Anthony Ketter, Leta optimises delivery routes, provides real-time tracking, and cuts transport costs for businesses in Africa.

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