



AFRICA FINTECH OVERVIEW

PUBLIC MARKETS

RIGHT NOW! Sustained recovery rally, continued fundamental strength and smart international money swooping in have “**CATALYSED a SWEET SPOT**” in Africa listed equities. I have not seen a set up like this in 20 years! **BUY it NOW!**

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Here are a few snippets that keep lifting the drum beat:

- US Hedge Fund Elliott International investing in IDH, Egypt.
- Helikon, London-Milan long-short equity Hedge Fund, investing in Egypt and across Africa.
- Vodafone UK increasing its stake in their Kenyan subsidiary, Safaricom, buying an additional 20% at a 19% premium.
- African domestic pension market assets have reached an all-time high of USD 2.4trn, adding domestic support for the equity markets that did not exist 10 years ago.
- Nigeria's USD 2.35bn Eurobond is oversubscribed By USD 10.65bn.
- Nigeria's FX reserves have climbed to their highest level in seven years, while Egypt's just hit all-time highs.
- Liquidity in African's biggest stock markets continue improving materially, driven by both International and Domestic investors.

Some more detail on recent events. In a massive **vote of confidence for Africa**, Financial Inclusion and Mobile Money, the Vodafone Group increased its stake in one of our key holdings, Kenya listed Safaricom. The purchase was made by Vodafone's 65.1% owned subsidiary, Johannesburg listed Vodacom. Vodacom bought an additional 20% stake in Safaricom at a 19% premium to its share price for a total consideration of USD 2.1bn. Vodacom's stake will now be 54.9%. Following on from Elliott International's investment in IDH, this is particularly encouraging, as it shows both **Operating AND Financial investors** are seeing what we see on the continent. High quality companies, with a strong growth outlook at all time low valuations.

In a second leg and even **MORE IMPORTANTLY**, recent bond auctions in our key markets have been oversubscribed and with substantial participation from foreign investors. That's good for FX rates, FX reserves and confidence. Of interest to us as equity investors, yields in the secondary and hence primary markets have come down significantly. **Lower rates mean higher valuation multiples.**

This is important to us and you as current/potential investors as we often get the question.."but is it a value trap"..."but when will it turn"..."but what's the catalyst"? Well, **IT'S ALREADY TURNED, THE ABOVE EVENTS ARE THE CATALYST**. Get in now or top-up, as this is just the start. **We are in the early innings, this momentum, this rally has legs!**

VENTURE CAPITAL AND PRIVATE EQUITY DEAL UPDATE



Nigerian public money is backing startups, and it's picking Ventures Platform. VP Pan-African Fund II hit a \$64 million first close, with the federal iDICE program alongside IFC, Standard Bank, and global investors. The fund will fuel pre-seed to Series A rounds, accelerate pan-African expansion, and push Nigeria's tech and creative sectors into the spotlight.



Nedbank has gotten the all-clear to buy iKhokha, the Durban-based fintech that helps small businesses accept card payments and access cash advances. Regulators approved the deal with zero conditions, saying it won't dent competition. The move gives Nedbank a stronger foothold in South Africa's fast-growing digital payments space, and puts extra pressure on rivals like FNB and Standard Bank.



Resilience17 has officially launched its first venture studio product, Odysy, a new expense management platform built to solve the payment headaches facing African businesses and global travelers. Available now in Nigeria, Ghana, and Kenya, Odysy allows companies to issue corporate cards (in both USD and Naira) and access local payment rails like M-PESA and bank transfers.



South African digital lender, Lula, has raised \$10 million (R170 million) in debt from the International Finance Corporation to expand access to working capital for micro, small, and medium-sized enterprises (MSMEs). Lula says it will use the money to reach more MSMEs who have historically been excluded by traditional banks.

ECONOMIC AND POLITICAL OVERVIEW

NIGERIA

Nigeria's foreign-exchange reserves have **climbed to their highest level in seven years**, buoyed by renewed investor confidence, stronger oil receipts and sustained balance-of-payments inflows.

The Chief Executive of the Nigerian Upstream Petroleum Regulatory Commission, Gbenga Komolafe, has expressed optimism that Nigeria's crude oil output will soon witness a significant boost following the completion of a new offshore production facility.

Private sector sustains **11-month growth as PMI hits 55.4 points**. Nigeria's private-sector activity expanded for the 11th consecutive month in October, supported by broad-based growth across industry, services, and agriculture.

Macro releases included (October Stats):

- Inflation decreased to 16.01% y/y (Sep: 18.0%).
- FX reserves increased to USD 43.2bn (Sep: USD 42.3bn).
- PMI was 54.2 (Sep: 51.4.2).

16.01% y/y	US\$ 43.2bn	54.2
INFLATION RATE	FX RESERVES	PMI

EGYPT

Egypt **GDP grew 5.3% in 3Q25** (1QFY25/26) vs 3.5% in the same period a year earlier, the Planning Ministry said on Thursday. The strong growth beat the government's own expectation, driven by strong growth in leading sectors, including manufacturing, tourism (+13.8%) and telecoms (+14.5%). The solid growth outturn comes as no surprise, in light of the trend over the preceding quarters, with the economy enjoying a favourable backdrop, thanks to resolution of FX shortages, falling inflation and declining interest rates.

Egypt's exports of gold, jewellery, ornaments and precious stones surged 157% Y-o-Y in 10M25 to USD6.76bn, the Gold and Precious Metals Division of the Federation of Egyptian Industries announced. Head of the division Ehab Wassef noted that it has been working to upgrade product quality to meet global standards, support research and development (R&D) in jewellery design and manufacturing, expand financing for small and medium-sized

enterprises (SMEs) and establish training centres to enhance the skills of local workers.

Eni, the operator of Egypt's offshore gas field Zohr, has pledged to invest as much as USD8bn in Egypt. It launched an offshore Mediterranean exploration drilling campaign last month and is rolling out upstream investments that will span all Eni-operated areas in the country. Capital expenditures will focus on short-cycle, infrastructure-led opportunities and extending the life of old assets in the areas of Sinai and the offshore Nile Delta.

Remittances from Egyptians working abroad surged 45% y/y to a record USD30.2bn in 9M25, according to a statement by the Central Bank of Egypt (CBE). On a monthly basis, inflows rose 30.9% Y-o-Y in Sep to USD3.6bn. (CBE) The continued uptick in remittances indicates that the inflows remain on an uptrend, likely hitting the USD40bn mark in the current FY25/26, up from USD36bn in the previous fiscal year. Rising remittances are a key factor in the recent narrowing current account deficit.

An agreement was reached on a Kuwaiti **investment package worth USD6.5bn by the end of 2026** during the Kuwaiti PM's visit to Egypt last weekend, according to Asharq Business. The Kuwaiti govt aims to invest approximately USD1bn in Egypt before the end of 2025. During the visit, the two countries signed several agreements and MoUs in the fields of renewable energy, agriculture, higher education, industry, civil aviation, telecommunications and banking cooperation.

Macro releases included (October Stats):

- Inflation was 12.5% y/y (Sep: 11.7%).
- FX reserves were USD 50.1bn (Sep: USD 49.59bn).
- PMI decreased to 49.248.8 (Sep: 48.82).

12.5% y/y	US\$ 50.1bn	49.2
INFLATION RATE	FX RESERVES	PMI

KENYA

President William Ruto has announced a new initiative that will allow Kenyans working abroad to invest back home and earn income through the upcoming Diaspora Bond. This has proven to be an excellent way for African countries to tap long term financing.

Kenya has unveiled a new plan to make the Port of Mombasa faster and more efficient through a partnership between the Kenya Ports Authority (KPA) and the Kenya Revenue Authority.

Kenyans living abroad have sent home over **Ksh1 trillion this year, marking the highest remittance record in the country's history.**

Kenya's Coffee Prices Cross KSh 1,000/Kg Record. Kenya's coffee market has broken new ground after prices at the **Nairobi Coffee Exchange surged to an average of KSh 1,025.03 per kilo in September, the highest monthly level on record.**

Macro releases included (October Stats):

- Inflation was 4.6% y/y (Sep: 4.6%).
- PMI rose to 52.5 (Sep: 51.9).
- 2q23 current account deficit widened to KES 138.7bn (USD 920m).
- The Central Bank of Kenya (CBK) anticipates GDP growth for 2023 at 5.7%.

4.6% y/y	5.7%	52.5
INFLATION RATE	GDP GROWTH	PMI

MOROCCO

Tourist arrivals in Morocco increased 14% y/y to 16.6mn in 10M25, according to new data from Minister of Tourism Fatim-Zahra Ammor. Latest revenue data show Morocco's tourism income jumped 23% Y-o-Y in 9M25 to USD11.1bn, registering an all-time high. The sector, which is enjoying a strong recovery in line with global trends, registered 17.4mn arrivals in 2024 and is set to reach the 18mn mark in 2025.

The Consumer Price Index decreased by 0.6% in October 2025 as compared to September 2025, translating a 1.3% decrease in the food consumer price index and a stagnation in the non-food consumer price index. Therefore, CPI recorded a 0.1% increase as compared to October 2024. As for the underlying inflation indicator, which excludes volatile price products and regulated ones, it decreased by 0.2% as compared to September 2025 and as compared to October 2024.

Ministry of National Land Planning, Urban Development, Housing and Urban Policy published the evolution of cement deliveries by the end of October 2025. As such, **cement deliveries stood at 1,516kT in October 2025, up 16.4% compared with October 2024. Cumulatively, cement deliveries rose by 11.3% to 12,377kT** over the first ten months of the current year.

Macro releases included (October Stats):

- Inflation was 0.1% y/y (Sep: 0.4%).
- FX reserves were USD 33.0bn (Jan: USD 32.8bn).
- Gross investments into Morocco slowed, down -3.1% in 2q23 (2q22: -8.4%).

0.1% y/y	US\$ 33.0bn	-3.1%
INFLATION RATE	FX RESERVES	GROSS INVESTMENT

MAURITIUS

Macro releases included (October Stats):

- Inflation was 4.1% y/y (Aug: 4.4%).
- Bank of Mauritius (BoM) moved the interest rate to 4.5%.

4.1% y/y	4.5%
INFLATION RATE	INTEREST RATE

COMPANY UPDATES

Key to brackets: (Country | Industry)

MARKET OUTLOOK

Africa is expected to outperform the rest of the world with an improved outlook in 2025. We continue to allocate to high quality businesses; those that score highly on our internally developed, Likert Q-scoring system, both currently and over time. We have two additional quantitative overlays, valuation and growth. We also have two qualitative overlays being management and ESG. What is particularly exciting is that we have a number of businesses across Africa that fit these criteria. The key transformational trends of financial inclusion, urbanisation and economic formalisation underpin a robust African consumer story that is taking shape regardless of global volatility. We allocate to the best companies in the sectors that tap into this transformation. At the moment, we have a bias towards financial inclusion and fintech themes as they do particularly well on our growth metrics.

Nigeria – The new President is taking reforms seriously, collapsing all rates to a single I&E window; a hugely positive signal to the markets. This, as new bills have been signed into law coupled with other positive moves, including the removal of fuel subsidies. The road to full recovery will take committed policy change and will be bumpy. The communications, fintech and banking sectors are growing strongly, yet high quality companies exploiting these, are at all time low valuation multiples

Egypt – The short term outlook for Egypt is extremely positive on the back of the UAE real estate deal, the IMF and the World Bank deals. The tourism outlook has improved, wheat prices have halved, and strong remittance growth has returned. With the bulk of household consumption in cash, the investment opportunity for us in fintech is immense in this 100m population country and it will also drive economic formalisation and increased government revenue through widening of the tax net.

Morocco – Morocco's key economic drivers are mining, agriculture and tourism. Tourism is rebounding with positive



indicators for 2025. In terms of outlook, it remains a stable, mid-growth country with excellent opportunities in retail, manufacturing and fintech.

Mauritius – Tourism rebounded and growth prospects are positive.

Kenya – Peaceful elections and a new, business-friendly President bode well for the country in the foreseeable future. Continued recovery in tourism, lower soft commodity import prices and a rebound in food exports should provide tailwinds. Corporate expansion into neighbouring countries such as the DRC and Ethiopia, provide significant opportunities for Kenya. Safaricom and Equity Group are the two main drivers. IMF and World Bank support will also allow the country to maintain a strong growth trajectory.