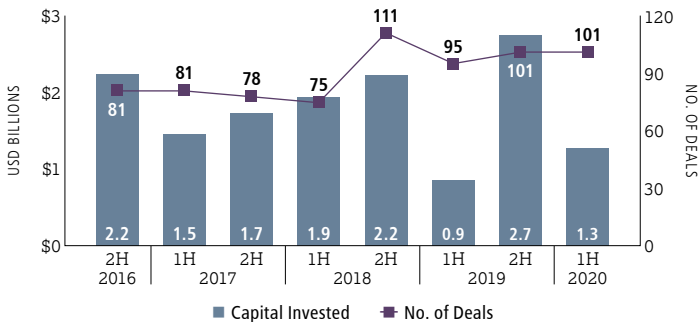




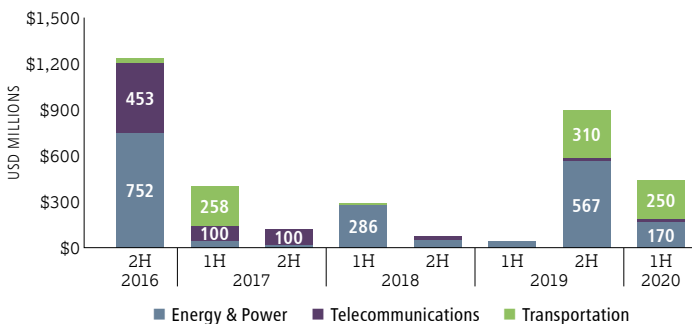
Africa Investment, 2H 2016-1H 2020



Transaction volume remained consistent in 1H 2020 despite the onset of COVID-19-related lockdowns

Despite rolling lockdowns in response to the COVID-19 pandemic, the pace of private capital deal-making in Africa in 1H 2020 remained consistent with the second half of 2019. GPs completed few large deals on the continent, causing an overall drop in disclosed capital invested from 2H 2019. Notable deals in 1H 2020 included a Mediterranean Capital-led consortium's buyout of Egypt-based MetaMed from Gulf Capital for USD100m, as well as Ethos Private Equity's USD73m restructuring of South Africa-based investment manager Brait. The consistent pace of investment may reflect deals already in progress prior to the onset of global lockdowns and economic contractions. The impacts of delayed due diligence and shifting investor priorities may not be fully felt in the region until the latter half of 2020.

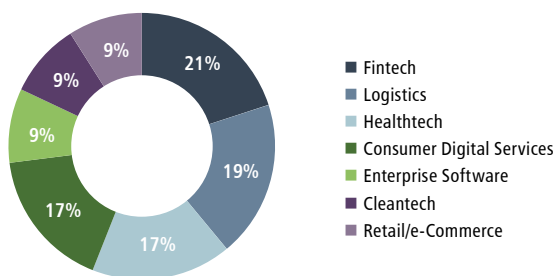
Africa Infrastructure Investment by Sector, 2H 2016-1H 2020



More recent entrants to the African infrastructure space have demonstrated appetite for port assets

Investment activity in Africa in 1H 2020 was led by A.P. Moller's USD250m commitment to establish the ARISE Ports and Logistics platform in Gabon alongside Olam International and Africa Finance Corporation. Although energy and power deals have represented the majority of infrastructure activity in the region since 2016—attracting the continent's more established investors such as Actis, AIIM, and Metier—newer entrants to the African infrastructure space have shown appetite for transportation assets. In fact, two port deals completed by A.P. Moller and Meridiam have accounted for 41% of infrastructure investment since the beginning of 2019. Other infrastructure investors have targeted the agricultural space, as demonstrated by STANLIB Infrastructure's buyout of South Africa-based AFGRI Grain Silo Company.

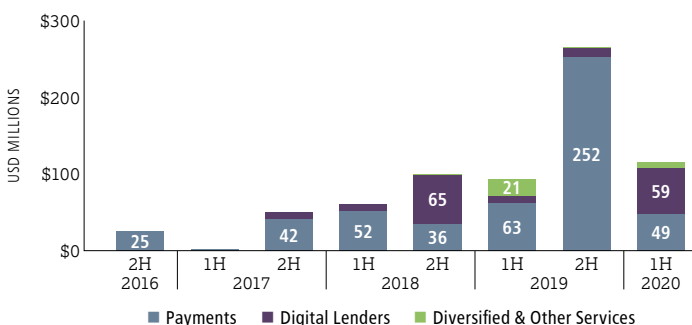
Africa VC Investment by Business Segment, 1H 2020 (% of No. of Deals)



GPs completed nine deals in logistics startups in 1H 2020, including Senty's USD20m Series B

Venture capital (VC) fund managers completed 47 deals in Africa in 1H 2020, the highest half-year deal count on record at EMPEA, continuing a trend of steady growth for the asset class since 2013 despite COVID-19-related lockdowns. One area of focus for investors has been logistics startups such as Kenya-based delivery platform Senty, which raised a USD20m Series B in January 2020. Meanwhile, over one-third of capital invested in 1H 2020 accrued to eight healthtech deals, including the Gulf Capital-led USD40m Series D for Egypt-based health platform Vezeeta, the largest VC deal on the continent in 1H 2020. As the region grapples with supply chain disruptions and health care implications of the COVID-19 pandemic, technology-focused investors may find expanded opportunities in logistics and healthtech startups.

Africa Fintech Investment by Business Vertical, 2H 2016-1H 2020



Deals for payments processors have driven rising investment activity for fintech companies since 2017

GPs invested USD116m in African fintech companies in 1H 2020. While this number represents a drop from 2H 2019, which was bolstered by three deals of USD50m or more, the longer-term rise in activity since 2017 demonstrates growing investor interest in African fintech. In the largest fintech deal on the continent in 1H 2020, LeapFrog, Goldman Sachs, and Odey Asset Management invested USD55m in consumer and SME lender JUMO. However, the largest share of private capital in the space has accrued to payments processors, which have also attracted multinational strategic investors, with Visa acquiring a stake in Helios-backed InterSwitch this year. In light of COVID-19, increased demand for contactless payments, coupled with more conservative lending practices by traditional banks, might drive further interest in these verticals.

Update to Methodology: In this release, the total value of each investment (including contributions by co-investors and acquisition or project financing) is counted toward aggregate capital invested totals, rather than, as in the past, only the amount that can be attributed to the funds (narrowly defined) participating in each transaction. For more info, visit empea.org.

Largest Africa Funds Achieving a Close, 1H 2020

Fund Manager(s)	Fund Name	Fund Type	Geographic Focus	Fund Currency	Capital Raised, 1H 2020 (USDm)	Capital Raised to Date (USDm)
Capitalworks Investment Partners	Capitalworks Private Equity Fund III	Growth	South Africa	ZAR	230.8	280.5
Helios Investment Partners	Helios Investors IV*	Growth	Africa	USD	240.0	240.0
AfricInvest	AfricInvest Fund IV*	Growth	Africa	USD	202.0	202.0
Metier	Metier Sustainable Capital II*	Infrastructure	Africa	USD	20.0	133.0
Criterion Africa Partners	Africa Sustainable Forestry Fund II	Natural Resources	Africa	USD	25.0	115.7
Novastar Ventures	Novastar Ventures Africa Fund II	Multi-Stage/ Opportunistic	Ethiopia, Kenya, Rwanda, Uganda, Ghana, Nigeria, Tanzania	USD	20.0	108.0
Alitheia Identity	Alitheia IDF Fund (Gender Smart Fund)*	Growth	Africa	USD	23.0	75.0
PAPE Fund Managers	PAPE Fund 3	Buyout	Southern Africa	ZAR	5.7	73.9

* Fundraising as of 30 June 2020.

Most Active VC Dealmakers in Africa, 2019-1H 2020

Investor(s)	No. of Deals
500 Startups	20
Novastar Ventures	17
Algebra Ventures	9
Y Combinator	8
Goodwell Investments	7
CRE Venture Capital	6

Most Active Infrastructure Dealmakers in Africa, 2017-1H 2020

Investor(s)	No. of Deals
African Infrastructure Investment Managers (AIIM), Meridiam	6
STANLIB Asset Management	4
Actis	3

Largest Investments in Africa, 1H 2020

Investor(s)	Company	Country	ICB ¹ Sector	Investment Type	Total Transaction Value (USDm)	Investment Date
Olam International, Africa Finance Corporation, A.P. Moller Capital	ARISE Ports and Logistics	Gabon	Industrial Transportation	Buyout	250.0	Jan-20
Proparco, Netherlands Development Finance Company (FMO), Mediterranean Capital Partners, European Bank for Reconstruction and Development (EBRD), DEG, Cairo Scan for Radiology and Labs	MetaMed	Egypt	Medical Equipment & Services	Secondary Buyout	109.5	May-20
Ethos	Brait	South Africa	Nonequity Investment Instruments	PIPE	72.5	Mar-20
Netherlands Development Finance Company (FMO), Great Horn Investment Holdings, Climate Fund Managers, Africa Finance Corporation	Ghoubet Wind Project	Djibouti	Electricity	Growth	63.0	Feb-20
MCB Capital Partners, International Finance Corporation (IFC), DEG, Amethis	Naivas	Kenya	Personal Care, Drug & Grocery Stores	Growth	59.5	Feb-20
Development Partners International	Societe Industrielle des Conserves Alimentaires (SICAM)	Tunisia	Food Producers	Growth	56.0	May-20
Odey Asset Management, LeapFrog Investments, Goldman Sachs Merchant Banking Division (MBD)	JUMO	Mauritius	Finance & Credit Services	Mezzanine	55.0	Feb-20

Notable Exits and IPOs in Africa, 1H 2020

Company	Country	ICB ¹ Sector	Investor(s)	Year(s) of Investment	Capital Invested (USDm)	Exit Date	Exit and Return Detail
Ghana Home Loans (GHL Bank)	Ghana	Finance & Credit Services	Actis	2013, 2016	58.4	May-20	Strategic sale to First National Bank Ghana
Renewable Energy Investments South Africa (REISA), Renewables Cookhouse Wind Farm 1	South Africa	Electricity	African Infrastructure Investment Managers (AIIM)	2012	N/A	May-20	Secondary sale of 34% stake in REISA and 14% stake in Cookhouse to open-ended AIIM Ideas Managed Fund
InterSwitch	Nigeria	Finance & Credit Services	Helios Investment Partners	2010	N/A	Apr-20	Strategic sale to Visa at reported USD1b valuation
Vumatel	South Africa	Telecommunications Equipment	Vantage Capital	2016	17.6	Apr-20	Exit through debt repayment and refinancing by South African banks for total returns of ZAR676m (USD36m)
Mauvilac	Mauritius	General Industrials	Adenia Partners	2014	N/A	Apr-20	Strategic sale of 95% stake to Netherlands-based paint and coating manufacturer AkzoNobel
ARMLife	Nigeria	Life Insurance	LeapFrog Investments	2013	9.3	Feb-20	Strategic sale to Nigeria-based Tangerine Life

¹ The Industry Classification Benchmark ("ICB") is owned by FTSE International Limited ("FTSE"). "FTSE®" is a trademark of the London Stock Exchange Group companies and is used by FTSE under license. FTSE does not accept any liability to any person for any loss or damage arising out of any error or omission in the ICB. Visit the ICB website for more details.