Burbidge Capital

# EAST AFRICA FINANCIAL REVIEW

MARCH 2026

# EAST AFRICA FINANCIAL REVIEW

## *Editor's Note*

Deal activity in East Africa's capital markets decreased in March, with 8 announced transactions (down from 11 in February), totaling approximately USD 18.6 million across 4 transactions with disclosed deal values. Private Equity (PE) led deal activity during the month, emerging as the most active investor segment with 4 transactions, followed by M&A and DFI with 2 deals each. Investment activity spanned a diverse range of sectors, led by financial services with 3 deals, agribusiness and healthcare with 2 entries each and professional services capped the list with a singular entry. Transaction activity was highest in Kenya with 5 deals, followed by Uganda with 2 transactions and Rwanda capped the list with 1 entry.

Global macroeconomic conditions in March 2026 continued to exert pressure on African economies, driven by sustained monetary tightening by the U.S. Federal Reserve and the European Central Bank. This stance responds to persistent inflation driven by demand imbalances, supply disruptions, and energy price volatility linked to geopolitical risks around key transit routes such as the Strait of Hormuz, resulting in capital flows shifting toward developed markets and tighter external financing conditions across Africa. These dynamics have translated into tighter financial conditions, currency & inflationary pressures, and constrained fiscal space across the continent. For many African economies, particularly within the energy, downstream processing and manufacturing sectors, these pressures have been further compounded by elevated fuel costs driving inflationary risks, widening current account deficits, and necessitating fiscal and monetary adjustments.

East Africa continues to weather macro economic tailwinds, investors are increasingly prioritizing defensive, cash-generative sectors while mitigating currency risk through export-oriented and hard-currency revenue models. In Kenya, these trends are reflected in valuation resets, extended investment horizons, and a pivot toward structured deals and minority positions. While the near-term environment remains cautious, the market continues to present opportunities for disciplined capital deployment, particularly in resilient sectors with strong fundamentals. Accordingly, investor appetite for venture-stage start-ups has moderated, with capital rotating toward sectors such as financial services (including fintech with proven business models), healthcare and education, and export-oriented agribusiness. At the same time, exit strategies are increasingly skewed toward strategic investors and regional acquisitions, as private equity firms navigate a more constrained exit environment characterized by secondary sales and trade exits. Deal structuring has also evolved, with increased use of structured equity and mezzanine financing to balance risk and return in a tighter liquidity environment.

IMBC's Deal of the Month features the exit by Aga Khan Fund for Economic Development from its 66-year investment in Nation Media Group, through the sale of its controlling stake to Tanzanian businessman Rostam Azizi. The transaction involves the disposal of AKFED's entire shareholding in NPRT Holdings Africa Limited holding a 54.08% stake in NMG to Taarifa Ltd, Azizi's investment vehicle, amounting to 92.6 million ordinary shares. This deal is particularly notable given it This deal is particularly notable given it signals a significant generational transition in ownership from a group that has considerable market-leading assets in the region. It highlights the maturation of legacy investments in the region and signals continued confidence by regional strategic investors in East Africa's media and information sector.

The listed equities ended on a bearish note in performance in March, with the NSE 20, NSE 25 and NSE All Share Index posting 8.5%, 8.9% and 9.8% in losses, respectively. Average daily turnover decreased, to USD7.02 million, from USD8.96 million in February. Top gainers during the month included Africa Mega Agricorp and Eveready East Africa which were up by 20.5% and 7.1%, respectively. Uchumi Supermarket and Kenya Re-Insurance recorded the largest losses ending the month down by 30.4% and 19.9%, respectively.

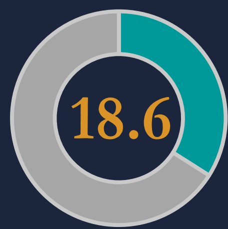
## KEY HIGHLIGHTS

- *Total number of disclosed deals in the YTD is 30.*
- *Total disclosed deal values in the YTD now c. USD 277.7 million.*
- *PE investment activity account for 58% of YTD deal activity, with M&A accounting for 19%, VC and DFI accounting for 10% each and PE Exit comprising 3% 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:

Aga Khan Fund for Economic Development (AKFED)'S exit from Nation Media Group

### *The Editorial Team*

KIRIGA KUNYIHA | ODEKE EKIRAPA
AAYUSH SHAH | JOAN MUIRURI

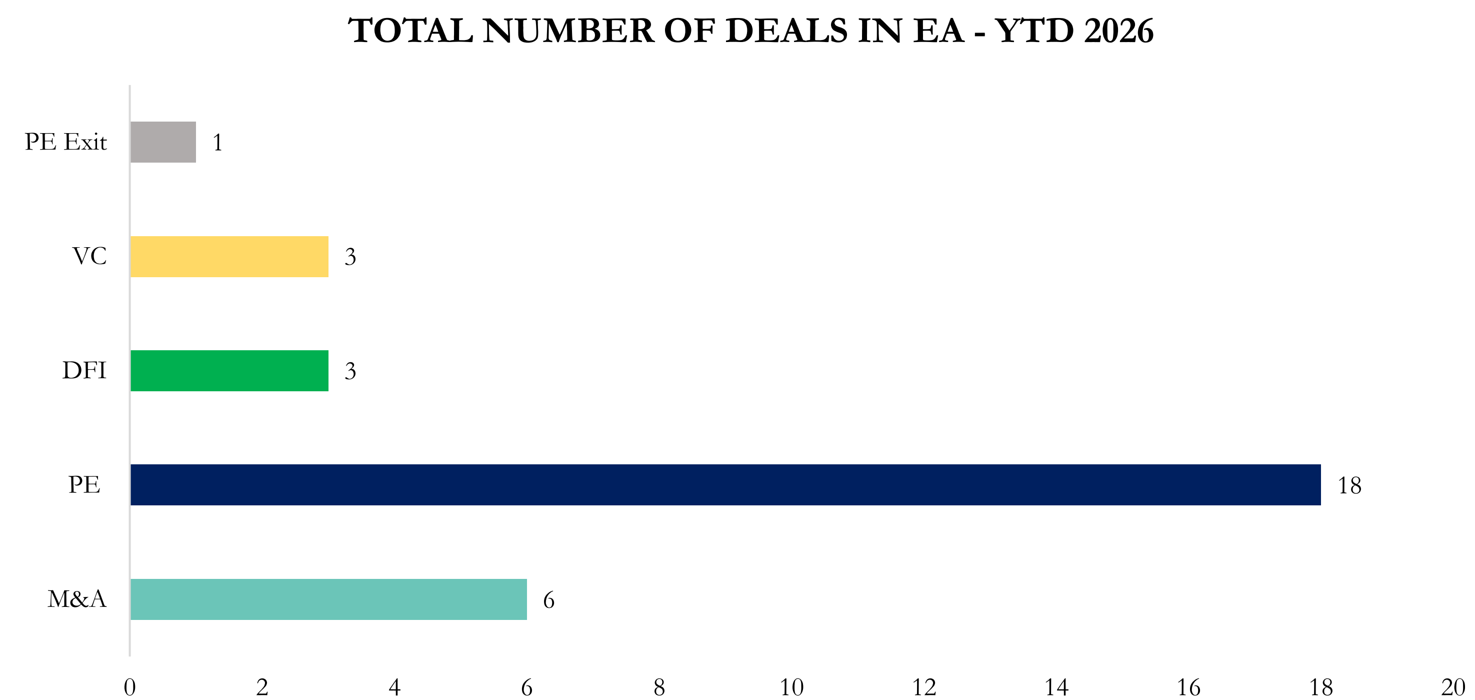
# PART I : DEAL STATISTICS

## Analysis by Sector

| | Sector | No. of Deals YTD | Disclosed Deal Value YTD (USD million) |
|---|---|---|---|
| | Financial Services | 8 | 47 |
| | Agribusiness | 8 | 20.8 |
| | Logistics | 3 | 59.1 |
| | Automotive | 3 | 50 |
| | Healthcare | 3 | 0.6 |
| | Energy | 2 | 9.2 |
| | Hospitality | 1 | 80 |
| | Mining | 1 | 11 |
| | Professional and other Services | 1 | Undisclosed |

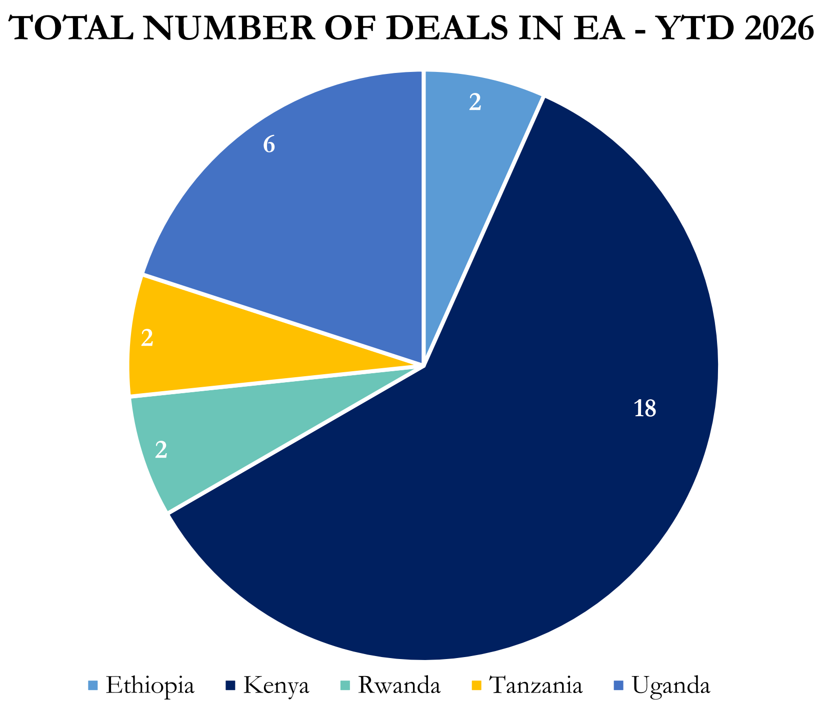
*Deals in the "Sector Analysis" table that have an impact on a company's operations in more than one country have been treated as a single deal. In the "Analysis by Country" chart above, each country operation has been considered as a separate deal. There may therefore be a mismatch between the "Sector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

## Analysis by Type of Transaction

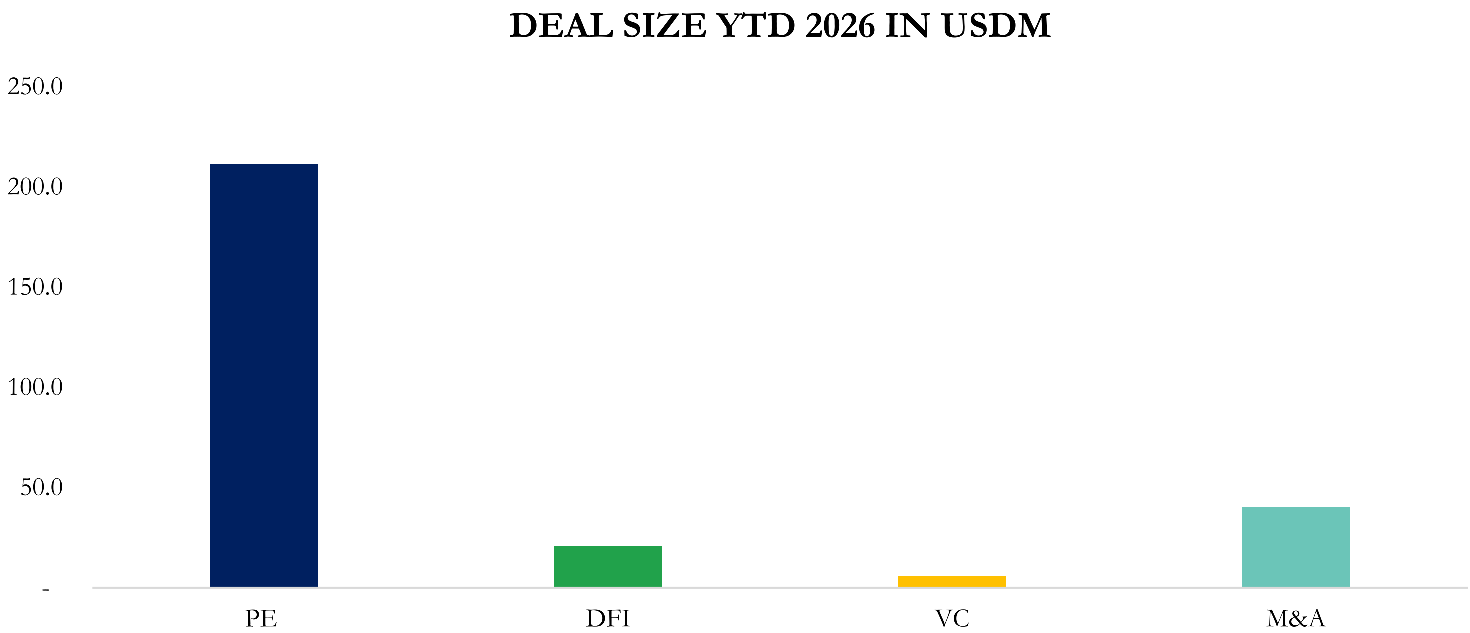


# PART I : DEAL STATISTICS

## Analysis by Country




*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.



# PART II : KEY MARKET INDICATORS

**(As at 31st March 2026)**

## Coupon Rate on Government Securities

| Years | 91-day | 2 year | 5 year | 10 year |
|---|---|---|---|---|
| Kenya | 7.45% | 9.27% | 9.21% | 11.29% |
| Tanzania | 4.16% | 9.50% | 10.75% | 10.50% |
| Uganda | 10.00% | 13.49% | 15.00% | 15.50% |

*Source: Refinitive, respective Central Bank*

## LTM Inflation Rates

| Years | Kenya | Tanzania | Uganda | Rwanda |
|---|---|---|---|---|
| 2025 Actual Inflation | 3.62% | 3.30% | 3.40% | 6.50% |
| 2026 Projected Inflation | 4.39% | 3.20% | 2.80% | 9.20% |

*Source: World Bank*

## Central Bank Rates

| Country/Region | Rate as at March 2026 | Rate as at February 2026 |
|---|---|---|
| Central Bank of Kenya (Kenya) | 8.75% | 8.75% |
| Bank of Uganda (Uganda) | 9.75% | 9.75% |
| Bank of Tanzania (Tanzania) | 5.75% | 5.75% |
| National Bank of Rwanda (Rwanda) | 7.25% | 7.25% |
| National Bank of Ethiopia | 15.00% | 15.00% |
| South African Reserve Bank (RSA) | 6.75% | 6.75% |
| 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 |
|---|---|---|---|---|---|---|---|
| 5-Mar-26 | BII and ILX | Undisclosed | 15 | Financial Services | DFI - Debt | Kenya | British International Investment (BII), the UK's development finance institution and impact investor, and ILX, an Amsterdam-based emerging market private debt asset manager, completed their first joint transaction to expand financing for micro, small and medium-sized enterprises (MSMEs) and agricultural businesses in East Africa. |
| 11-Mar-26 | Taarifa Limited | Aga Khan Fund for Economic Development (AKFED) | Undisclosed | Professional and Other Services | M&A | Kenya | The  exited its 66-year investment in Nation Media Group (NMG) after selling its controlling stake to Tanzanian businessman Rostam Azizi. AKFED said it will sell its entire shareholding in NPRT Holdings Africa Limited, the investment vehicle holding a 54.08% stake in NMG, to Taarifa Ltd, a firm owned by Azizi. The deal will see Azizi acquire 92.6 million ordinary shares. |
| 17-Mar-26 | Sahel Capital | Zigoti | 1 | Agribusiness | PE - Debt | Uganda | Zigoti, a Ugandan coffee processor and exporter specialising in Robusta and Arabica coffee, secured a USD 1 million loan facility from Sahel Capital. The funding is being provided through Sahel Capital's Social Enterprise Fund for Agriculture in Africa (SEFAA). The company sources coffee beans from over 4,000 smallholder farmers and actively supports them through a range of extension and value-added services. |
| 18-Mar-26 | BK Capital | Goodlife Health and Beauty | Undisclosed | Healthcare | PE - Debt | Rwanda | BK Capital, through its BKC Africa Private Debt Fund, made its first private debt investment in Goodlife Health and Beauty, Rwanda's largest pharmacy chain. The financing will support Goodlife's continued expansion and strengthen access to quality pharmaceutical products and health services nationwide. Since opening its flagship store in October 2022, Goodlife has expanded rapidly to 16 pharmacy locations, now serving more than 100,000 customers. |

# PART III : SELECTED DEALS

| Date | Buyer | Seller | Deal size (M USD) | **Sector** | Type | Country | Synopsis |
|---|---|---|---|---|---|---|---|
| 23-Mar-26 | Swedfund | Jacaranda Maternity | 0.6 | Healthcare | DFI | Kenya | Swedfund committed USD 600,000 to Jacaranda Maternity to expand its network of affordable maternity hospitals in Kenya. Jacaranda provides maternal healthcare at more affordable pricing than typical private providers, focusing on women in Nairobi's low and middle-income communities. The new funding will support the opening of new hospitals, upgrading of neonatal care, and improvements to existing facilities. |
| 26-Mar-26 | Acumen | Omia | Undisclosed | Agribusiness | PE | Uganda | Acumen invested in Omia Agribusiness Development, a company that provides smallholder farmers with access to farm inputs, practical training, and reliable market channels in Northern Uganda. |
| 31-Mar-26 | Moniepoint | Sumac Microfinance Bank | Undisclosed | Financial Services | M&A | Kenya | Nigerian fintech company Moniepoint plans to diversify lending to more categories of small businesses and digitise operations at Sumac Microfinance Bank following its acquisition of a 78% stake in the Kenyan lender. Moniepoint says it will focus on upgrading Sumac's technology platform, building out lending data capabilities and accelerating credit issuance. |
| 31-Mar-26 | GIF Growth | 4G Capital | 2 | Financial Services | PE | Kenya | 4G Capital, an East African fintech company providing financial services to micro and small enterprises (MSEs), secured a strategic investment of USD 2 million from GIF Growth, the Global Innovation Fund's dedicated growth-stage vehicle. More than 80% of employment in East Africa comes from the MSE sector, but many businesses remain excluded from formal credit systems, partly due to limited financial records. |

## PART IV : ENJOVU FAMILY BUSINESS

enjovu Family Business

Burbidge Capital

# DISCLAIMER

This document has been prepared on the basis of information and forecasts in the public domain. None of the information on which the document is based has been independently verified by *I&M Burbidge Capital Limited* nor its affiliate bodies and associates, who do not take responsibility for the content thereof and do not accept any liability with respect to the accuracy or completeness, or in relation to the use by any recipient of the information, projections, opinions contained in this document.

This document is purely for information purposes only and should not be relied upon to make any investment decisions or any other decisions. Any liability is disclaimed, including incidental or consequential damages arising from error or omission in this document.

## About I&M Burbidge Capital

I&M Burbidge Capital Limited is a corporate finance firm creating long term advisory relationships & solutions across Eastern Africa.

## Our Services

Originating and structuring Equity and Debt capital raising, IPOs, M&A transactions, Strategic Options advisory, PE advisory, Tax Advisory and other Corporate Finance Services.


## 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

**ODEKE EKIRAPA**, Senior VP
Odeke.Ekirapa@imburbidgecapital.com

**AAYUSH SHAH**, Senior Analyst
Aayush.Shah@imburbidgecapital.com