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Long powered by private networks, diaspora capital, and an increasingly digital economy, Somalia is now taking a decisive step toward formal public markets with the launch of the National Securities Exchange of Somalia (NSES). In an interview with Africa Global Funds, Yasin M. Ibar, Chief Executive Officer of NSES, outlines how the exchange plans to begin trading in 2026, build investor trust through strong regulation and regional partnerships, and harness Islamic finance, technology, and diaspora participation to create a transparent, liquid frontier market aligned with East Africa and beyond (pp.12-13).

Morocco's private equity market has grown into North Africa's leading hub, driven by stability, strong fundraising, and a professionalizing ecosystem. While capital is abundant, deal flow and exits remain limited, prompting initiatives like the Fonds Mohammed VI pour l'Investissement to strengthen governance and expand investable companies. Notable 2025 developments include the oversubscribed Cash Plus IPO and record early-stage funding, signaling growing investor confidence. With supportive policies and a diversifying economy, Morocco is well-positioned for sustained PE growth (pp.14-15).

In this month's issue, Samar Abuwarda looks into how Mauritius has transformed into a high-income, diversified economy, with financial services driving growth and a 90% financial inclusion rate. Leveraging fintech—especially blockchain, tokenization, and P2P lending—through initiatives like the Mauritius Africa Fintech Hub and MIC, the country can attract global investment, support startups, and boost SMEs (p.16).

Finally, Duma Mxenge of Satrix writes that ETFs help institutional investors access private markets by managing liquidity, easing transitions, reducing costs, and improving transparency. They enable compliance with regulations, support ESG goals, and allow pension funds to gain private-market exposure without operational complexity, making them essential for modern, diversified portfolios (p.22).

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If you would like to get in touch with any comments or suggestions for future issues, please e-mail myself at a.lyudvig@africaglobalfunds.com

Best regards,
Anna Lyudvig
 Managing Editor

Amethis Fund III Closes at €406m



Luc Rigouzzo

Co-Founder
Amethis

Amethis Investment Fund Manager, an alternative investment fund manager dedicated to responsible long-term growth across Europe, Africa and the Middle East, together with its partner Edmond de

Rothschild Private Equity, have announced the

final closing of Amethis Fund III S.C.A., SICAV-RAIF1, (AFIII) in line with its target at €406m.

Amethis' Co-Founders and Managing Partners Luc Rigouzzo (pictured) and Laurent Demey, said: "We warmly thank our investors, both longstanding and new, for their continued trust in Amethis and its teams. Together with the entrepreneurs we are committed to supporting, we are building a mutually empowering collaboration that creates lasting value, fuels innovation, and contributes to the sustainable growth of the African continent."

generating both financial returns and tangible, positive outcomes for local economies and communities.

AFIII has benefited from the support of numerous private investors (including large corporates, foundations, and international family offices), among them several financial institutions from North, West, and East Africa.

Alongside them, the Fund has also received backing from leading development institutions such as the European Investment Bank (EIB), the International Finance Corporation (IFC), Bpifrance, the Spanish Agency for International Development Cooperation (AECID), Swedfund, FinDev Canada, British International Investment (BII), Proparco, KfW DEG, AfricaGrow managed by AllianzGI and advised by DEG Impact and the Development Bank of Austria (OeEB).

Khady Koné-Dicoh and Jean-Sébastien Bergasse, Senior Partners in charge of the AFIII strategy at Amethis, added: "We are proud of the renewed trust shown by our Fund II investors and of our ability to continue this momentum with a team that has strong on-the-

This alignment of incentives reinforces Amethis' commitment to generating both financial returns and tangible, positive outcomes for local economies and communities

AFIII is the third vintage of Amethis' flagship pan-African strategy that targets around 10 investments in African small and mid-sized companies with a clear impact-driven orientation, in majority or minority, around the continent's growth sectors (manufacturing & distribution (including agribusiness), business services (including logistics and technology), healthcare, infrastructure & energy related services) with tickets ranging from €25m to €40m.

With AFIII, Amethis has strengthened its impact strategy, with targeted and measurable improvements in areas such as employment quality, gender equality, environmental performance, and responsible governance.

The Fund is classified as "Article 9.2 under the EU's Sustainable Finance Disclosure Regulation and was the first fund to pursue this approach on the African continent.

This impact fund is structured with an ESG-linked carry mechanism, meaning that a portion of the investment team's carried interest is contingent upon achieving predefined impact and sustainability objectives.

This alignment of incentives reinforces Amethis' commitment to

ground experience and a strategy fully aligned with the realities and opportunities of the African continent."

The deployment of AFIII is well underway, with already four investments signed or closed and one additional transaction in the final stages under exclusivity. Amethis' investment teams are currently assessing several opportunities across the African continent through a highly rigorous process designed to select only the most compelling deals, those that offer both strong impact potential and attractive financial returns.

Amethis aims to build strong bridges between global investors and African companies and entrepreneurs, helping channel capital where it can generate both sustainable growth and meaningful impact.

François-Xavier Vucekovic, Chief Investment Officer of Edmond de Rothschild Private Equity, said: "Amethis Fund III exemplifies our shared conviction that long-term, responsible investment can unlock extraordinary potential across Africa. We are proud to support a platform that not only delivers strong value creation but also empowers visionary entrepreneurs and builds resilient, future-ready businesses throughout the continent. "

FUNDRAISING

Blue Earth Capital Announces First Close of Its Impact Secondaries Offering

Blue Earth Capital, a specialist global impact investor, has announced the first close of its dedicated impact secondaries strategy, with commitments exceeding \$100m from leading institutional investors from Europe and the United States.

The close marks the launch of Blue Earth Capital's first dedicated impact secondaries offering and a pivotal milestone in the firm's mission to drive innovation and scale efficient impact capital deployment globally.

Philipp Mueller, CEO of Blue Earth Capital, said: "Thanks to the strong support of some of the most sophisticated impact allocators, we are proud to launch our dedicated impact secondaries strategy. This innovative offering leverages our strong secondaries and impact capabilities, as well as our extensive network. It fills a crucial gap in the impact sector and presents an attractive opportunity to generate both impact and returns."

At launch, the strategy includes commitments from institutional investors such as the Ursimone Wietlisbach Foundation, a Swiss-based foundation, and Stella, the investment entity of a German family foundation, in addition to Proparco.

While secondary transactions have long been a feature of traditional private equity portfolios, impact investors have historically not been able to include secondaries in their portfolios due to a lack of offerings.

Impact secondaries aim to offer investors access to seasoned, high-impact assets while helping to mitigate blind-pool, concentration, and duration risks.

The development of a functioning and efficient impact secondary market is essential to mainstream secondary transactions and attract asset owners to what is still seen as an illiquid part of the market.

Secondary investments can appeal to more risk-sensitive investors, have the potential to enhance portfolio construction through earlier distributions and potential pricing advantages, and serve as an entry point for new participants in the impact investing market.

By introducing liquidity, secondaries also enable existing investors to recycle capital into new impactful opportunities, acting as a catalyst for growth and efficiency across the broader impact ecosystem.

Blue Earth Capital aims to be catalytic in establishing an efficient market for impact secondaries. With this offering, BlueEarth builds on its existing secondaries platform, which has seen rapid growth since 2021 and received backing from leading institutional investors, to provide qualified investors with access to this asset class.

Nicolas Muller, Head of Private Equity Partnerships at Blue Earth Capital, said: "Blue Earth Capital has played a crucial role in shaping the impact secondaries asset class for several years. The first close of our dedicated impact secondaries offering marks an important milestone, underscoring our role as a catalytic player in addressing a key challenge in impact investing: liquidity."

The strategy will invest globally across developed and emerging markets, targeting sectors such as climate action, circular economy, financial inclusion, healthcare, and education.

The introduction of a dedicated sleeve focused on emerging markets

only represents a pioneering step in the development of impact secondary transactions and paves the way for a more structured and accessible secondary market in regions where activity has historically been limited and largely opportunistic.

The development of a secondary market in emerging economies is expected to enhance liquidity for fund managers and provide investors with practical tools to actively manage their portfolios, ultimately increasing the attractiveness of emerging economies for private investors.

The strategy's early portfolio reflects its dual focus on developed and emerging markets and its commitment to investing with the goal of achieving measurable impact alongside financial returns. It includes a continuation transaction (GP-led secondary) established by Suma Capital, which acquired Gestcompost, the largest organic waste treatment manager in Spain.

The second investment is an LP-led transaction, where Blue Earth Capital, through its investment vehicles, acquired a stake in four impact funds across India and Africa. These initial transactions showcase the breadth of the opportunities available across transaction types and geographies.

Proparco has supported the strategy in emerging markets from the outset, recognizing its alignment with the institution's goal of mobilizing private capital to drive development and impact in these economies.

The emerging-markets allocation includes a first-loss tranche provided by Proparco and supported by the European Union through the EFSD+, designed to catalyze private investment and enhance risk-adjusted returns in underserved regions.

Françoise Lombard, CEO of Proparco: "We are proud to support Blue Earth Capital's innovative mission to build a more efficient market for impact secondaries in emerging economies. As an anchor investor in this inaugural initiative, our objective is to enhance market liquidity, strengthen exit pathways, and ultimately reinforce long-term investor confidence in these regions. Over time, we are convinced that this strategy will help channel sustainable private capital more effectively to where it can generate the greatest impact."

Urs Wietlisbach, Chairman of the Board and Co-Founder of Blue Earth Capital, said: "We see this strategy as deeply catalytic: it demonstrates how targeted secondary investments can mobilize new pools of capital, expand access to mature impact opportunities, and strengthen the overall market infrastructure for impact investing. By proving that financial discipline and measurable impact can go hand in hand, initiatives like this help shift impact investing from the margins to the mainstream."

Blue Earth Capital engaged BlueMark to independently assess the alignment of the strategy with impact investing and ESG best practices.

BlueMark assessed the impact approach across three key pillars of impact accountability: strategy, governance and management. Blue Earth Capital is proud to have been issued the Platinum rating for its impact secondaries strategy as a result of BlueMark's Fund ID verification process, the highest possible rating.

FUNDRAISING

Sahel Capital Agribusiness Fund II Announces First Close

Sahel Capital has announced the first close of Sahel Capital Agribusiness Fund II (SCAF II) in December 2025.

The close was anchored by KfW Development Bank, alongside a US-based family office.

A successor to the Fund for Agricultural Finance in Nigeria (FAFIN), SCAF II is a blended finance growth equity fund with a target of \$75m.

The fund will back agribusinesses across West Africa, with Nigeria, Ghana, Cote d'Ivoire, and Senegal, as priority markets, to strengthen food security, climate resilience, and value chain

efficiency.

Concurrent with the first close, SCAF II completed its first investment in Delifrost Caterers, Nigeria's leading integrated cold chain distribution platform for packaged foods.

Sahel remains committed to investing in scalable agribusinesses that advance food security and climate resilience across sub-Saharan Africa.

"We are truly grateful to KfW our long-term partner for their continued trust and support," the company shared.

FUNDRAISING

Inside Equity Fund II Hits First Close at \$55m

Inside Capital Partners has announced the successful first close of its second fund, Inside Equity Fund II (IEF II), with \$55m in commitments.

This initial round has been secured thanks to substantial commitments from both existing and new investors. Returning investors are Dutch Good Growth Fund (DGGF) and Terra Mauricia (one of the largest conglomerates in Mauritius).

New investors in IEF II include U.S. International Development Finance Corporation (DFC - the U.S. government's development finance institution), IFC - International Finance Corporation, a

ongoing commitment to long-term growth and development within the region, the PE firm said.

This second fund follows the successful deployment of Fund I, the first fund of \$35m, which has been fully invested in six innovative and impactful companies.

These SMEs are active in waste recycling, renewable energy, packaging, building materials and hospitality industries. IEF II will continue the strategy of supporting local champions across sectors that are meaningful for the region.

"We are thrilled to reach this crucial milestone for our second

"With a focus on making a long-term impact and being a change driver for a region dear to our hearts, Inside has made the deliberate choice of focusing on countries underserved by traditional capital providers and investing in developing local talent

Jerome Lagesse, Managing Partner at Inside

member of The World Bank Group, Swedfund International (Sweden's development finance institution), Mauritius Investment Corporation (MIC) Ltd and BIO - the Belgian Investment Company for Developing Countries (Belgium's development finance institution).

Inside, a private equity firm specializing in supporting the growth of promising and impactful SMEs across the South East Africa region (primarily Zambia, Madagascar, Mauritius, but also Tanzania, Mozambique, and Malawi), said it extends its thanks to its investors for this opportunity to continue fostering sustainable growth in this overlooked region.

This milestone marks a significant achievement in Inside's

fund," said Jerome Lagesse, Managing Partner at Inside. "With a focus on making a long-term impact and being a change driver for a region dear to our hearts, Inside has made the deliberate choice of focusing on countries underserved by traditional capital providers and investing in developing local talent."

"Despite the current complex environment, the enthusiasm from our investors strongly recognizes our vision and certainly allows us to capitalize on the work started with the first fund by sending a positive message to the markets about the potential of this region. We invite strong entrepreneurs and talents, sharing the same mindset, to reach out to discuss collaboration opportunities."

OeEB and ACP Expand Portfolio with New EM Fund of Funds



Sabine Gaber

CEO and member of the Executive Board

OeEB

OeEB and Accession Capital Partners (ACP) Group, a European advisor and asset manager in the field of private equity and private debt, have jointly launched ACP OeEB Climate Impact Fund, a new fund of funds.

In addition to generating attractive returns, the fund aims to promote climate protection and improve the living conditions of people in emerging markets. The first closing has already taken place, and the fund will remain open for additional capital commitments for another 12-18 months.

The ACP OeEB Climate Impact Fund will invest in around 10 established private equity and infrastructure target funds in emerging markets.

All target funds either focus on renewable energies and storage solutions and/or invest in companies active in other climate-relevant sectors, such as climate tech, energy efficiency, circular economy, or environmentally friendly mobility.

"With the ACP OeEB Climate Funds, we have achieved another milestone in OeEB's private equity history after the Gutmann OeEB Impact Fund. Especially in developing countries, equity capital that enables corporate growth is an important development instrument. Private investors are given the opportunity to invest their capital in a meaningful and profitable way, together with OeEB and other international development banks," said Hannes Mandorff, Managing Director of the Private Equity Department of OeEB.

"Our aim is to mobilize private capital and demonstrate that climate investments in emerging markets can generate attractive returns for institutional investors from Europe. At the same time, we want to make an important contribution to climate protection and improve the living conditions of people in developing and emerging countries - a key strategic goal of OeEB," added Sabine Gaber, CEO and member of the Executive Board of OeEB.

"The cooperation with the Austrian Development Bank is not only a milestone for our two institutions, but is also a matter of personal

importance to me. With over 25 years of experience in selecting, structuring, and managing funds for long-term investors such as pension funds, insurance companies, banks, and family offices, we at the ACP Group have been supporting medium-sized companies in their sustainable growth since our foundation. Together with OeEB, we are combining our strengths to achieve a concrete and measurable development impact with the capital entrusted to us by our investor - while at the same time striving for an attractive financial return," said Franz Hörhager, founder and Chairman of the ACP Group.

"We are pleased with the successful launch of the ACP OeEB Climate Impact Fund and are grateful for the trust placed in this unique partnership between OeEB and the ACP Group," added Christian Stix, Partner and Head of Investor Relations at the ACP Group. "With our fund of funds approach, we provide institutional investors with access to a diversified portfolio of private equity and infrastructure strategies in climate-relevant sectors. This allows us to combine targeted climate benefits with a professionally managed risk profile."

Emerging markets hold the key to addressing the climate crisis. The facts speak for themselves: emerging markets are responsible for two-thirds of emissions, a share that continues to grow. Local people are disproportionately affected by the negative consequences of climate change. Simultaneously, emerging markets offer more cost-effective opportunities for reducing greenhouse gases. Furthermore, renewable energy projects and investments in companies operating in other climate-relevant sectors, such as e-mobility-as-a-service or e-waste recycling, can generate higher returns in emerging markets than in Europe or the US.

The ACP OeEB Impact Fund will invest at least 60% of its capital in the fastest-growing markets in Asia and smaller portions in Latin America and Africa.

In total, the fund of funds' overall portfolio will comprise more than 100 projects, distributed across around 10 target funds. This offers investors a broad diversification across countries, business models, technologies, project phases, and currencies, and thus an optimized risk profile.

DEALS

Lightrock Invests in Sun King

Lightrock, a global sustainable investment platform, has invested \$40m in Sun King, the world's largest off-grid solar energy company.

The investment will support Sun King's expansion of decentralised solar energy systems across Africa and Asia, and the company's

continued development of new products catering to the needs of underserved households and businesses in these regions.

Arul Thomas, Partner at Lightrock, said: "Sun King exemplifies the type of proven, scalable solution we seek to support at Lightrock. The

team's execution ability in growing to serve 50 million people is truly laudable, and we are delighted to partner with them as they continue expanding their customer offering, operations, and international presence to address the critical global challenge of energy access.”

Over the past 18 years, Sun King has built a scaled distributed energy utility model that combines energy generation, energy-efficient appliances, installation, and consumer financing in a single integrated offering.

The company's wide range of solar systems serve individual households, businesses, and institutions that have no or unreliable access to grid power.

The products range from hyper-affordable solar kits for basic home lighting and phone charging, to multi-kilowatt solar inverter systems that power large residences, schools, health clinics, farms, and commercial facilities.

Sun King has delivered 29 million solar products globally since 2007, catering to the needs of the underserved; 67% of customers previously had no access to electricity.

Sun King's pay-as-you-go model enables customers to buy solar systems with 12-24 months of purchase financing. This makes solar accessible for as little as \$0.15-\$0.20 per day, lowering the upfront cost that keeps low-income households and businesses locked out of reliable electricity. To date, the company has provided \$1.4 billion in customer financing across Africa, replacing demand for polluting and health-damaging fossil fuels, including kerosene and diesel fuel.

Building on its model for affordable solar kits, Sun King is expanding into the energy-efficient appliances its customers rely on most: fans, smartphones, and refrigerators, for example. These technologies help customers overcome barriers to connectivity, cold storage, and everyday comfort by giving customers access to the essential appliances that enable participation in the digital economy, improve resilience to rising temperatures, and strengthen livelihoods and health. The company makes these products affordable through pay-as-you-go financing and supports them through a service network of more than 470 shops and 35,000 field agents.

“Lightrock brings a deep understanding of our customers' needs

and a clear commitment to expanding access to energy,” said T. Patrick Walsh, CEO and Co-Founder of Sun King.

“Sun King has grown from delivering 10,000 solar kits a month in 2017 to more than 330,000 each month today. We are working to expand to one million solar kits each month by 2030 to meet the basic energy needs of, at least, 200 million people, and this investment is part of the overall financing required to reach that operational scale.”

Sun King aims to deploy more than 50 million additional solar kits by 2030, extending clean, reliable electricity to 200 million people. This expansion will be supported by a significant scale-up of the company's retail and field operations.

Between 2025 and 2030, Sun King plans to grow its network of shops from 470 today to approximately 1,650 and increase its agent workforce from 45,000 at present to, approximately, 90,000 across the African continent. Sun King's agents are responsible for last-mile sales, installation, customer support, and product servicing, forming one of Africa's largest clean-energy distribution and service networks.

Sun King currently operates in 11 African countries and intends to deepen its presence in these markets, while entering new geographies where energy-access needs remain acute. Across Africa, over 600 million people still have no access to electricity.

The new capital will enable Sun King to expand its product portfolio, leveraging advances in solar, control electronics, and battery science to deliver higher-capacity, more cost-effective systems. Sun King plans to deploy 3.8 GW of new decentralised solar capacity by 2030 — roughly equivalent to the output of three large African coal power stations — delivered directly to households and businesses without reliance on grid infrastructure.

The capital will also support the development of new energy solutions beyond Sun King's existing solar portfolio, including pay-as-you-go clean-cooking technologies and smartphones as well as productive-use appliances for refrigeration and milling. These solutions are designed to improve health, strengthen local food systems, as well as boost household and small-business incomes.

Ekta Partners acted as the exclusive financial advisor for this transaction.

DEALS

Salt Capital Invests In Namibia's Healthcare



Jan Bosch
Managing Partner
Salt Capital

Salt Capital, an Africa focused private equity firm with a core focus on the Southern Africa Development Community (SADC), has with the partnership of one of its largest LPs, South Suez Capital, completed the acquisition of Welwitschia Hospital, ERAD

Radiology, and Spescare Namibia. Salt Capital has since inception considered Namibia as a priority market and has to date built an established track record in the country.

This strategic transaction positions Salt Capital as one of the leading investors in Namibia's healthcare sector, complementing its existing investment in Rhino Park Private Hospital in Windhoek.

The acquisition brings together a network of healthcare providers offering acute hospital care, advanced diagnostic imaging and

Investors

specialist subacute rehabilitation services. Collectively, these businesses aim to enhance patient care, improve access to high-quality healthcare, and support long-term growth and innovation in the sector.

“We are proud to welcome the Welwitschia, ERAD, and Spescare teams into the Salt Capital family,” commented Jan Bosch, Managing Partner of Salt Capital. “Our partnership builds on a shared belief that healthcare should be both excellent and accessible. As a dedicated investor with a long-standing presence in Namibia, we are committed to supporting these exceptional businesses and the professionals who deliver care that truly transforms lives.”

Matthias Braune, CEO of the enlarged group, added: “This partnership marks an exciting new chapter for us. Salt Capital's experience in the healthcare sector — including their success to date with Rhino Park Private Hospital — and their strong value-driven approach, make them an ideal partner. Together, we'll continue to grow our services, invest in innovation and deliver care that genuinely makes a difference to patients and communities across Namibia.” The acquisition highlights Salt Capital's continued focus on sectors that deliver meaningful social and economic impact across Africa, with a particular emphasis on healthcare, food and beverages and essential services.

INVESTORS

EiB Backs Alta Semper Fund II With \$37.5m



Gelsomina Vigliotti

Vice-President

EiB

The European Investment Bank (EiB), through its development arm - EiB Global, has agreed to invest \$37.5m in Alta Semper Fund II to support the growth of pharmaceutical and healthcare companies across Africa, including medical

equipment and technologies.

Targeting primarily North Africa (around 70%) and, to a lesser extent, sub-Saharan Africa (about 30%), the fund will strengthen innovation and sustainability in the life sciences sector while deepening EU-Africa trade relations.

Managed by Alta Semper Capital, a female-led private equity firm with a proven track record in healthcare investments, the fund will support local companies in expanding access to affordable and quality products and services, driving inclusive economic growth and human capital development.

Many portfolio companies are expected to partner with EU suppliers and MedTech firms to provide regional services, further linking African markets to the European Union's life sciences value chain.

“With this investment, we reaffirm Europe's commitment to building resilient healthcare systems and fostering equitable growth across Africa. The fund will empower innovative businesses led by talented entrepreneurs, many of them women, to deliver affordable solutions, strengthen local production, and create quality jobs,” said EiB Vice-President Gelsomina Vigliotti.

“Egypt represents a pivotal platform for international cooperation with development partners through the formulation and implementation of projects that directly benefit citizens, and the mobilization of funding and technical support for both the public sector and the local and foreign private sector. Through the

partnership between the EiB and the Alta Semper Fund II work will be done to support the growth of pharmaceutical and healthcare companies in Africa, including medical equipment and technologies, especially in North Africa and sub-Saharan Africa, to promote innovation and sustainability and deepen trade relations between the European Union and Africa,” said Minister of Planning, Economic Development, and International Cooperation of Egypt H.E. Rania Al-Mashat.

“We are delighted to be partnering with the EiB, which marks a significant milestone in our long-term vision to build a resilient, equitable and future-proof healthcare ecosystem across our target markets. The commitment from the EiB will significantly enhance our capacity to deploy capital into new investments, accelerate the growth of our portfolio companies, and deepen our on-the-ground impact, ensuring we continue to meet the continent's rapidly growing demand for quality healthcare and democratise access to health and well-being. Our investment thesis bridges the gaps in healthcare services, facilities and products and we also selectively invest in proven disruptive technologies which accelerate business models and further access and health equity goals,” commented Alta Semper Capital CEO Afsane Jetha.

“Resilient economies start with local solutions,” said Cheick-Oumar Sylla, IFC's Division Director for North Africa and the Horn of Africa. “By mobilizing private capital alongside development partners including EiB, this investment in Alta Semper Capital supports the growth of local healthcare and consumer businesses in Egypt and across Africa, including those led by women, expanding access to quality care.”

“The Egyptian Micro, Small and Medium Enterprises Development Agency (MSMEDA) is proud that international partners like the European Investment Bank (EiB) and the International Finance Corporation (IFC) are backing Alta Semper Capital Fund II. Their involvement validates the strength of Alta Semper's strategic focus on Egypt's healthcare

and consumer sectors, which are vital to our national economic resilience. We believe that supporting funds like Alta Semper Fund II will accelerate the growth of medium-sized enterprises, particularly in vital sectors like healthcare and consumer goods, ultimately creating thousands of high-quality job opportunities for Egypt. We are currently finalizing our own investment commitment to the fund, which we expect to conclude within Q1 2026, further empowering high-impact enterprises to scale and innovate," said CEO of MSMEDA Basil Rahmy.

The operation reflects EIB Global's strategy to mobilise private capital alongside experienced fund managers that can act as catalysts in local markets. The fund benefits from international

investor cooperation, alongside the EIB and the International Finance Corporation (IFC) of the World Bank Group, which is already an investor in the fund. In addition, a significant number of private investors are in advanced discussions to join at final closing, underlining the fund's strong market appeal.

The investment is aligned with the EU Global Health Strategy and the EU-Africa Global Gateway Investment Package, contributing to stronger regional manufacturing capacity, innovation and health security. By embedding gender considerations into its investment approach, the fund will ensure that at least 30% of its portfolio advances gender equality, supporting women-led enterprises and inclusive employment practices.

INVESTORS

DEG Mobilizes \$300m to Strengthen Climate Resilience in South Africa

DEG is providing South Africa's FirstRand Bank with a syndicated loan of \$300m to finance investments in renewable energies and to support German companies.

Its own share of the loan amounts to \$100m, making this the largest syndication in DEG's history to date.

The other investors are the development finance institutions FMO and Proparco, which are contributing \$100m each.

The financing supports the Just Energy Transition process in South Africa, which aims to accelerate the transformation of the energy sector and significantly reduce CO₂ emissions.

The focus is on expanding investment in renewable energies in order to promote inclusive growth and climate resilience.

The commitment will also help to strengthen German companies in the region and enable them to participate in sustainable projects.

"FirstRand and DEG have enjoyed a partnership spanning almost two decades. This groundbreaking transaction underscores our

shared commitment to impact and climate. We are delighted to be working with our European partners FMO and Proparco to strengthen climate adaptation and climate resilience in South Africa," said Monika Beck, a member of DEG's Management Board.

With over 40,000 employees, FirstRand Bank is one of the country's largest financial institutions: it is South Africa's second-largest bank and the primary subsidiary of FirstRand Limited Group.

DEG has not only supported the company financially, but also provided expert advice, including the development of internal training programmes on financing sustainable investments, as well as initiatives in the field of biodiversity.

"FirstRand welcomes the renewed collaboration with DEG, Proparco and FMO to provide additional capacity for a crucial sector of the South African economy," added Bhulesh Singh, Group Treasurer of FirstRand Bank. "For a country that is fighting poverty and at the same time exposed to food security risks brought on by drought, climate resilience is vitally important."

INVESTORS

IFC Invests in Groupe EDK

IFC, a member of the World Bank Group, has announced an investment of up to €25m (XOF 16,4bn) in Groupe EDK, a Senegalese conglomerate and the country's only significant local player in modern grocery retail.

The financing, provided largely in local currency, aims to expand access to quality grocery retail and support job creation in Senegal.

It will enable EDK to renovate its existing Low Price stores and open up to 18 new grocery outlets by 2027, primarily in underserved, lower-income cities outside of Dakar, such as Karang, Fatick, and Kaolack. The expansion is expected to create approximately 2,450 direct and indirect jobs, including 850 in-store operations and maintenance roles, with a strong emphasis on gender inclusion.

IFC's support will also help refinance and consolidate part of EDK's

existing debt, strengthening the company's long-term growth and financial resilience.

"Supporting local champions like EDK is central to IFC's mission in Senegal," said Olivier Buyoya, IFC Division Director for West Africa. "By helping EDK bring modern retail to underserved communities, we are advancing food security, helping create jobs, and supporting Senegal's Vision 2050 to boost sustainable and inclusive growth."

As Senegal's economy grows and demand for modern retail increases, IFC's partnership with EDK will help address a critical gap in access to quality food and formal employment, especially in peri-urban and rural communities.

"IFC's support is a game-changer for EDK and for Senegal's retail sector," said Demba Ka, Founder and CEO of Groupe EDK. "With IFC's

financing and expertise, we will bring quality groceries closer to more Senegalese families and strengthen local supply chains that benefit farmers, small businesses, and families across the country.”

IFC has provided comprehensive advisory support to strengthen the Group's financial management capabilities, reinforcing operational efficiency and adherence to international standards.

IFC's investment is supported by the International Development Association Private Sector Window (IDA PSW) Local Currency Facility

(LCF) and Blended Finance Facility (BFF), which helps provide long-term, local currency financing not readily available in the market.

This partnership reinforces IFC's commitment to empowering Senegal's local enterprises, boosting value creation and employment across strategic sectors such as retail, manufacturing, and services. It supports the government's “Sunu Champions” agenda to position national enterprises for regional and global competitiveness.

INVESTORS

BII Commits \$37m to Abydos II



Iain Macaulay

Director and Head of Project Finance (Africa and Pakistan)

BII

British International Investment (BII), the UK's development finance institution and impact investor, has committed \$37m to the Abydos II Solar PV and Battery Energy Storage System (BESS) project in

Egypt.

The \$37m project, to be developed by AMEA Power, will expand reliable access to renewable power, support Egypt's clean energy trade ambitions, and demonstrate how large-scale solar and battery storage projects can fuel sustainable economic growth across the continent.

Located in Aswan Governorate, Abydos II will be one of Africa's largest integrated solar and battery storage facilities, with a capacity of 1 GWac and a 600 MWh battery system. Once operational in 2026,

for evacuating power to large-scale commercial and industrial players, supporting Egypt's green industrialisation plan to inject stable, sustainable, and affordable power to manufacturing, logistics, and export-oriented sectors.

The Abydos II project aligns with Egypt's National Climate Change Strategy 2050, which aims to decarbonise key sectors such as energy, transport, and heavy industry, while supporting country-led investment platforms that attract private and institutional capital for climate projects. These platforms are rapidly becoming a cornerstone of regional cooperation and energy trade across growing markets, reinforcing Egypt's position as a leading hub for climate innovation and renewable energy-led growth.

Iain Macaulay, Director and Head of Project Finance (Africa and Pakistan), BII, said: “Abydos II is a major milestone in Egypt's clean energy journey and reflects our commitment to working with partners to accelerate the country's transition toward a sustainable, resilient

“Abydos II is a major milestone in Egypt's clean energy journey and reflects our commitment to working with partners to accelerate the country's transition toward a sustainable, resilient economy

Iain Macaulay, Director and Head of Project Finance (Africa and Pakistan), BII

it will generate approximately 2,910 GWh of clean electricity annually and reduce 1.6 million tonnes of CO₂ emissions each year.

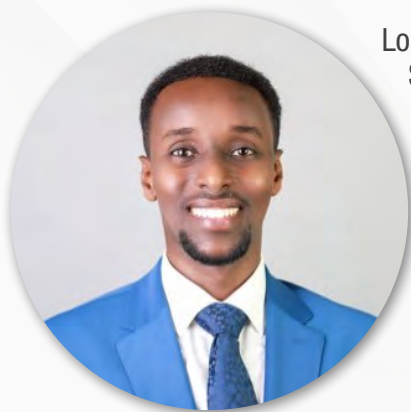
The project is financed alongside a consortium of leading impact investors, including International Finance Corporation (IFC), Cassa Depositi e Prestiti (CDP) of Italy, Deutsche Investitions- und Entwicklungsgesellschaft (DEG), the Dutch Entrepreneurial Development Bank (FMO), the OPEC Fund for International Development, and the Europe Arab Bank.

Supported by a 25-year Power Purchase Agreement with the Egyptian Electricity Transmission Company (EETC), the project will deliver stable, low-cost electricity to households, businesses, and industries. Its advanced transmission design will be mission-critical

economy. This project will deliver reliable green power, create thousands of jobs, and boost productivity. BII is proud to work with Amea Power, alongside IFC, DEG, FMO, CDP, the OPEC Fund, and others to show that large-scale solar and battery storage can drive climate action and economic opportunity.”

Sherine Shohdy, North Africa Regional Director, BII, said: “This investment builds on BII's growing climate portfolio in Egypt, which includes ARC for Renewable Energy's 390 MW of solar capacity, the 1.1 GW Gulf of Suez wind farm, and Obelisk. These projects are crucial to enabling sustainable development and uncovering new opportunities in green manufacturing, logistics, and technology.

BUILDING TRUST FROM THE GROUND UP: SOMALIA'S CAPITAL MARKET TAKES SHAPE



Long powered by private networks, diaspora capital, and an increasingly digital economy, Somalia is now taking a decisive step toward formal public markets with the launch of the National Securities Exchange of Somalia (NSES). In this interview with Africa Global Funds, **Yasin M. Ibar, Chief Executive Officer of NSES**, outlines how the exchange plans to begin trading in 2026, build investor trust through strong regulation and regional partnerships, and harness Islamic finance, technology, and diaspora participation to create a transparent, liquid frontier market aligned with East Africa and beyond.

AFRICA GLOBAL FUNDS (AGF): CAN YOU PROVIDE AN OVERVIEW OF THE CURRENT STATE OF THE SOMALI CAPITAL MARKET?

YASIN M. IBAR (YI): Somalia's capital market is young, but the demand behind it has been building for years. Businesses have long raised finance through family capital, trusted networks, and diaspora support, creating resilient companies even without formal public markets.

NSES is the route to formalising that demand. Launched in 2025, we plan to begin trading in early 2026. Our aim is to give Somali businesses a way to raise long-term capital at home, while enabling investors, including the diaspora, to back growth through a regulated, transparent market.

Somalia sits firmly in the frontier market category, and we are clear-eyed about that. But it also has a fast-moving private sector, a highly digital population, and deep pools of diaspora capital. Our job is to turn those strengths into a market people can trust, participate in, and grow with.

AGF: HOW IS NSES BUILDING INVESTOR TRUST IN SOMALIA'S NEW CAPITAL MARKET?

YI: In capital markets, trust is currency. NSES is building that trust by operating as a self-regulatory organisation, working closely with the Ministry of Finance and the Central Bank of Somalia. Oversight sits with an independent committee, separating the market operator from oversight.

We have a comprehensive rulebook covering listing standards, trading rules, market surveillance, and dispute resolution. We are also adopting global best practice in disclosure, anti-fraud provisions, and corporate governance so investors can price risk and rely on disclosure.

We are disciplined about pace. The first issuers set the tone, so we will prioritise companies and instruments that can meet governance

expectations and explain their numbers clearly. Confidence is built one listing at a time.

AGF: HOW WILL REGIONAL PARTNERSHIPS, LIKE THE ONE WITH THE NAIROBI SECURITIES EXCHANGE, SHAPE THE FUTURE OF SOMALIA'S MARKET?

YI: The Nairobi Securities Exchange partnership helps us move faster and with stronger standards, because we can draw on real operating experience in surveillance, post-trade systems, issuer readiness, and market operations.

It also gives the market more reach. Dual listings and cross-border investor access will in time widen the buyer base and support liquidity. That matters because many Somali businesses already operate across the region, and investors in East Africa already look beyond their home markets.

Finally, the partnership supports alignment with East African Securities Exchanges Association standards. For investors, that means clearer rules and better comparability across markets. For Somalia, it is a practical step towards a more connected East African capital market, where capital can follow opportunity more easily.

AGF: WHAT TECHNOLOGY INNOVATIONS WILL NSES USE TO IMPROVE TRADING ACCESS?

YI: We are building NSES as a digital market from day one. Somalia is already a digital economy through mobile money and digital payments, so the exchange should fit that reality. We are implementing an electronic trading engine that matches orders transparently and a depository system that enables electronic clearing and settlement, removing paper, stamps, and delays. An investor in Mogadishu, or a Somali professional in London or Nairobi, can participate through secure digital channels with clear records and proper oversight.

“Somalia’s capital market is young, but the demand behind it has been building for years

Yasin M. Ibar, Chief Executive Officer of NSES

AGF: HOW WILL ISLAMIC FINANCE, LIKE SUKUK, SUPPORT MARKET GROWTH?

YI: Islamic finance will be the core engine of market depth in Somalia. Sukuk are backed by real assets and cash flows, giving investors partial ownership of tangible projects like a bridge or a solar power farm. This fits local investors and is attractive to Gulf capital.

We are backing this with clear Sharia oversight and disclosure. NSES will establish a Sharia advisory board to review and recommend Sharia-compliant products before listing. For sovereign Sukuk, we also want clear use of proceeds, with issuances tied to defined projects and ring-fenced proceeds, so investors can see exactly what they are funding. Sukuk can finance national priorities while bringing long-term investors into the market.

AGF: WHICH SECTORS IN SOMALIA DO YOU SEE AS THE MOST PROMISING FOR LISTINGS, AND HOW WILL THE EXCHANGE SUPPORT THEIR GROWTH?

YI: We are starting with the Big Five sectors that already power the economy. Telecommunications is well suited to public markets because high mobile penetration makes it scalable and liquid. Energy is critical as Somalia shifts from expensive diesel generation towards renewables and grid-scale investment. Banking is promising as the sector matures and more activity shifts into formal commercial banking. Real estate and construction are being driven by diaspora return and urban demand. Agriculture and livestock remain the backbone of the economy, with upside in value-added processing. The exchange supports these sectors by providing long-term capital and a route to growth capital, backed by disclosure standards that strengthen reporting and long-term planning.

AGF: HOW DOES NSES BALANCE REGULATION WITH MARKET PARTICIPATION?

YI: We regulate so investors feel protected and issuers feel it is worth listing. The self-regulatory organisation model helps because it lets us apply clear standards and refine them as the market matures.

We have surveillance and disclosure rules, plus brakes on extreme volatility. To keep the market active, we also use liquidity measures, including market-maker status for certain firms, to reduce the risk of stagnant trading in the early phase. Price thresholds limit extreme swings while allowing the market to find its natural price. The balance is strong rules, fair access, and steady growth.

AGF: WHAT STRATEGIES ARE IN PLACE TO ENSURE ACTIVE TRADING AND INVESTOR ENGAGEMENT?

YI: Every new frontier exchange has to answer one simple question. If

I buy today, can I sell later down the line? That is the liquidity trap we are determined to avoid from day one.

We will use market makers to keep trading active, so investors are not left holding an asset they cannot exit. In parallel, we are building participation where Somalia’s capital already sits, through a diaspora-first model. Digital onboarding and diaspora investment windows will turn remittances into equities and Sukuk.

Regional links will also widen the market. Our partnership with the Nairobi Securities Exchange and membership of EASEA create a path to dual listings and, in time, trading Somali stocks through local brokers across the region, lifting the volume of active trades.

Finally, we will offer products that fit Somalia’s context, including Sukuk and Sharia-compliant REITs, and back that with education through the NSES Academy and simulation trading. The aim is practical. Make it easier to participate, keep the market moving, and let trust build through experience

AGF: HOW IS NSES PROMOTING INVESTOR EDUCATION AND AWARENESS?

YI: We are building market literacy from the start, including a programme in collaboration with tertiary institutions. That includes targeted programmes for the diaspora in the UK, the US, Kenya, and Turkey, alongside local education covering risk, disclosure, and how trading works in practice.

We are also building the professional workforce a market needs through professional and certified courses for investment analysts and brokers, so the local workforce can run the market with credibility and skill. When investors recognise good disclosure and professionals enforce standards, confidence becomes routine.

AGF: WHAT ARE THE KEY MILESTONES FOR NSES IN THE NEXT FIVE YEARS?

YI: The first milestone is live trading in 2026, with early listings and the first sovereign Sukuk issuance that sets the standard for what comes next.

From there, the focus is depth and breadth. We want full integration with the East African Securities Exchange portal for cross-border trading. We want to expand the range of Sharia-compliant instruments and introduce REITs to formalise the property market.

Longer term, we want frontier market recognition in global indices such as MSCI, as liquidity, disclosure, and participation deepen. This is a long build, but the destination is clear. Somalia should have a capital market that matches its entrepreneurial energy and allows Somalis and investors everywhere to invest in the country’s future with confidence.

MOROCCAN PRIVATE EQUITY DRAWS GROWING CAPITAL FLOWS

By: Anna Lyudvig

Morocco's private equity market has quietly transformed over the past decade from a niche corner of the financial system into a magnet for domestic and international capital. Relative macroeconomic stability, predictable policy, and a growing pool of mid-sized companies have positioned the kingdom as North Africa's leading private capital hub. Unlike some regional peers, which continue to face political uncertainty or currency volatility, Morocco offers governance, legal frameworks, and financial infrastructure that reassure institutional investors.

Over the last 10 years, Morocco has steadily professionalized its private equity ecosystem. Fund managers and institutional investors have gradually built experience with governance, reporting, and sector-specific due diligence. This has allowed the market to move

offering of Cash Plus, one of Morocco's largest independent money-transfer and payments platforms. The company's 750 million-dirham IPO (≈\$75–82.5 million) on the Casablanca Stock Exchange was oversubscribed roughly 65 times, drawing more than 80,000 investors.

Mediterrania Capital Partners used the IPO as a partial exit, illustrating how public markets can provide liquidity for private capital, even if IPOs remain relatively rare in Morocco. The success of Cash Plus also demonstrated a growing appetite among domestic investors for quality issuers, helping build confidence in the country's exit environment.

In the mid-market segment, institutional capital flowed into sectors beyond consumer products. Mediterrania Capital Partners and CDG Invest Growth, the investment arm of Morocco's state-owned

“Morocco's private equity market has quietly transformed over the past decade from a niche corner of the financial system into a magnet for domestic and international capital

from opportunistic, small-scale investments into larger, structured transactions that appeal to both domestic and international limited partners. Meanwhile, the expansion of financial services, development finance institutions, and regulatory support has created a more sophisticated ecosystem for private capital.

Yet the market's pressing challenge is no longer fundraising. Capital is available, often in excess of investment-ready companies, and exit pathways remain relatively limited. This imbalance has created a unique dynamic: funds can be raised quickly, but deploying that capital efficiently and realizing returns requires careful deal selection, governance upgrades in portfolio companies, and strategic patience.

According to the Moroccan Private Equity Association (AMIC), fundraising in Morocco's private equity sector reached a record 3.88 billion dirhams in 2024 (≈\$368 million), the highest annual total in market history. Cumulative capital raised between 2018 and 2024 totaled roughly 13.8 billion dirhams, nearly 50% more than the preceding six-year period, signaling deepening confidence among limited partners. Investment activity in that year amounted to 1.7 billion dirhams across 40 transactions, with services, healthcare, and education receiving significant allocations.

This backdrop set the stage for 2025, a year that illustrated both the opportunities and constraints of Morocco's private capital ecosystem.

FUNDRAISING STRENGTH MEETS DEPLOYMENT CHALLENGES

One of the most visible developments in 2025 was the initial public

Caisse de Dépôt et de Gestion, participated in a 540 million-dirham (≈\$55–60 million) capital raise for Dislog Dispositifs Médicaux, part of the healthcare division of the Dislog Group. This transaction aimed to build a regional medical-devices platform serving public and private buyers, reflecting a trend toward strategic, growth-focused investments rather than short-term plays.

Venture and growth capital are also gaining momentum. Moroccan fintech Chari raised \$12 million in a Series A round in October 2025, led by SPE Capital and Orange Ventures, with participation from additional regional and international investors. This round, widely reported as the largest Series A in Morocco's history, signals growing confidence in the country's early-stage technology ecosystem. Early-stage investors are increasingly targeting fintech, agritech, and edtech startups, betting that Morocco's tech sector, still smaller than Kenya or Nigeria, will mature rapidly in the coming years.

Other sectors attracting attention include renewable energy and tourism. With Morocco hosting major international events and preparing for the 2030 World Cup, tourism-focused investments have increased, while renewable energy projects benefit from favorable government policy and rising regional demand for sustainable power. Investors are starting to integrate environmental, social, and governance (ESG) considerations into both deal selection and portfolio management, aligning with global private equity trends.

Mergers and acquisitions in 2025 remained active, particularly in healthcare, retail, and fintech, although comprehensive deal tallies are not publicly reported. Domestic corporate buyers and

strategic investors continue to participate actively, reflecting a mid-market that is maturing in its capacity to absorb institutional capital.

BUILDING A SUSTAINABLE PIPELINE AND EXIT LANDSCAPE

Structural constraints remain. Many Moroccan businesses are family-owned and tightly held, with governance, succession planning, and transparent financial reporting often lagging the standards required by institutional investors. Funds often dedicate time and resources to professionalizing portfolio companies, introducing structured reporting, and preparing companies for eventual exits. This work can extend holding periods but ultimately increases the value and investability of the underlying businesses.

Efforts to address these constraints include broader ecosystem initiatives aimed at creating a more structured and investable private equity environment. In mid-2025, Morocco's sovereign-backed Fonds Mohammed VI pour l'Investissement (FM6I) selected 14 fund management firms to oversee thematic and sectoral investment vehicles totaling roughly 19 billion dirhams (≈\$1.9 billion). These funds target strategic sectors such as industry, agriculture, tourism, transport, and SME finance, channeling long-term capital toward companies with growth potential.

By coordinating public and private capital, FM6I helps overcome two major challenges in Moroccan private equity: the scarcity of governance-ready companies and the limited pool of investable opportunities. Participating portfolio companies are encouraged to adopt transparent financial reporting, professional management,

Established managers also demonstrated strong fundraising capacity. Mediterranean Capital Partners closed its fourth fund at €250 million, exceeding its initial target by nearly 30%. CDG Capital raised a \$175 million fund focused on renewable energy and infrastructure, while Sorec Capital raised a MAD 1.2 billion (\$120 million) tourism and hospitality fund, backed by European development finance institutions and regional sovereign investors. These successes reflect sustained confidence in Morocco's private equity ecosystem and a willingness among limited partners to commit to long-term growth opportunities.

Despite progress, exits remain constrained. While the Cash Plus IPO provided a high-profile example, broader IPO activity on the Casablanca Stock Exchange is limited. Most private equity exits still occur through trade sales or secondary transactions, which can extend holding periods well beyond the typical four-to-five-year window. Industry observers estimate that average holding periods may exceed six years, highlighting the difficulty of recycling capital and achieving target returns.

Morocco's policy and economic environment continue to support private equity expansion. The startup law, enacted in 2022, offers tax incentives and streamlined processes for early-stage companies, complementing FM6I thematic funds and supporting venture capital growth. Incubators, accelerators, and innovation hubs have also proliferated in Casablanca, Rabat, and Marrakech, creating a pipeline of governance-ready startups. Sectors such as tourism, renewable energy, healthcare, and agritech benefit from these structural supports, helping expand the pool of investable companies and

“Capital is available, often in excess of investment-ready companies, but deploying that capital efficiently and realizing exits requires governance upgrades, careful deal selection, and strategic patience

and clear succession planning, making them more attractive to institutional investors. The funds also promote regional expansion, with agricultural and industrial projects aiming for export markets, and tourism investments enhancing Morocco's international competitiveness.

The initiative emphasizes ecosystem building, with fund managers providing mentorship, operational support, and strategic guidance to portfolio companies. By professionalizing businesses and strengthening governance frameworks, FM6I is creating a pipeline of companies better prepared for institutional investment, trade sales, or eventual IPOs, improving deployment efficiency and long-term returns for investors.

strengthen exit potential over time.

Looking ahead, Morocco's private equity market appears to be balancing strong fundraising with the realities of deal sourcing and exit options. The key ingredients for sustained growth — a deepening capital pool, emerging public market exits, supportive policies, and a diversifying economy — are in place. Converting capital into active portfolio companies at scale, however, will depend on broadening the pipeline of governance-ready firms and developing a more consistent set of exit channels. The market's performance over the next few years, particularly in 2027 and 2028, will determine whether Morocco can maintain its position as North Africa's leading private equity hub.

WHY ETFs PLAY A VITAL ROLE IN PRIVATE MARKETS



By Duma Mxenge, Head of Business and Market Development at Satrix

Institutional investors are entering a new era of complexity and opportunity. Retirement funds and pension schemes are under pressure to deliver sustainable returns, manage liquidity, and meet growing demands for responsible investing. In this environment, Exchange Traded Funds (ETFs) have emerged as more than just passive vehicles – they are strategic enablers that bridge the gap between public and private markets.

Private markets, namely, private equity, private debt, and infrastructure, offer compelling benefits: attractive illiquidity premiums, diversification, and access to unique growth opportunities. Yet, for many South African pension funds, direct access remains limited. Regulation 28 allows up to 15% in private equity and 45% in infrastructure, but actual allocations are far below these thresholds. Why? Operational complexity, liquidity constraints, and governance challenges make trustees and principal officers cautious.

This underutilisation means funds risk missing out on long-term value creation. Private markets are less correlated with public market movements, offering resilience during volatility. However, the illiquid nature of these investments creates tension with the need for flexibility, especially in defined contribution (DC) funds where member flows can be unpredictable.

ETFs: THE STRATEGIC ENABLER FOR PRIVATE MARKET INTEGRATION

ETFs play a vital role in overcoming these barriers. They provide institutional investors with tools to manage liquidity, facilitate transitions, and maintain strategic alignment, all while reducing costs and improving transparency.

1. Liquidity Management

Liquidity is the cornerstone of any institutional portfolio. When funds allocate to private markets, they lock up capital for extended periods, limiting their ability to respond to market changes or member withdrawals. ETFs solve this problem by acting as a liquidity sleeve. A flexible allocation that can be quickly adjusted, sold, or rebalanced without disrupting the broader strategy.

An ETF liquidity sleeve enables:

- **Better management of inflows and outflows** without compromising long-term objectives.
- **Minimisation of cash drag**, ensuring uninvested assets remain productive.
- **Resilience during stressed markets**, where liquidity can evaporate in traditional instruments.

This approach supports a clear governance framework, giving trustees confidence that liquidity risks are actively managed.

2. Transition Management

Transitioning assets into private markets is rarely instantaneous. Capital calls can stretch over months or years, leaving funds with

excess cash that erodes returns. ETFs offer an elegant solution during these interim periods:

- **Replicate strategic asset allocation (SAA):** ETFs can mirror the risk-return profile of the broader portfolio, keeping cash aligned with long-term objectives.
- **Preserve capital while enhancing yield:** Low-risk fixed-income ETFs provide better returns than idle cash.
- **Create liquid proxies for private-market exposure:** ETFs linked to infrastructure or real estate indices enable funds to maintain thematic exposure while awaiting capital deployment.

By using ETFs for transition management, funds avoid performance drag and maintain portfolio integrity.

3. Cost Efficiency and Transparency

Institutional investors value governance and oversight. ETFs provide daily holdings disclosures, enabling clear reporting to boards and investment committees. Their typically lower management fees reduce the total cost of ownership, a critical consideration for retirement funds under pressure to optimise expenses.

4. Regulatory Alignment

As ETF adoption grows, market liquidity and efficiency improve, making it easier for funds to comply with Regulation 28 while pursuing private market ambitions. ETFs provide a practical mechanism to implement sophisticated, multi-asset strategies without breaching regulatory limits or operational capacity.

Globally, the lines between traditional and alternative asset management are blurring. Leading asset managers are launching hybrid solutions that combine liquid public instruments with illiquid private assets. Clients, namely trustees, principal officers, and investment consultants, are driving this convergence, demanding integrated portfolios that deliver diversification, liquidity, and long-term value.

Product innovation is accelerating. Public-private strategies, evergreen funds, and model portfolios are proliferating. ETFs are central to this evolution, offering the flexibility and efficiency required to implement these solutions at scale.

The 2025 Sanlam Benchmark Survey underscores the urgency: 80% of standalone funds and 46% of umbrella sub-funds require ESG integration, while 70% support investments that create positive social impact. Trustees are prioritising job creation, education, renewable energy, and health. ETFs can help achieve these objectives by providing liquid, transparent exposure to ESG-compliant sectors and complementing private-market allocations.

For umbrella funds seeking turnkey, Regulation 28-compliant strategies or standalone corporate DC funds wanting private market access without operational complexity, ETFs offer a compelling proposition.

The future of institutional investing lies in convergence and customisation. Clients want solutions that seamlessly blend public and private exposures. ETFs are no longer optional; they are essential components of modern institutional portfolios. They enable funds to navigate liquidity challenges, manage transitions, and implement sophisticated strategies with confidence.

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AFRICAN MARKETS PERFORMANCE

AFRICA SOVEREIGN BOND INDICES (TOTAL RETURNS USD %)

Country	December	3-Month	1-Year
Botswana	3.40%	-3.56%	-1.84%
Egypt	2.01%	7.36%	36.10%
Ghana	9.22%	24.04%	153.75%
Kenya	1.33%	5.09%	22.31%
Mauritius	0.21%	-0.08%	5.15%
Morocco	2.07%	-0.28%	16.09%
Namibia	5.15%	11.69%	32.37%
S&P/FMDQ Nigeria	-1.49%	6.07%	38.13%
South Africa	6.17%	13.28%	41.20%
Tanzania	0.83%	6.18%	30.39%
Uganda	1.68%	0.05%	20.12%
Zambia	5.36%	17.23%	69.64%

Source: S&P Dow Jones Indices

AFRICA EQUITY INDICES (BMI GROSS TOTAL RETURNS USD %)

Country	December	3-Month	1-Year
Botswana	4.54%	2.15%	19.32%
Cote d'Ivoire	2.59%	4.72%	37.78%
Egypt	4.39%	14.63%	56.02%
Ghana	10.78%	36.24%	194.36%
Kenya	5.59%	10.06%	66.69%
Malawi	-3.81%	2.97%	303.08%
Mauritius	0.06%	-2.52%	5.43%
Morocco	0.80%	-3.39%	41.55%
Namibia	6.43%	14.13%	48.57%
Nigeria	7.77%	6.43%	70.70%
Rwanda	12.45%	13.13%	21.60%
South Africa	9.49%	13.30%	61.17%
Tanzania	15.45%	15.11%	48.80%
Tunisia	4.21%	9.05%	49.25%
Uganda	5.76%	-3.84%	35.18%
Zambia	8.72%	19.03%	103.39%

MARKETS: State of the SA ETP Industry

By Mike Brown, Managing Director, ETFSA

The total market capitalisation of all Exchange Traded Products (ETP), listed on the JSE, increased by R69bn in 2025, or by 31% to R294.9m at the end of the year. The increase in the size of all ETFs, ETNs, AMCs and AMETFs, listed on the JSE, to date this year, comes from two areas: capital raised of R19,6bn from the issue of new products, or from the creation of new issues or fresh tranches of products already listed; and the balance has stemmed from the favourable markets experienced in 2025 with equities, both local and global, bonds, commodities and other asset classes increasing in value through much of this year. Some 70% of the market capitalisation of the SA ETF industry is in products tracking or benchmarking, global markets or indices. So, with foreign markets significantly underperforming, South African referenced assets, this factor did inhibit the overall growth of the industry last year.

The total number of ETP products, listed on the JSE, at the end of December 2025, was 291, compared with 254 at the end of 2024. The 37

new products have arisen predominantly from: the listing of 16 new single stock ETNs by FNB, which cover individual shares listed on the US stockmarkets. The range of securities that can be purchased in ETN form in either "compo" (rand based prices), or "quanto" (US dollar based), has now swelled to 29; and steady increases in the number of actively managed certificates (AMCs) and actively managed ETFs (AMETFs), so that this category of actively managed exchange traded products now accounts for 109 separate listings.

For the year as a whole, R19 653,0 million was raised in new capital from the creation of additional ETP securities on the JSE.

For the first time, new capital raised by actively managed ETPs, namely AMCs, with R7 462m, and AMETFs, with R6 853m, exceeded the total new capital raised in ETFs. However, in the case of ETFs, the net new capital raised was significantly impacted by redemptions of commodity-based ETFs, during the second half of 2025.

PRIVATE EQUITY NEWS

AFRICAN TECH FUNDING REBOUNDS TO \$4.1BN



Tidjane Dème, General Partner at Partech Africa

In 2025, African tech funding regained significant momentum, recording \$4.1bn in combined equity and debt financing (+25% YoY), according to Partech Africa Tech Venture Capital report.

This marks a decisive shift after the global and regional slowdown of 2023–2024.

“This year’s rebound highlights the resilience of African founders and the growing sophistication of capital markets across the continent,” said Tidjane Dème, General Partner at Partech Africa.

“Debt capital reached an all-time high, with \$1.64bn raised, and the number of debt transactions went from 77 to 107 deals (+39% YoY), marking the highest level of debt activity ever recorded. Meanwhile, equity markets stabilized, with meaningful recoveries at Series A and Series B. These indicators reflect a healthier, more mature ecosystem.”

Debt financing was the standout trend of 2025 with \$1.6bn deployed (+63% YoY) and 107 debt deals recorded (+39% YoY), the highest level on record.

Debt represented 41% of all capital deployed, up from 31% in 2024 and 17% in 2019.

While equity funding remained broadly stable (+8% YoY), deal sizes grew at every stage. Series A and B saw the strongest recovery, with average round sizes increasing 21% and 12% respectively.

Four ecosystems, Kenya, South Africa, Egypt and Nigeria, captured 72% of total capital, confirming the persistence of a hub-driven VC landscape.

While Kenya ranked first with \$1.04bn raised (+72% YoY), supported by its ability to attract large debt rounds and multiple megadeals,

South Africa regained leadership in equity deal flow. Nigeria remained highly active despite lower absolute volumes and Egypt sustained a strong pipeline with rising ticket sizes.

“2025 was the first year since 2017 in which South Africa led the way in terms of both equity funding and equity deal activity in Africa, with only one megadeal which represented 15% of total funding,” commented Cyril Collon. “This performance reflects a market where equity growth is driven by sustained deal flow across stages, rather than by a small number of outsized rounds and South Africa is the clearest example of equity-led normalization.”

Beyond the top four, Senegal, Morocco and Ghana were the only ecosystems surpassing \$50m in equity funding, underscoring the steep funding drop-off outside the leading markets.

Francophone Africa strengthened its position outside the top four, capturing 68% of equity funding and 64% of deal activity—a notable increase from 2024.

Fintech continued to dominate with \$769m raised (25% of equity funding), though its overall share declined.

Other sectors saw significant growth: Cleantech: \$550m (+186% YoY), Healthtech: \$215m (+232% YoY), and Enterprise: \$238m (+55% YoY).

This marks the first time since 2021–2022 that several non-fintech sectors each exceeded \$200m in annual equity funding, signaling broader ecosystem maturity.

Female-founded startups increased their share of equity deals to 19% (+8% YoY) and captured 10% of total equity funding, though the overall gender gap remains significant.

Investor participation narrowed again in 2025 (-7% YoY), driven primarily by contraction at Seed+, while Series A and B saw renewed engagement. Investors also diversified beyond fintech, with increased activity across enterprise, cleantech and agritech.

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
337 Frontier Capital - Kimberlite Frontier Africa Fund (as-of 2025-12-31)										
69.52	7.84	69.52	32.53	20.8		Equity	Africa ex-SA	Cayman Isl.	Open-End	06/14
African Domestic Bond Fund (as-of 2025-12-31)										
31.3	2.8	31.3	6.9	0.3	45.60 (12/25)	ETF - local currency FI	African region	Mauritius	Open-End	9/18
African Lions Fund (as-of 2025-12-31)										
67.21	5.97	67.21	30.76	21.9	62.96 (11/25)	Equity	SSA ex-SA	BVI	Open-End	10/20
Allan Gray Africa Bond Fund (as-of 2025-12-31)										
25.4		25.4	17.5	8.6	400.00 (12/25)	Fixed Income	Africa ex-SA	Bermuda	Open-End	3/13
Allan Gray Africa ex-SA Equity Fund (as-of 2025-12-31)										
62.95	6.79	62.95	21.01	15.76	600.00 (12/25)	Equity	Africa ex-SA	Bermuda	Open-End	1/12
Commonwealth Africa Fund (as-of 2025-12-31)										
51.42	7.14	51.42	18.79	12.38	6.74 (12/25)	Equity	African region	USA	Open-End	11/11
Coronation Africa Frontiers Fund (as-of 2025-12-31)										
62.1	5.1	62.1		12.8	636.62 (12/25)	Equity	Africa ex-SA	Ireland	Unit Trust	10/08
EFG-Hermes MEDA Fund (as-of 2026-01-22)										
	0.84	-9.26	8.22	15.68		Equity	Africa & Middle East	Bermuda	Open-End	12/11
Enko Africa Debt Fund (as-of 2025-12-31)										
35.66	2.84	35.66	26.2	17.31	1002.00 (12/25)	Fixed Income	Africa ex-SA	Mauritius	Open-End	10/16
Fidelity Funds - Emerging Europe, Middle East and Africa Fund A (as-of 2026-01-22)										
	5.11	36.69	19.48	1.96	362.63 (12/25)	Equity	EMEA	Luxembourg	SICAV	6/7
Imara Africa Fund (as-of 2025-12-31)										
52.28	5.5	52.28	11.17	3.5		Equity	African region	Cayman Isl.	Open-End	04/09
Imara African Opportunities Fund (as-of 2025-11-30)										
44.3	-2.62	53.1			11.19 (11/25)	Equity	African region	BVI	Open-End	08/21
Imara Zimbabwe Fund (as-of 2026-01-30)										
36.1					6.39 (11/25)	Equity	Zimbabwe	BVI	Open-End	03/07

DISCLAIMER: All data is provided "as is" for your information and personal use only, and is not intended for trading purposes or advice.

YTD (%)	1 Month	1 Year	3 Year	5 Year	AUM (\$m)	Strategy	Focus	Domicile	Type	Start
Laurium Africa USD Bond Fund (as-of 2025-12-31)										
19.9		19.9	13.7		43.20 (12/25)	Fixed Income ex South Africa	African region	Ireland	UCITS	04/21
Laurium Limpopo Africa Fund (as-of 2025-12-31)										
56.38	4.9	56.38	27.16	13.22	376.50 (12/25)	Equity	Africa ex-SA	Cayman Isl.	Open-End	01/14
Mazi Capital Africa Fund (as-of 2025-11-30)										
46.51	-2.28	51.6	10.45	3.59		Equity	Africa ex-SA	South Africa	Open-End	1/16
MCB Africa Bond Fund (as-of 2025-12-31)										
8.2	1.2	8.2	-8.5	-24.6		Fixed Income	African region	Mauritius	Open-End	02/14
Old Mutual African Frontiers Flexible Income Fund (as-of 2025-12-31)										
27.9	3.3	27.9	19.7		88.10 (12/25)	Fixed Income	African region	Ireland	OEIC	05/22
Old Mutual African Frontiers Fund (as-of 2025-12-31)										
52.55	5.92	52.55	26.29	11.73		Equity	Africa ex-SA	Ireland	Open-End	5/10
Robeco Afrika (as-of 2025-11-30)										
54.88	0.33	55.89	21.2	15.03	34.70 (11/25)	Equity	African region	Netherlands	Open-End	06/08
Sanlam Africa Equity Fund (as-of 2025-12-31)										
60.07	6.71	60.07	20.04	13.8		Equity	Africa ex-SA	Ireland	Open-End	07/15
Sanlam Allianz Africa Equity Fund (as-of 2025-12-31)										
47.96	5.19	47.96	10.94	4.68	78.64 (11/25)	Equity	Africa ex-SA	Cayman Isl.	Open-End	05/19
Steyn Capital Africa Fund (as-of 2025-12-31)										
69.42	6.14	69.42	26.78	20.89		Equity	Africa ex-SA	Malta	SICAV	09/11
Sustainable Capital Africa Alpha Fund (as-of 2025-12-31)										
56.89	5.14	56.89	21.08	12.06		Equity	Africa ex-SA	Mauritius	Open-End	2/12
TCM Africa High Dividend Equity (as-of 2025-12-31)										
50.05	5.54	50.05	15.2	6.09		Equity	Africa ex-SA	Holland	Open-End	03/08
T. Rowe Price Africa & Middle East Fund (as-of 2025-12-31)										
24.17	3.96	24.17	13.48	12.73	109.25 (12/25)	Equity	MENA & SSA	United States	Open-End	10/11

For Funds Performance Graphs, visit:
<https://public.irx.exchange/explorers/agf-africa-ex-za-equity-funds>

Source: Company Data

MAURITIUS FINTECH MARKET: GOLDEN OPPORTUNITY TO PRESERVE THE ECONOMIC MIRACLE



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Since 1971, Mauritius succeeded in transforming its economy from a poor sugar dependent into a high-income diversified economy. Today, Mauritius economy relies on many sectors as main drivers for economic growth. Financial

service is considered a key economic growth stimulator in Mauritius. As per 2025 forecasts, financial service is expected to contribute around 13% to Mauritius GDP directly and around 25% when indirect effects are included. In addition, Mauritius crafted its investment policies in a manner that attracted foreign investments. As a result, Mauritius is classified as a miraculous economy. So how can fintech market especially tokenization and blockchain segments represent a golden opportunity to preserve Mauritius economic miracle?

To answer this question, first we need to know the degree of technological advancement in Mauritius especially in its financial services sector. It is well known that financial inclusion percentage is one way to measure fintech advancement in any economy. According to the World Bank data in 2024, Mauritius has a financial inclusion percentage of 90%. It is worthy to mention that the average global financial inclusion percentage is around 79% as per the World Bank data in 2025. This means that Mauritius is by far higher than the global average. Consequently, Mauritius is very well prepared from the technological infrastructure perspective leading to this high financial inclusion rate. From another investment perspective, advanced technology infrastructure indicates that Mauritius is a lucrative market for technology startups, entrepreneurs and investors. But is the infrastructure factor alone enough to attract tech investors and projects?

The short answer is no. Infrastructure as a sole determinant isn't enough as other determinants have to be factored in. This includes but not limited to new investment strategies that cope with global markets updated trends and fintech regulations. With regards to investment strategies, Mauritius launched two investment funds to attract more investors in the fintech field. The first fund is Mauritius Africa Fintech Hub. The fund is a fast-growing ecosystem where entrepreneurs, corporations, governments, tech experts, investors, financial service providers, universities and research institutions can collaborate to build cutting-edge solutions for the

emerging African market. It paves the way for international fintech companies and financial service providers to access the African market. Also, it facilitates African fintech ventures to do business across borders. The other fund is Mauritius Investment Corporation "MIC" which is Mauritius quasi-Sovereign Wealth Fund. One of MIC investment objectives is to enhance Mauritius as an innovation driven economy. According to MIC 2025 Annual Report, 43% of its portfolio is allocated to equity investments and participated in an IPO equity transaction. To further enhance its performance and returns, MIC should transform into a full independent sovereign wealth fund and embed Mauritius fintech regulations into its investment strategy. But how this could be done?

During 2022, the Virtual Asset and Initial Token Offering Services Act has come into force in Mauritius. The act regulates the issuance of Initial Token Offerings "ITO". This means that MIC could deploy ITO in funding its existing investments or upon entering new equity investments especially in artificial intelligence startups. By doing so, MIC could have utilized the smart contract merits in its 2025 IPO equity transaction. Smart contracts are advantages of the blockchain technology that provides technological guarantee that ITO contract terms will be met automatically without the need for intermediaries. This fintech regulation is important because it allows offering subscribers from outside Mauritius. Hence, facilitating the flow of capital from advanced markets into African markets with just a click of a button and at the same time maintaining transparency and funds security.

Moreover, Mauritius issued another fintech regulation during 2020 that is vital for advancing its economy. The Peer-to-Peer "P2P" Lending Rules facilitates debt funding at the level of pre seed raising. This type of retail and corporate crowdfunding is new to the African continent. Nevertheless, Mauritius is the best economy to apply this type as a result of its high financial inclusion percentage. Consequently, MIC could add this type of debt crowdfunding to promote the growth of its small and medium enterprises. Even better, MIC could direct some of its P2P funding towards nurturing Mauritian or African fintech startups. In return, MIC will benefit from an 80% tax exemption from the interest income received as a result of its debt funding.

In conclusion, Mauritius currently is ranked 58 in the Global Financial Centers Index (GFCI). Mauritius has a golden opportunity in elevating its ranking by integrating more fintech products into its investment strategy.

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