

# 2017 H1 AFRICAN PRIVATE EQUITY DATA TRACKER

## EXECUTIVE SUMMARY

AVCA's 2017 H1 African Private Equity Data Tracker provides a provisional look at half year private equity (PE) activity in Africa.

PE deals remained targeted in consumer-driven sectors in 2017 H1. Consumer Staples (including investments in the African packaged food industry) saw a rise relative to 2016. Telecoms and Materials also showed an increase in terms of deal values as a result of a handful

of large transactions in the first half of 2017. An example is Carlyle's investment of over US\$100mn in CMC Networks, a pan-African network connectivity provider.

The total value of African PE fundraising rose to US\$2.0bn in 2017 H1 from US\$1.1bn in 2016 H1. That rise was mainly the outcome of sector-specific funds that closed during the first half of the year.

## KEY FINDINGS: PE DEALS

US\$1.0bn **Total value of reported African PE deals in 2017 H1**



In 2017 H1, West and East Africa attracted 56% of the total number of PE deals reported in 2017 H1; while West Africa accounted for the largest share by value

US\$15mn **Median deal size in 2017 H1**



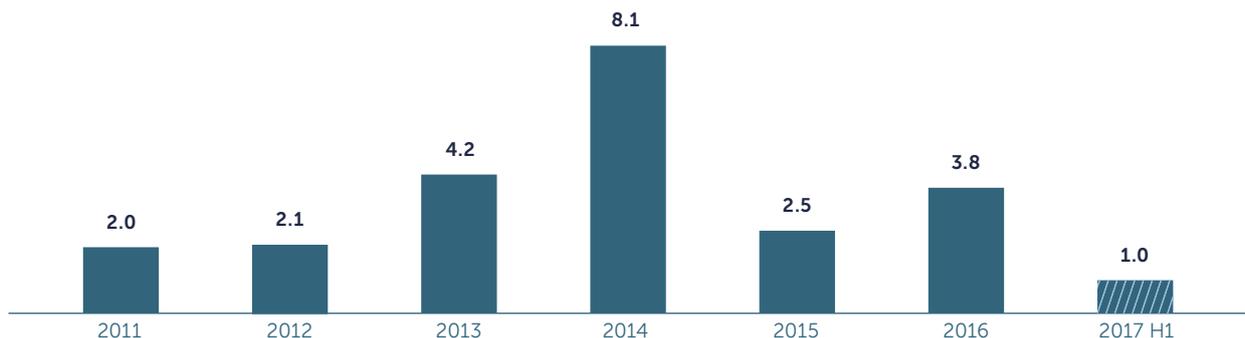
Consumer Staples and Financials were the most active sectors by volume in 2017 H1

68% **68% of the total deal value was from PE deals between US\$100mn and US\$250mn in size in 2017 H1**



Telecoms and Materials were the largest sectors by value in 2017 H1

### Total value of African PE deals, by year, US\$bn



### Selection of African PE deals announced in 2017 H1, including initial and follow-on investments

| Portfolio Company           | Sector                     | Investor(s)  | Region          |
|-----------------------------|----------------------------|--|-----------------|
| Albatros Energy             | Utilities                  | African Infrastructure Investment Managers & other investors | West Africa     |
| Crest Agro Products         | Consumer Staples           | Sahel Capital & CardinalStone Capital Advisers               | West Africa     |
| CSquared                    | Telecommunication Services | Convergence Partners & other investors                       | Multi-region    |
| GB Foods Africa             | Consumer Staples           | Helios Investment Partners                                   | Multi-region    |
| Global Credit Ratings (GCR) | Financials                 | The Carlyle Group  | Multi-region    |
| IP-TECH                     | Information Technology     | AfricInvest  | North Africa    |
| Kenafric                    | Consumer Staples           | Amethis Finance & Metier                                     | East Africa     |
| Kisumu Concrete Products    | Materials                  | Ascent Capital Africa  | East Africa     |
| Retailability               | Consumer Discretionary     | Metier & other investors                                     | Southern Africa |

## KEY FINDINGS: PE FUNDRAISING

US\$2.0bn

Total value of African PE fundraising in 2017 H1

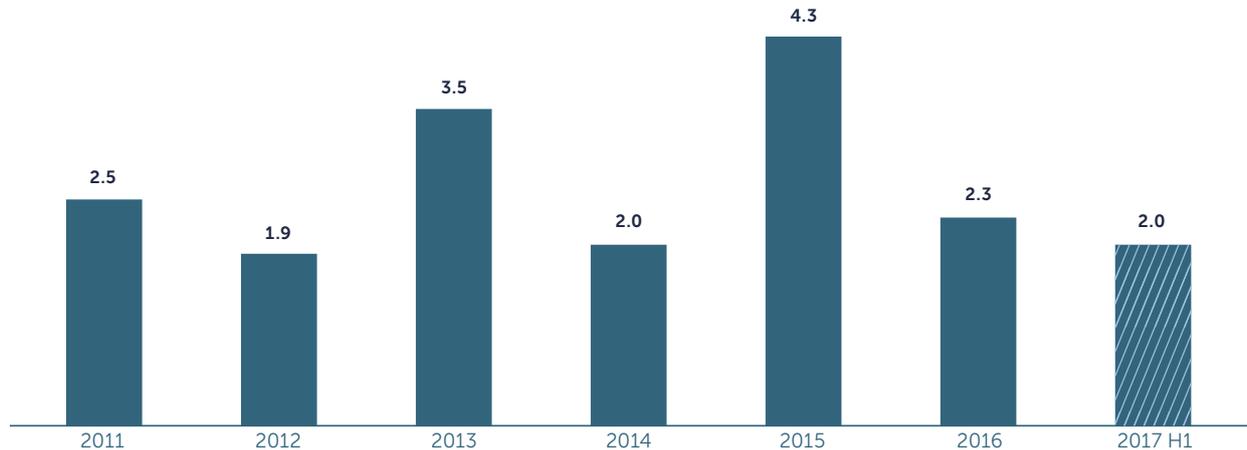
70%

In 2017 H1, 70% of the total amount closed was raised by sector-specific funds

### Selection of PE funds that announced a final close in 2017 H1

| Fund Manager    | Fund Name  | Reported Final Close (mn) | Regional Focus               | Sector Focus |
|-----------------|--|---------------------------|------------------------------|--------------|
| Actis           | Actis Energy 4                                     | US\$2,750                 | Africa, Latin America & Asia | Energy       |
| Adenia Partners | Adenia Capital IV                                  | EUR230                    | Sub-Saharan Africa           | Generalist   |
| Sahel Capital   | Fund for Agricultural Finance in Nigeria ("FAFIN") | US\$65,9                  | West Africa                  | Agribusiness |
| XSML Capital    | African Rivers Fund                                | US\$50                    | Central & East Africa        | Generalist   |

### Total value of African PE fundraising, by year of final close, US\$bn



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### Methodology

Private equity (PE) is defined as both private equity and venture capital. Transactions cover all investments made by private equity firms across all sectors, including infrastructure. It excludes PIPE transactions where the PE firm was unlikely to have any influence on company strategy. It includes initial and follow-on investments.

Deals dates are taken to be the date on which the deal is announced, unless otherwise specified.

Deals value includes equity, mezzanine, senior debt and significant co-investments (where available).

Sectors for transactions are based on Global Industry Classification Standard classifications.

Vintage year of fundraising is based on year of final close, where available. If a fund has achieved a final close but the year of final close is not known, year of first close is used instead.

GPs that are included have raised, or are raising, third-party PE funds from institutional investors. Qualifying funds include funds that have a sole focus on Africa or have an allocation to Africa alongside a broader emerging markets investment mandate. Funds with a global investment remit that invest in Africa are excluded.

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