



Burbidge  
Capital

# EAST AFRICA FINANCIAL REVIEW

APRIL 2025

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# EAST AFRICA FINANCIAL REVIEW

## Editor's Note

Deal activity in East Africa's capital markets increased in April, with 9 transactions (6 in March) having been announced, which held a total disclosed value of c. USD 37.4 million (from 7 transactions that had disclosed deal values). PE and VC were the most active investor segments with 4 transactions each, and Partnerships/strategic alliances capped the list with a single transaction marking the first entry this year. Activity was broadly spread across a large cross-section of the major sectors in the region with energy and agribusiness recording the most transactions with 2 entries, and financial services, healthcare, hospitality, logistics and ICT and telecommunication services each recording singular entries. Kenya took the largest share of deals with 7 deals, 7 deals with Tanzania the only other regional jurisdiction recording a singular entry.

The deal activity in April has brought the year-to-date deal count to 34, reflecting a decrease compared to 48 deals closed during the same period in 2024, whilst the total disclosed deal value increased to USD685.53 million, 50% higher than the same period in 2024. April brought increased rainfall and cooler temperatures across Kenya, typical of the long rainy season. These conditions are expected to positively impact the agribusiness and energy sectors.

The Central Bank of Kenya (CBK) announced it will lift the moratorium on licensing new commercial banks effective July 1, 2025, which is a significant policy shift aimed at revitalizing investment in the country's financial sector. This move, combined with the introduction of a minimum core capital requirement of KES 10 billion and a strengthened regulatory framework developed over the past decade, is intended to attract high-quality entrants while safeguarding the sector from past vulnerabilities that led to the collapse of banks like Chase, Dubai, and Imperial. By raising the cost of entry, CBK aims to ensure only well-capitalized, resilient institutions enter the market. This decision comes amid ongoing debate, with some arguing that the sector still needs further consolidation. CBK seems to expect that higher capital requirements will naturally drive this, but uncertainty lingers around non-compliant banks like Access Bank Kenya and Consolidated Bank, which may struggle to raise capital or merge, posing questions about how CBK will safeguard the interests of depositors.

The U.S. strategically imposed new tariffs to gain leverage in future trade negotiations, prompting a 90-day pause in the U.S.-China trade war. Both countries partially rolled back tariffs; 10% by the U.S. and 30% by China; signaling intent to de-escalate. Ongoing trade tensions had already prompted China to re-evaluate its global partnerships, resulting in increased investment flows and commercial engagement in emerging regions, including East Africa. While the temporary pause may have moderated the urgency of China's diversification efforts, East Africa remains strategically positioned. In the longer term, the region stands to benefit as global manufacturers and investors seek to hedge geopolitical risks by diversifying supply chains away from China toward more cost-competitive and politically neutral production bases. For investors, this points to potential growth in East Africa's infrastructure, logistics, and manufacturing sectors.

IMBC's Deal of the Month highlights Cygnum Capital, through its fund Africa Go Green Fund ("ACG"), invested USD 8million to finance the deployment of improved biomass cookstoves in Rwanda by DelAgua ("DelAgua"). This marks the second deal in Rwanda this year as well as major step forward in bilateral climate collaboration and Rwanda carbon market framework implementation. AGG's investment will result in the purchase and deployment of 200,000 improved biomass cookstoves in Rwanda. Over the project's life, the investment from AGG is expected to result in up to 4.38million tones of avoided emissions.

The listed equities recorded further decline in performance in April, with the NSE 20, NSE 25 and NSE All Share Index posting 4.1%, 3.4% and 3.6% in negative returns, respectively. Average daily turnover reduced further to USD2.91 million, from USD3.14 million in March and USD3.30 million in February. Top gainers during the month included Crown Paints Kenya and Liberty Kenya Holdings which were up by 18.5% and 13.6%, respectively. Unga Group and Longhorn Kenya recorded the largest losses ending the month down by 16.3% and 16.2%, respectively.

## KEY HIGHLIGHTS

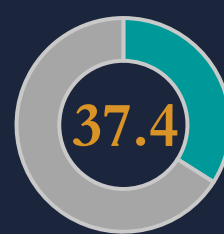
- Total number of disclosed deals in the YTD is 34.
- Total disclosed deal values in the YTD now c. USD 685.53 million.
- PE and VC investment activities account for 31% of YTD deal activity each, with M&A accounting for 20%, DFI accounting for 11%, and PE exit and Partnerships activities comprising 3% of total corporate deals each.

## APRIL

### In Numbers



The number of disclosed deals in EA



Disclosed deal value in USD million



### IMBC Deal of the Month:

Cygnum Capital's USD8million impact investment in DelAgua in Rwanda.

### The Editorial Team












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# PART I : DEAL STATISTICS

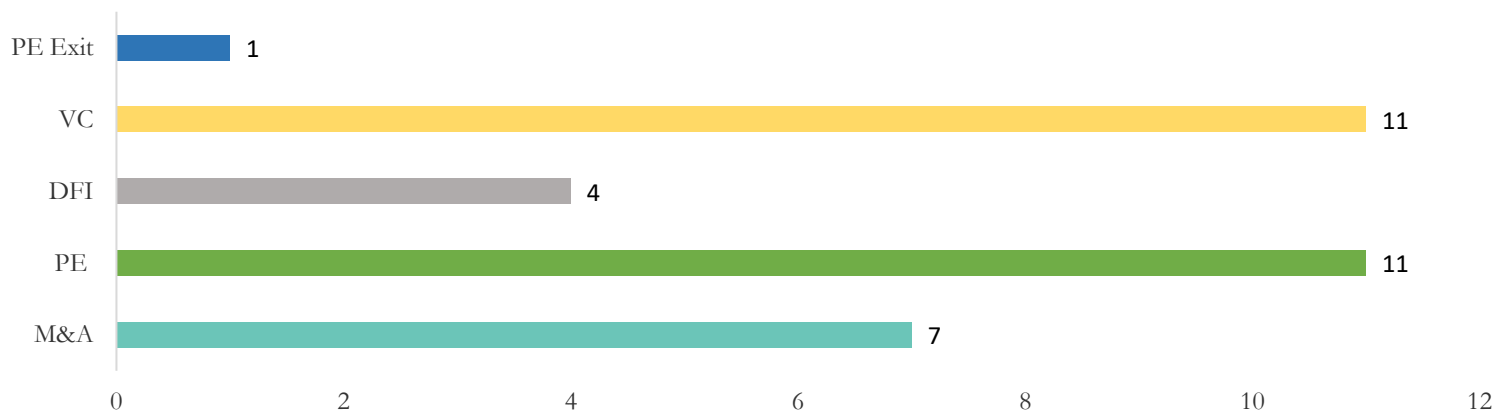
## Analysis by Sector

	Sector	No. of Deals YTD	Disclosed Deal Value YTD (USD million)
	Financial Services	7	30.8
	Agribusiness	5	600.7
	Energy	5	23.6
	Healthcare	4	0.03
	ICT and Telecommunication	3	1.9
	Logistics	2	7
	Hospitality	2	0.5
	Manufacturing	1	15
	Professional and other Services	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

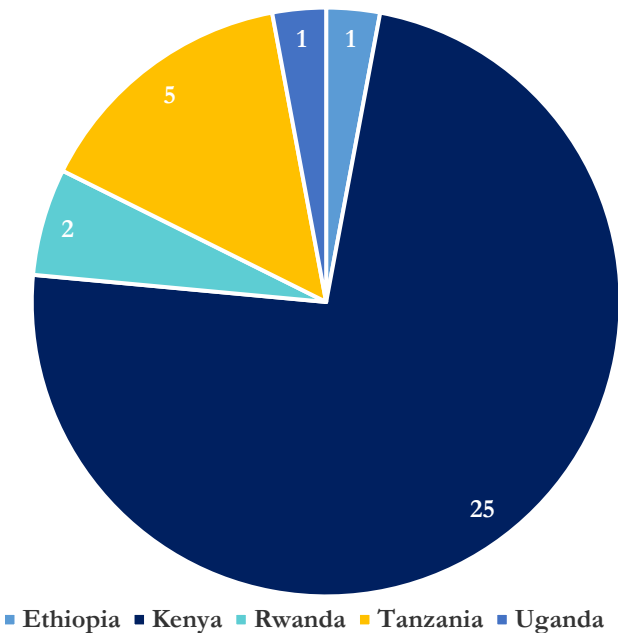
### TOTAL NUMBER OF DEALS IN EA - YTD 2025



# PART I : DEAL STATISTICS

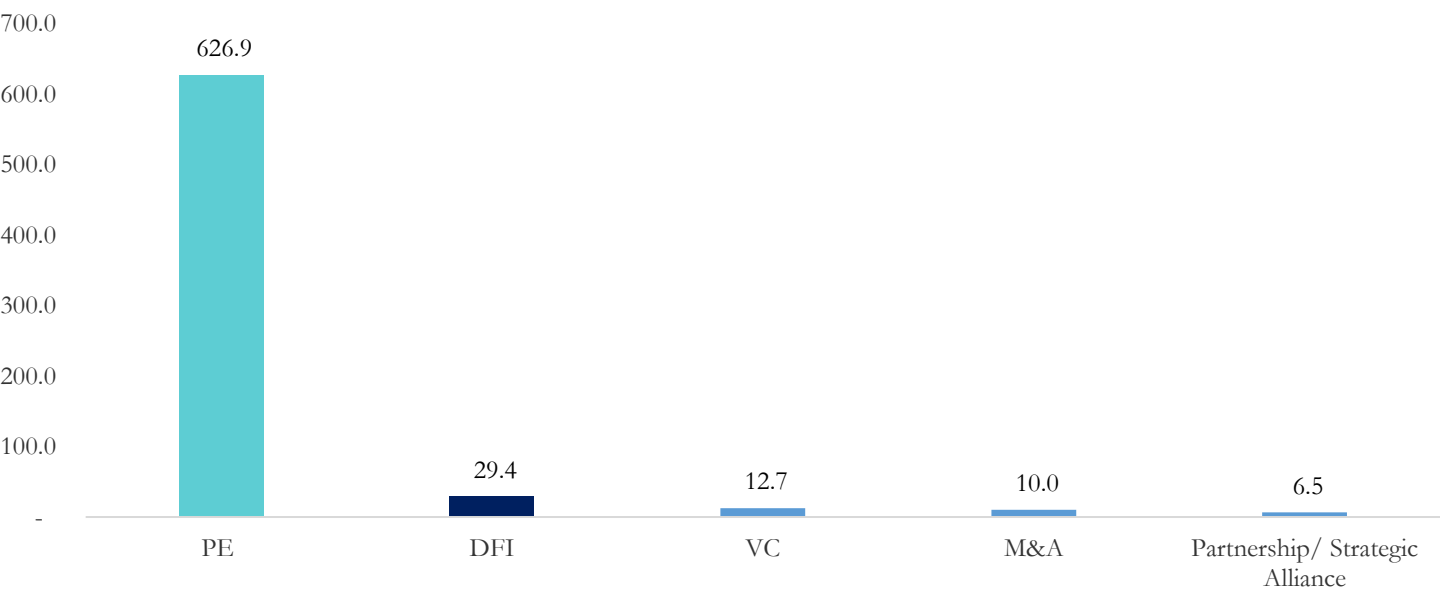
## Analysis by Country

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 30<sup>th</sup> April 2025)

### Coupon Rate on Government Securities

Years	91-day	2 year	5 year	10 year
Kenya	8.38%	11.17%	11.27%	13.36%
Tanzania	7.49%	12.42%	13.06%	14.19%
Uganda	11.33%	15.75%	16.50%	17.10%

Source: Refinitive, respective Central Bank

### LTM Inflation Rates

Years	Kenya	Tanzania	Uganda	Rwanda
2024 Actual Inflation	5.00%	3.10%	3.18%	4.50%
2025 Projected Inflation	4.11%	3.20%	3.47%	6.60%

Source: World Bank

### Central Bank Rates

Country/Region	Rate as at April 2025	Rate as at March 2025
Central Bank of Kenya (Kenya)	10.00%	10.00%
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)	4.25%	4.50%
Federal Reserve Bank (USA)	4.35%	4.35%
European Central Bank (EU)	2.25%	2.50%

Source: CB Rates

## PART III : SELECTED DEALS

Date	Buyer	Seller	Deal size (M USD)	Sector	Type	Country	Synopsis
3-Apr-25	DOB Equity	FarmWorks	Undisclosed	Agribusiness	PE - VC	Kenya	East Africa-focused impact investment fund DOB Equity injected capital into FarmWorks, a Kenyan agribusiness firm connecting smallholder farmers directly to reliable markets. This investment arrives at a pivotal time for both FarmWorks and DOB Equity, marking the fund's first foray under a revised strategy following recent headwinds in its portfolio.
13-Apr-25	Alphatron	Purple Elephant Ventures	0.5	Hospitality	PE - VC	Kenya	Nairobi-based Purple Elephant Ventures (PEV), a startup studio focused on tourism, has secured an extra USD 500,000 to boost its seed funding round to USD 5 million. After raising USD 1 million in pre-seed funding in October 2022, PEV followed it up with a USD 4.5 million seed round in January. Key backers in the earlier rounds include Clear Creek Investment B.V, Klistor Corp., Playfair Capital's founder Fede Pirzo-Bioli, Anthony Rock, and Ian McCaig, the former CEO of Lastminute.com. The latest funding came from Alphatron, a Dutch single-family office under the Alphatron Group. This new capital will help PEV continue building its reputation as a leading tourism-tech venture in Africa.
15-Apr-25	Catalytic Africa and Other Investors	Sumet	1.5	ICT	PE - VC	Tanzania	Sumet, a Tanzania-based technology platform that connects fast-moving consumer goods (FMCG) manufacturers with retailers, raised USD 1.5 million in a pre-seed round combining equity and debt. The funding was secured from a mix of angel syndicates and local and international investors, including the African Business Angels Network (ABAN), Catalytic Africa, and an angel syndicate from Egypt, along with other strategic backers.
16-Apr-25	BlueOrchard and Oikocredit	MyCredit	10.8	Financial Services	PE - Debt	Kenya	Digital credit provider MyCredit received Sh1.4 billion (USD 10.8m) in new funding from financiers Oikocredit and BlueOrchard for lending to private schools. The Central Bank of Kenya (CBK) licensed lender says the funding is expected to meet the diverse needs of private schools including investments in technology and the upgrading of school infrastructure and facilities.

## PART III : SELECTED DEALS

Date	Buyer	Seller	Deal size (M USD)	Sector	Type	Country	Synopsis
24-Apr-25	Cygnum Capital	DelAgua	8	Energy	PE	Rwanda	The Africa Go Green Fund (“AGG”), managed by Cygnum Capital, invested USD 8 million to finance the deployment of improved biomass cookstoves in Rwanda by DelAgua (“DelAgua”). AGG’s investment will result in the purchase and deployment of 200,000 improved biomass cookstoves in Rwanda. Over the project’s life, the investment from AGG is expected to result in up to 4.38m tonnes of avoided emissions.
29-Apr-25	IDH	JKCC General Supplies	6.5	Agribusiness	Public-Private Impact Fund	Kenya	IDH Farmfit, a Netherlands-based blended finance impact fund for smallholder farmers, made a USD 6.5m (EUR 5.7m) investment in Just Know Your Coffee Cup (JKCC), a coffee exporting and processing company which sources all of its robusta and arabica beans from 7,426 smallholder farmers in Uganda. The loan was provided in cooperation with the Africa Agriculture and Trade Investment Fund and other lenders.
30-Apr-25	E3 Capital and Other Investors	Kofa	8.1	Energy	PE	Kenya	Ghanaian energy technology startup Kofa raised USD 8.1 million in a pre-Series A funding round aimed at scaling its battery-swapping network across cities in Africa. The financing includes USD 3.25 million in equity, USD 4.315 million in debt, and USD 590,000 in grants. The round was co-led by E3 Capital and Injaro Investment Advisors. Other contributors include the Shell Foundation and the UK Government’s Transforming Energy Access (TEA) platform. The investment also drew interest from private European investors, such as Richard Thwaites, founder of Penso Power. The funding will allow Kofa to expand its operations in Ghana and Kenya, especially in urban centers.
30-Apr-25	Alta Semper, Creadev and Other Investors	MyDawa	Undisclosed	Healthcare	PE	Kenya	MYDAWA, a digital health platform that took off in Kenya, secured a fresh funding round from a consortium of top global healthcare investors to accelerate its regional expansion and technological capabilities. While the amount remains undisclosed, the round was led by IFU, Alta Semper, AAIC Investment, Creadev and Japan-based Ohara Pharmaceutical Co., a group known for backing transformative health ventures across both emerging and developed markets.

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