

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 \$1.0 bn

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 \$15 mn

Median deal size in 2017 H1



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

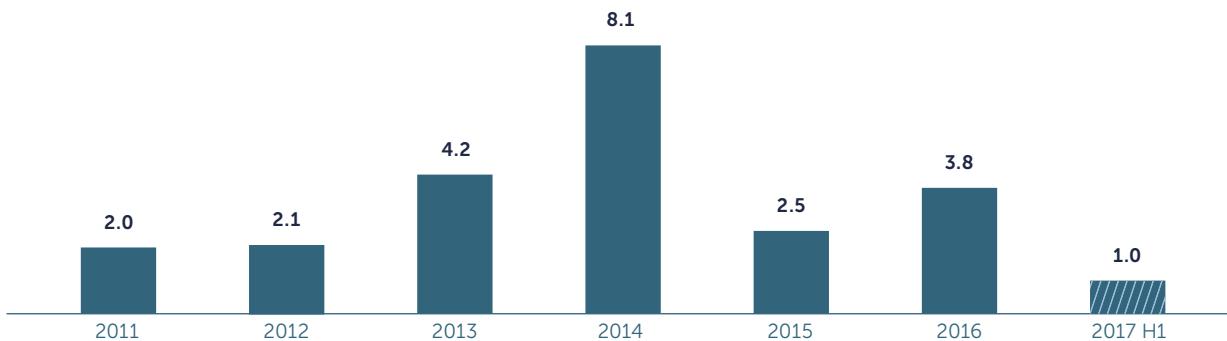
68%

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\$bns



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\$2.0 bn

Total value of African PE
fundraising in 2017 H1

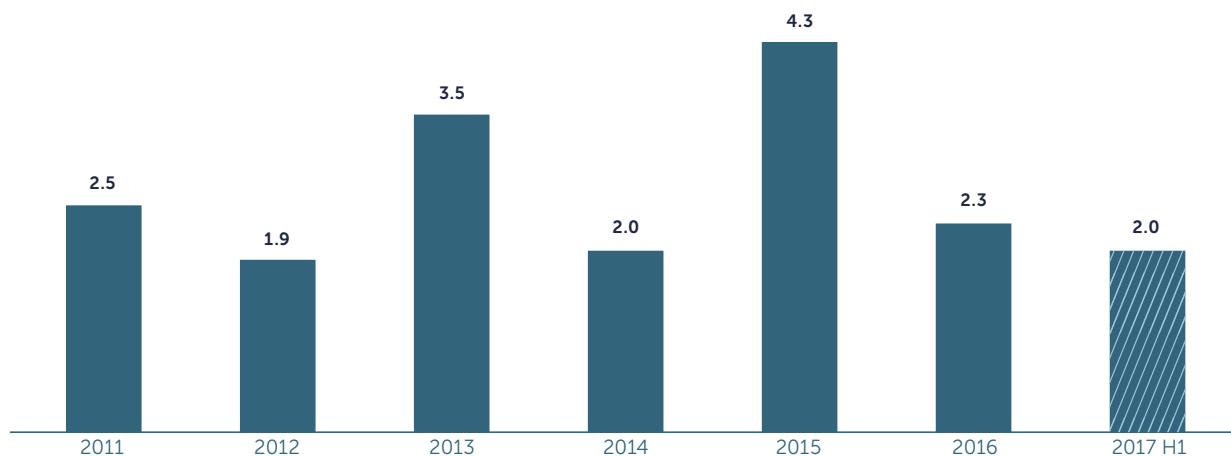
70%

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
XSM Capital	African Rivers Fund	US\$50	Central & East Africa	Generalist

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



AVCA

37 North Row
3rd Floor
London W1K 6DH



E avca@avca-africa.org
W www.avca-africa.org
C www.avcaconference.com
T +44 (0)20 3874 7008

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.

Disclaimer

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