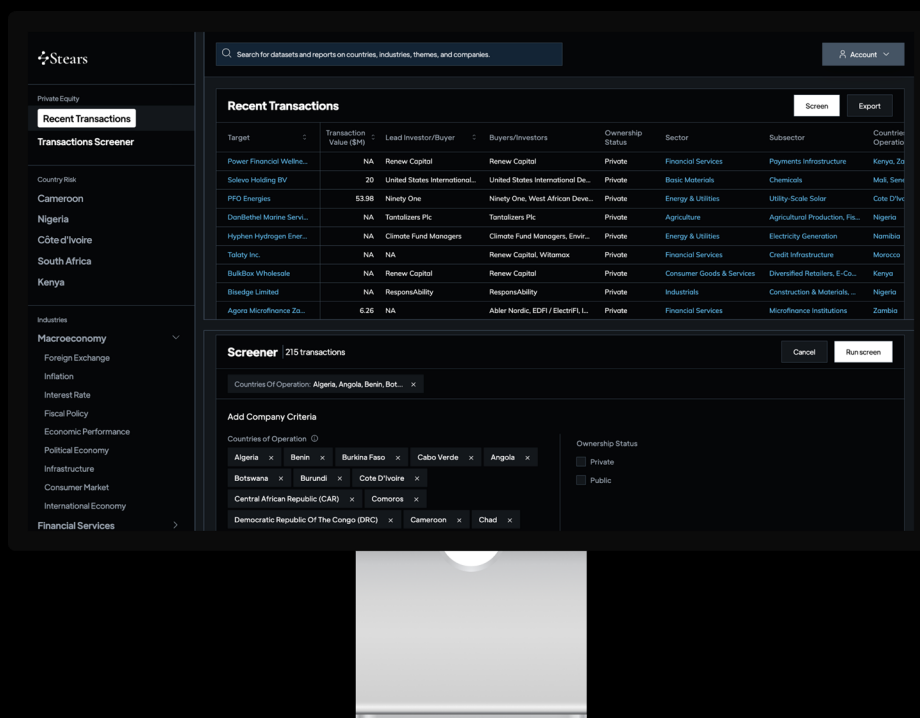




# Q3 2025 Private Capital in Africa Activity Report

Analysing deal activity and emerging trends in Africa

# About Us



Stears is a financial data and software company that provides access to the most comprehensive data on Africa's private capital market for fund managers, corporates and service providers.

For Africa-focused investors, Stears provides access to a private transactions database, robust company and fund profiles, industry research, and macro data for country risk analysis. By combining hard-to-find data with proprietary enrichment and forecasts, Stears accelerates the deal process.



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# Stears Private Capital in Africa Activity Report: Q3 2025

The Q3 2025 Stears Private Capital in Africa Report analyses African private market transactions for Q3 2025. It examines key trends in private investments, providing valuable insights for fund managers and corporate decision-makers on the countries, industries, and companies attracting private capital.

## Methodology

This report is derived exclusively from the [Stears Private Transactions Database](#), accessible through the Stears Data Platform. The database monitors private market activity in Africa, focusing on growth equity, private equity, private debt, infrastructure financing, and mergers and acquisitions. Transactions in the database are compiled from reliable third-party sources, including company websites, press releases, and investor reports, with each transaction independently verified by at least two separate sources..

### Geographical and Sector Classifications

A single transaction may be associated with multiple countries/regions or sectors, reflecting the operational scope of the company involved. Consequently, regional and sector totals often exceed the underlying total number of transactions. As such, percentage shares in geographical and sector analyses will not sum to 100%.

## Key takeaways

- Rising transaction activity:** Africa recorded 177 private market transactions in Q3 2025, up from 147 in Q2, while disclosed deal value increased from \$3 billion to \$5 billion, boosted by the \$2 billion MultiChoice Group Acquisition.
- Standout MultiChoice Transaction:** The \$2 billion Canal+ SA buyout of MultiChoice Group accounted for 40% of the total transaction value for the quarter, and is the second-largest private transaction in 2025, behind the \$2.2 billion part-acquisition of Khazna Data Center.
- Smaller Deals Take Prominence:** The combined share of large and mega deals fell from 27% to 21%, while the share of transactions valued between \$2.5 million and \$10 million rose to 32%. This shift reflects a renewed focus on Series A venture rounds, especially in digital and consumer-tech segments
- Trade Sales Dominated Exit Routes:** Exits remained concentrated in strategic trade sales, including Phatisa's sale of Deltamune to Vaxxinova, Verod Capital's divestment from TAG West Africa, and BII & Norfund's sale of Klinchenberg B.V. to Savannah Energy.
- Active M&A Landscape:** Strategic acquisitions continued across sectors. Key deals included Link Mobility's \$115 million purchase of SMSPortal (South Africa), Nedbank's \$93 million acquisition of iKhokha, and Sothema's \$111 million takeover of Soludia Maghreb (Morocco), alongside Leadway's full acquisition of PAL Pensions (Nigeria)
- Regional Shift to Southern Africa:** Southern Africa reclaimed the top spot with 31% of transactions, followed by West Africa (30%) and East Africa (28%). South Africa alone accounted for 87% of regional deals, while Nigeria (70%), Kenya (65%), and Egypt (48%) led in their respective regions.
- Technology Emerges as Leading Sector:** Information Technology accounted for 21% of transactions, surpassing

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Consumer Goods & Services for the first time. Application Software and Consumer Digital Services led the pack, helped by Sanari Capital's \$23.4 million investment in Ctrack in South Africa.

8. **Cold Chain Investment Appeal:** A cluster of transactions—Cygnum Capital's \$18 million loan to Cold Solutions Kazi, Keep It Cool's \$680,000 convertible facility, and Koolboks' \$11 million mixed financing—validated Stears' predictions of rising capital in Africa's cold chain landscape.
9. **West Africa's Francophone Divide:** Francophone markets accounted for 22% of West African transactions, signalling rising investor interest; however, Nigeria alone still accounted for 36% of the region's total, underscoring its outsized attractiveness to private capital.
10. **Debt and M&A Patterns Mirrored Sector Strengths:** Debt financing remained concentrated in Agriculture and Energy, particularly in East and West Africa. M&A activity was most prevalent in Southern Africa (44% of all M&A deals), mainly in Technology and Financial Services, while North Africa dominated project financing, led by AfDB's \$58 million investment in STEG and the \$490 million Egyptian Soda Ash Company loan.

# Overview of private capital transaction activity

Private capital activity in Africa increased in Q3 2025, with 177 recorded transactions, up from 147 in Q2 2025. Disclosed transaction value rose to \$5.0 billion, a ~60% increase from the \$3.0 billion recorded in the previous quarter, even as the disclosure rate fell to 51% (Q2 2025: 63%), below the typical quarterly average.

## Ticket Sizes: Landmark Multichoice Group acquisition drives higher transaction values

Despite the higher total value, the combined share of large and mega-deals declined from 27% to 21%, reflecting a rise in small transactions (\$2.5 million–\$10 million). This pattern points to renewed momentum in Series A-level venture rounds, particularly within technology and digital consumer segments.

| Increase in sub-\$10m transactions reflects higher frequency of Series A rounds in the quarter |         |         |
|------------------------------------------------------------------------------------------------|---------|---------|
| Transaction sizes as a proportion of disclosed transaction values                              |         |         |
| Transaction Size                                                                               | Q3 2025 | Q2 2025 |
| Micro Transactions                                                                             | 22%     | 24%     |
| Small Transactions                                                                             | 32%     | 25%     |
| Mid-sized Transactions                                                                         | 25%     | 24%     |
| Large Transactions                                                                             | 8%      | 16%     |
| Mega Transactions                                                                              | 13%     | 11%     |

Source: Stears Transactions Database

Micro transactions: <\$2.5m , Small transactions: \$2.5–\$10m Mid-sized transactions: \$10m – \$25m , Large transactions: \$25m – \$75m , Mega transactions: \$75m+

Much of the quarter’s growth, however, was driven by the \$2 billion [MultiChoice Group](#) deal, which accounted for ~40% of the total disclosed value. Excluding this transaction, the overall deal value would have remained broadly in line with Q2 2025 levels

Put in historical context, the deal is the second-largest African private transaction this year, behind Emirates Telecommunications Group [selling its 40% stake in Khazna Data Center](#) in February 2025. Yet the Canal+ SA acquisition is notable for its distinctively African focus: while Khazna Data Center is headquartered in Dubai and operates across the wider MENA region, MultiChoice Group remains an Africa-centred media business. The transaction signals growing confidence in the continent’s digital consumer market, particularly in video entertainment and streaming.

Africa’s entertainment and media market, valued at [\\$88.16 billion in 2024](#), is projected to reach \$120.03 billion by 2030 at a compound annual growth rate of 5.1%. Within this, legacy pay-TV subscriptions are expected to climb modestly to 55 million subscribers by 2029, while digital streaming remains the key growth engine.

The deal also reflects a measured acquisition strategy by Canal+ SA, which began accumulating its stake in October 2020 (6.5%), raised it to 43.5% by May 2024, and completed the buyout in September 2025.

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# Mergers & Acquisitions in Q2 2025

Beyond the headline Canal+ SA–MultiChoice transaction, Q3 2025 saw a steady flow of strategic mergers and acquisitions that continued to lift overall deal values. Activity remained particularly strong in Southern Africa, with additional momentum coming from Morocco and Nigeria, underscoring the growing role of corporate consolidation and secondary exits in sustaining investor liquidity.

- **South Africa:** Norway's Link Mobility, a global cloud communications platform (CPaaS), acquired its local counterpart, SMSPortal, for [\\$115 million](#), with an earn-out clause that could raise the value to \$145 million. The deal highlights growing cross-border demand for African digital infrastructure assets. In a separate transaction, Nedbank [acquired fintech firm iKhokha](#) for \$93 million. iKhokha provides mobile point-of-sale hardware and integrated financial services to SMEs. The acquisition enabled a complete exit for the selling consortium comprising Apis Partners (Growth Fund I), Crossfin Technology Holdings, and the International Finance Corporation (IFC).
- **Morocco:** Domestic pharmaceutical giant Société de Thérapeutique Marocaine (Sothema) acquired Soludia Maghreb, a leading manufacturer of haemodialysis solutions, in a [\\$111 million transaction](#). The deal facilitated a partial exit for Cap Mezzanine III, managed by CDG Invest Growth. Part of CDG's shareholding was converted into Sothema stock, signalling an increase in the sophistication of local-currency M&A structures in Morocco.
- **Startup consolidation:** Following patterns observed in Q2, Africa's startup ecosystem continued to experience targeted consolidation. South Africa fintech Street Wallet [acquired Digitip](#), a digital tipping platform, shortly after closing a [\\$350,000 funding round in August 2025](#). Meanwhile, Stitch Payments, which has raised over \$100 million to date (including a [\\$55 million Series B](#) in April 2025), continued its inorganic growth strategy by [acquiring Efficacy Payments](#), building on its [earlier acquisition of ExiPay](#) in January 2025.
- **Nigeria:** The financial services sector recorded a flurry of transactions. WealthBridge Financial Services Holdings Limited [acquired Main Trust Microfinance Bank](#) Limited, a Tier-1 microfinance operator, while Providus Bank concluded its [long-planned acquisition](#) of Unity Bank, previously partially owned by AMCON (34% stake). In the pensions segment, diversified financial group Leadway Holdings completed its [full acquisition](#) of PAL Pensions. The move came just before the new PENCOR capitalisation rules, which raise the minimum share capital for pension funds administrators (PFAs) from ₦2 billion (\$1.4 million) to ₦20 billion (\$14 million), and from ₦2 billion (\$1.4 million) to a minimum of ₦20 billion (\$14 million) and 1% of AUM above ₦500 billion (\$340 million) for PFAs with AUM above ₦500 billion (\$340 million). With Nigerian banks responding to recent recapitalisation rules through public rights issues, similar capital pressures are now expected to accelerate M&A activity within Nigeria's pension industry.

## Venture investment highlights in Q3 2025

Venture activity in Q3 2025 reflected steady investor confidence in early-stage innovation across Africa, with a few notable rounds emphasising Nigeria's enduring relevance and the growing appeal of AI-focused startups.

- In Nigeria, a number of high-profile Series A rounds drove the broader trend. Chowdeck, a last-mile food and essentials delivery platform, [raised \\$9 million](#) to expand its logistics network, while Kredete, a stablecoin-based fintech facilitating cross-border transactions, secured [\\$22 million in a Series A round](#) co-led by AfricInvest and Partech.
- Stablecoin-focused startups received notable interest this quarter. Alongside Kredete's raise, HoneyCoin, a cross-border cryptocurrency startup, closed a [\\$4.9 million seed round](#) led by Flourish Ventures.
- Investor interest also extended to AI-native ventures, signalling a growing appetite for data-intensive innovation. Janngo Capital led a [pre-seed investment in Jobzyn](#) (Zenyth RH Maroc SARL), an AI-powered human-resources platform, Seestars led a [pre-seed round for Niteon LLC](#), a B2B export-marketplace platform, while Yamify, an AI-driven cloud-services startup, closed a [\\$100,000 pre-seed round](#) from prominent angel investor Felix Anane.
- In Egypt, the fintech pipeline remained active at the seed stage. [Flend](#), a lending platform targeting SMEs, and [Munify Corporation](#), a cross-border neobank, each raised \$3 million during the quarter—further evidence that Egyptian fintech is a preferred entry point for early-stage investors in North Africa.

## Exit Analysis: Trade sales dominate as fund managers secure strategic offtakers

Trade sales dominated exit activity in Q3 2025, reflecting the growing role of strategic corporate buyers in providing liquidity to private investors across the continent. Several notable transactions highlighted the diversity of exit pathways, from cross-border acquisitions to local strategic integrations.

In Morocco, leading pharmaceutical firm Sothema completed the [full acquisition](#) of Soludia Maghreb, a domestic producer of haemodialysis solutions, from CDG Invest Growth (Cap Mezzanine III) and the founding family for \$111 million, with CDG Invest Growth converting a portion of its holdings to Sothema stock as part of the deal.

In South Africa, Nedbank acquired fintech company iKhokha for \$93.2 million, providing [full exits](#) for Apis Partners, Crossfin Holdings, and the International Finance Corporation (IFC). The deal illustrates how local financial institutions are increasingly driving strategic consolidation in the fintech sector. Meanwhile, Attacq, a South African REIT, [divested](#) its parking subsidiary SHÔPING (now Mallpass) to admyt, the country's leading ticketless-parking operator, in a move consistent with Attacq's portfolio-optimisation strategy.

In Nigeria, Verod Capital Management [sold its stake](#) in TAG West Africa to Transnational Academic Group Limited, allowing the buyer to consolidate ownership and fully integrate the education company into its wider group operations. Likewise, Africa Capital Alliance exited its 15.9% stake in Aradel Holdings (Aradel) for nearly \$260 million in a deal that saw longtime shareholder Petrolin Ocean increasing its stake in Aradel from [8.1% to 12.1%](#).

Elsewhere, Phatisa Food Fund 2 [exited Deltamune](#), a South Africa-based vaccine manufacturer, through a sale to Vaxxinova, a global animal-health company and subsidiary of EW Group. Over its three-year holding period, Phatisa supported Deltamune's expansion into three new markets, product diversification, and distribution strengthening.

Finally, British International Investment (BII) and Norfund jointly [sold a 50.1% stake](#) in Klinchenberg B.V., a Dutch hydropower developer operating across Africa, to Savannah Energy for \$65.4 million. The transaction reflects continued DFI appetite for renewable energy assets with proven operational footprints.

## Q3 2025 Investor League Table

Development finance institutions (DFIs) and multilaterals continued to dominate Africa's private capital landscape in Q3 2025, accounting for the majority of disclosed deal value and volume. Venture capital funds and SME-focused vehicles maintained a visible presence, reflecting a healthy balance between growth-stage and institutional capital.

### Q3 2025 Investor League Table by Volume

| Investor                               | No. of Transactions | No. of Transactions Led | Value of Disclosed Transactions (\$) |
|----------------------------------------|---------------------|-------------------------|--------------------------------------|
| Norfund                                | 6                   | 4                       | \$210,204,898                        |
| British International Investment (BII) | 5                   | 3                       | \$171,000,000                        |
| African Development Bank (AfDB)        | 4                   | 2                       | \$588,056,097                        |
| Cygnum Capital Asset Management        | 3                   | 3                       | \$41,067,000                         |
| Sahel Capital                          | 3                   | 3                       | \$3,090,000                          |
| Plus VC                                | 3                   | 0                       | \$5,000,000                          |
| ENZA Capital                           | 3                   | 2                       | \$2,000,000                          |
| 4DX Ventures                           | 3                   | 2                       | \$6,900,000                          |
| All On                                 | 3                   | 2                       | \$12,750,000                         |
| AfricInvest                            | 3                   | 2                       | \$32,500,000                         |

Source: Stears Transactions Database

No. of Transactions Led indicates the number of transactions where that investor was the Lead Investor

Norfund, which ranked third in Q2 2025, emerged as the most active investor overall this quarter and the top lead investor by deal count. BII (British International Investment) and the African Development Bank (AfDB) rounded out the top three, reaffirming the central role of DFIs in anchoring capital deployment across the continent.

Norfund was particularly active in the energy and climate-finance space, deploying capital across the commercial, off-grid, and utility-scale value chain.

- **Commercial & Industrial Solar:** Norfund extended a [\\$20 million convertible loan](#) to Candi Solar, a South African C&I solar developer it had previously backed in a \$38 million Series C round in 2024.
- **Solar Home Systems:** The institution participated in Sun King's [\\$156 million receivables-financing facility](#), the largest single receivables transaction recorded in African cleantech to date. This landmark deal reinforces the potential for [receivables financing to unlock capital](#) in Africa's clean energy space.
- **Battery-as-a-Service:** Norfund invested [£5 million \(\\$6.7 million\) in Mobile Power Ltd.](#), a U.K.-based [smart-battery-rental platform](#) operating across six African countries, including Nigeria and Uganda.

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- **Utility-scale Renewables:** Through the Climate Investment Fund, Norfund made an [\\$85 million equity investment](#) in Anthem, South Africa's largest independent power producer, which finances, builds, and operates wind and solar projects at grid scale.

Beyond the development finance institutions, AfricInvest, Cygnum Capital, and Sahel Capital also featured among the ten most active investors, each recording three transactions during the quarter.

Sahel Capital, a specialist agribusiness debt fund, continued its Francophone Africa expansion, closing a [\\$1.5 million debt investment](#) in Cameroon-based Nulla Group, a female-led maize aggregator and processor. This followed earlier debt transactions for [MM Lékker Négoce](#) in Benin and [Tafalo Limited](#) in Côte d'Ivoire, highlighting Sahel's growing regional footprint.

Cygnum Capital's activity was similarly focused on private credit, though with larger ticket sizes. The London-based asset manager provided a [\\$17 million debt facility](#) to Kasada for the development of a new hotel in Côte d'Ivoire, a [\\$5.7 million loan](#) to Qair International SAS, developer of Seychelles' first utility-scale floating solar plant, and an [\\$18 million facility](#) to Cold Solutions Kazi, a cold-chain logistics operator backed by the ARCH Cold Chain Solutions East Africa Fund, Africa's [only specialist cold-storage](#) fund. These transactions reinforce Cygnum's role as a leading provider of infrastructure-linked private credit across the continent.

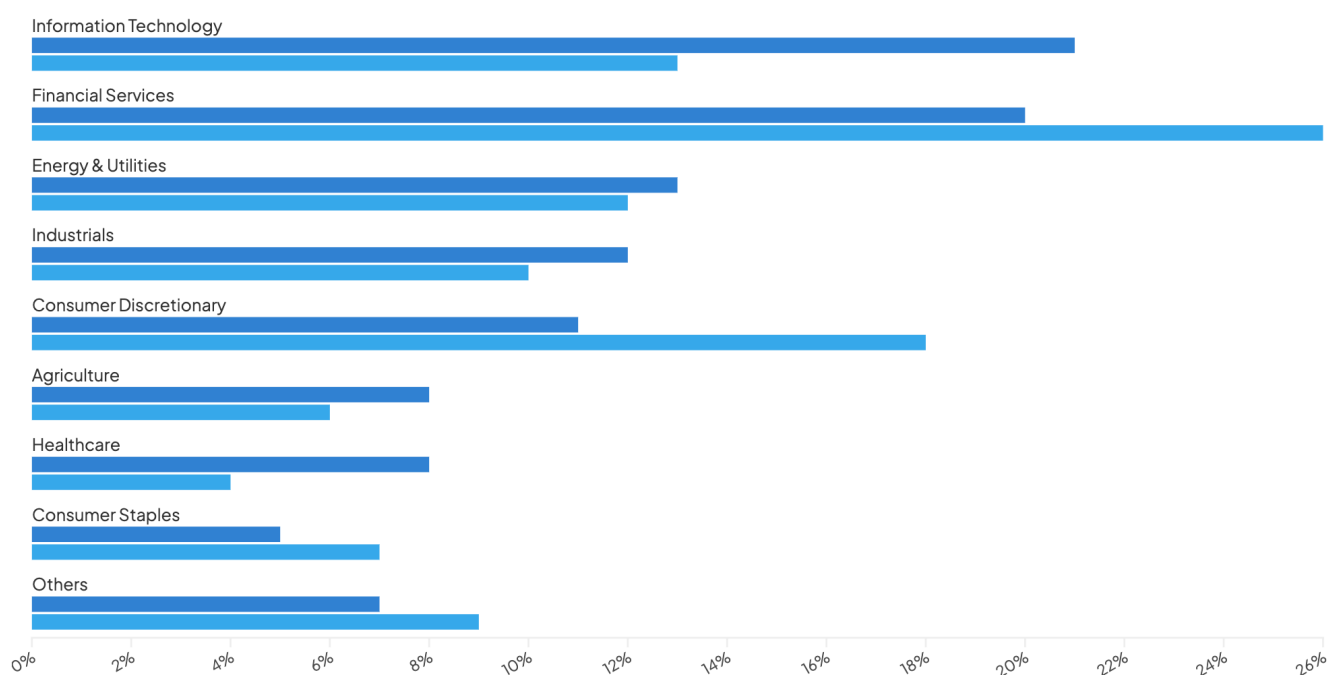
## Q3 2025 Sectoral Insights

Africa's private capital activity in Q3 2025 was led by the Information Technology (IT) sector, which accounted for 21% of transactions, rising from third place in Q2 and displacing Consumer Goods & Services from the top position. Financial Services (20%) and Energy & Utilities (13%) followed. The Consumer Goods & Services category was reclassified this quarter into Consumer Discretionary (11%) and Consumer Staples (5%); even when combined, they did not feature among the top three sectors.

### Information technology led sectoral rankings in Q3 2025

% share of transaction volume by sector

■ Q3 2025 ■ Q2 2025



Source: Stears Transactions Database

Within IT, Application Software (7% of all transactions) and Consumer Digital Services (6%) were the dominant sub-sectors, together representing two-thirds of all IT deals. The most notable Application Software transaction was the Sanari Capital-led [\\$23.4 million growth equity investment](#) in Ctrack, a South African fleet-management and telematics firm owned by Convergence Investment Partners.

In the Consumer Discretionary segment, Education was the largest subsector, accounting for 32% of deals. Investors increasingly targeted education assets serving Africa's young and expanding population. Activity ranged from venture investments in AI-focused learning platforms such as [LRNOVA](#) Ltd. and [The Invigilator](#), to institutional transactions like ADvTECH Group's [\\$9.5 million acquisition](#) of Regis Runda Academy, a Kenyan private K-12 school, and a [\\$6.5 million private-credit facility](#) from TLG Capital and the Development Bank of Kenya for Ark Group, an affordable-school operator.

Financial Services remained a consistent driver of activity, with payments infrastructure once again leading and accounting for 37% of all Financial Services transactions. Payment infrastructure deals tied with Application Software as the two most active sub-sectors overall. The quarter's standout transactions included Kredete's [\\$22 million Series A](#) and HoneyCoin's [\\$4.9 million seed round](#) led by Flourish Ventures—both focused on stablecoin-based, cross-border payment solutions.

In Agriculture, crop production retained its position as the leading sub-sector, representing roughly one-third of all agricultural transactions. However, cold storage recorded the second-highest number of agricultural deals, reflecting increasing appetite for investments in food security and logistics. Every cold-storage transaction in Q3 2025 involved companies that had previously received external equity backing, including:

- Cold Solutions Kazi (part of the ARCH Cold Chain Solutions East Africa Fund portfolio) secured [\\$18 million](#) in private credit from Cygnum Capital.
- Keep It Cool (Kenya), backed by Acumen and Catalyst Fund, obtained a [\\$680,000 convertible loan](#) from the Global Innovation Fund.
- Koolboks Ltd. (Nigeria), a cooling-as-a-service provider, raised [\\$11 million](#) in mixed financing from previous backer Aruwa Capital, along with All On and the Shell Foundation.

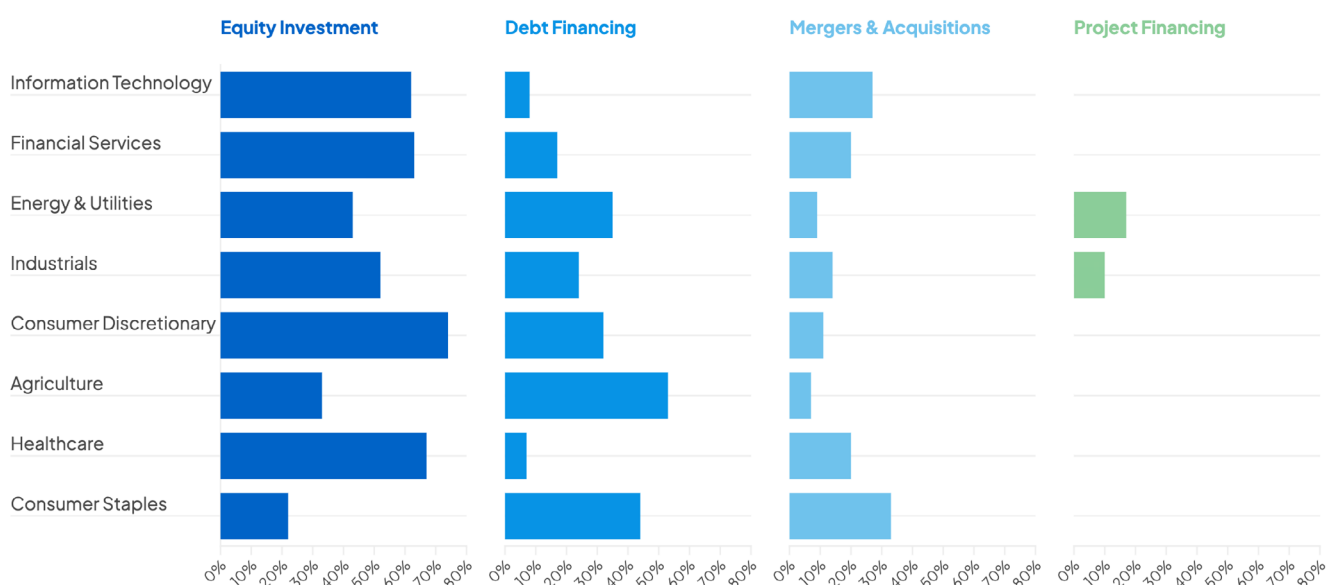
This spate of cold storage deals validates the market opportunity Stears highlighted earlier in Q3 2025, with detailed reports covering Africa's cold storage [market potential](#) and [investment trends](#), as well as deep dives into the two prominent cold chain business models on the continent: [cooling-as-a-service](#) and [integrated cold chain platforms](#).

## Transaction types across sectors

As in previous quarters, debt financing remained concentrated in Agriculture and Energy, which together accounted for 42% of all debt transactions (Q2 2025: 40%). Debt deals represented 53% of Agriculture transactions and 37% of Energy transactions.

### Debt was most common in Agriculture, Energy, and Consumer Staples

Sectoral split of transaction types as a % of transactions in each sector



Source: Stears Transactions Database

In contrast, the Information Technology sector saw a higher proportion of M&A activity, reflecting ongoing consolidation within Africa's technology ecosystem. 27% of IT transactions were mergers or acquisitions, led by deals such as Egyptian health-tech company Duaya's [acquisition](#) of EXMGO, a domestic SaaS provider for pharmacies and medical businesses, and Moroccan digital-commerce firm ORA Technologies' [acquisition](#) of a Casablanca-based logistics startup following its [\\$7.5 million Series A round](#) earlier in the year. Overall, Technology deals accounted for 31% of all African M&A transactions recorded in the quarter.

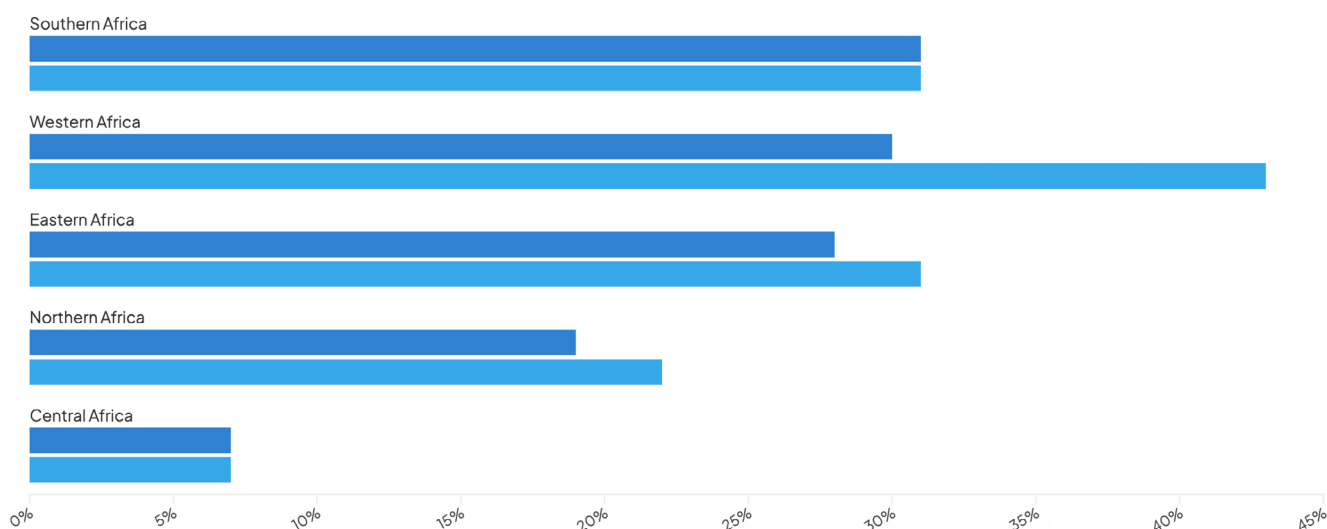
## Q3 2025 Regional Dynamics

Southern Africa regained the top position in Q3 2025, accounting for 31% of all transactions, ahead of West Africa (30%) and East Africa (28%).

## Southern African regained top spot in regional rankings

% share of transaction volume by region

■ Q3 2025 ■ Q2 2025



Source: Stears Transactions Database

Southern Africa remained the most lopsided region, with South Africa accounting for the overwhelming majority (87%) of the region's activity. Zambia followed at a distance, accounting for 15% of regional deals, reflecting its ongoing integration into South Africa-centred investment flows.

West Africa ranked second overall, maintaining its status as a key investment hub. Nigeria led decisively, accounting for 70% of regional transactions—more than double Ghana's 32% share. Encouragingly, Francophone West Africa continued to attract rising investor interest, with 22% of all West African transactions involving companies operating solely in Francophone markets. However, this figure still fell short of the 36% share of Nigeria-only transactions, indicating that Nigeria remains a more attractive market than the entire Francophone bloc.

In East Africa, Kenya maintained its dominance, accounting for 65% of regional transactions, roughly twice the combined share of Uganda (33%) and Tanzania (27%). The region's activity continued to reflect its mature startup ecosystem and strong pipeline in renewable energy, agriculture, and consumer technology.

Central Africa maintained a modest share of continental deal activity, with Cameroon and the Democratic Republic of the Congo (DRC) tied at 38% each. However, Cameroon edged slightly ahead due to a greater number of single-country investments. Notable examples included Sahel Capital's [\\$1.5 million debt investment](#) in Nulla Group, a female-led maize aggregator, and a successful [venture round for BEE SARL](#), a logistics-focused digital lender.

In North Africa, Egypt (48%) and Morocco (45%) continued to dominate, jointly accounting for 82% of all transactions in the region. This sustained concentration illustrates the investment gap between these two leading markets and the rest of North Africa, reaffirming their position as the region's primary destinations for private capital.

## Q3 2025 Country Insights

Africa's Big 5 markets—South Africa, Nigeria, Kenya, Morocco, and Egypt—once again dominated transaction rankings in Q3 2025, reflecting their continued ability to attract institutional capital and sustain a steady deal pipeline. South Africa remained firmly at the forefront, recording the largest number of transactions and an even wider lead in single-country investments, reinforcing its position as the continent's leading standalone market.

### South Africa tops private capital rankings in Q3 2025

|                                                                                                | No. of Transactions | Share of Total Transactions | No. of Unique Transactions | Single-Country Share of Total Transactions |
|------------------------------------------------------------------------------------------------|---------------------|-----------------------------|----------------------------|--------------------------------------------|
|  South Africa | 47                  | 27%                         | 33                         | 19%                                        |
|  Nigeria      | 37                  | 21%                         | 19                         | 11%                                        |
|  Kenya        | 32                  | 18%                         | 11                         | 6%                                         |
|  Ghana        | 17                  | 10%                         | 3                          | 2%                                         |
|  Egypt       | 16                  | 9%                          | 15                         | 8%                                         |
|  Uganda     | 15                  | 9%                          | 3                          | 2%                                         |
|  Morocco    | 15                  | 8%                          | 12                         | 7%                                         |
|  Tanzania   | 13                  | 7%                          | 2                          | 1%                                         |
|  Senegal    | 6                   | 3%                          | 2                          | 1%                                         |

Source: Stears Transactions Database • Unique Transactions refer to transactions that involve a company that operates in a single country  
Single-Country Share of Total Transactions refers to the number of transactions that only involve that specific country as a proportion of the total transactions in the period

At the other end of the spectrum, Egypt ranked lowest among the Big 5 by transaction count but continued to register strong single-country activity, alongside Morocco, further underlining both countries' appeal as independent investment destinations within North Africa.

Notably, Uganda joined the top tier for the first time, matching Egypt in transaction count. However, most of Uganda's activity was linked to multi-country East African transactions, with far fewer single-country deals, an indication that its momentum still depends mainly on regional integration rather than domestic-market scale.

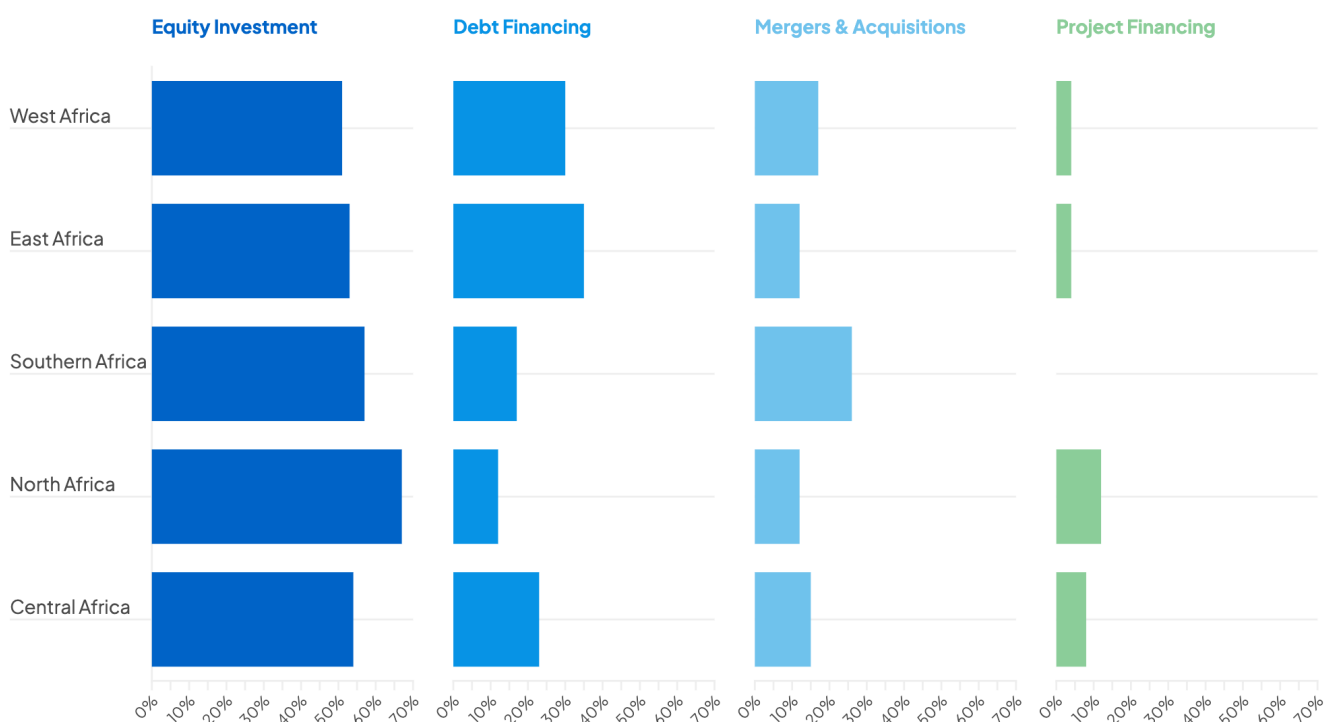
Overall, the distribution of single-country investments highlights a familiar pattern: South Africa, Egypt, and Morocco continue to account for a disproportionate share of standalone transactions.

## Transaction types across regions

Debt financing was most prominent in East and West Africa, which together accounted for the majority of debt activity on the continent. 35% of East African transactions and 30% of West African transactions were debt-financed, even though debt deals accounted for only 21% of total African transactions. This concentration largely reflects sectoral patterns. Debt remained most prevalent in agriculture, which made up 53% of all debt deals, and East Africa accounted for 53% of agricultural transactions. Energy ranked as the second-largest debt-intensive sector, accounting for 37% of Energy transactions, and remained a key driver of West Africa's activity—Energy projects accounted for roughly one-quarter of all West African deals this quarter.

### Southern Africa was the hotspot for M&A deals in Q3 2025

Regional split of transaction types as a % of transactions in each region



Source: Stears Transactions Database

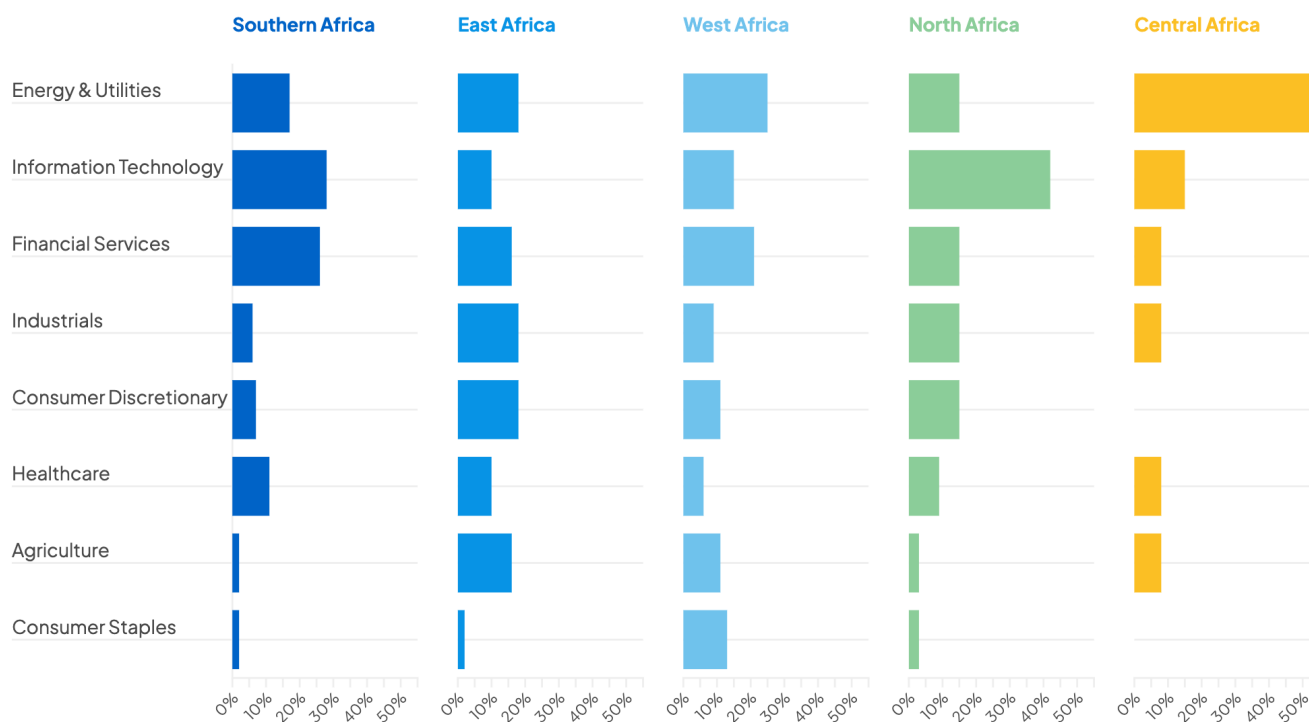
M&A transactions were most common in Southern Africa, which accounted for 44% of all M&A deals on the continent. In total, 26% of Southern African transactions involved mergers or acquisitions, mirroring the region's underlying sectoral strengths. M&A activity was concentrated in Information Technology and Financial Services, both of which remain leading sectors in the region.

Finally, North Africa distinguished itself through project finance activity, accounting for two-thirds of all project finance transactions recorded during the quarter. Notable examples included the African Development Bank's [\\$58 million investment](#) in natural-gas projects operated by Société Tunisienne de l'Électricité et du Gaz (STEG) in Tunisia, and a [\\$490 million project loan](#) to the Egyptian Soda Ash Company, an SPV established to build a 600,000-tonne-per-annum soda-ash plant in New Alamein, Egypt.

## Sectoral trends across regions

### Technology, Energy & Utilities lead in most regions

Sectoral split of transactions as a % of transactions in each region



Source: Stears Transactions Database

**East Africa:** Agriculture remained a key sector in East Africa, accounting for 16% of regional transactions, while East African agriculture deals accounted for 53% of all agricultural deals across the continent. Notable transactions included Cygnum Capital's [\\$18 million senior debt facility](#) to Cold Solutions Kazi, an East African cold-chain logistics company, and a [\\$2 million pre-seed round](#) for MazaoHub Precision Agriculture, a Tanzanian agritech platform using AI to enhance farm productivity. The MazaoHub round was led by Catalyst Fund, with \$500,000 in non-dilutive support from the Livelihood Impact Fund.

Although Information Technology (IT) led overall continental activity, it was relatively subdued in East Africa, accounting for just 10% of regional transactions. Meanwhile, Energy & Utilities tied with Consumer Discretionary as the top sector in East Africa, each accounting for 18% of transactions. Energy deals in the region represented 39% of all Energy transactions on the continent, second only to West Africa. Key examples included Qair International SAS, a subsidiary of France's Qair Group, securing [\\$5.7 million from Cygnum Capital](#) to finance a floating solar plant in Seychelles, alongside [additional financing from SBM Mauritius Bank](#) for its solar BEES project in Mauritius.

**West Africa:** Consumer Staples led the way, accounting for 78% of all Consumer Staples transactions recorded continent-wide. Major M&A deals included UAC's [acquisition](#) of CHI Limited in Nigeria and the Equatorial Coca-Cola Bottling Company's [buyout](#) of Voltic (Ghana) Limited and West African Refreshments Limited from Coca-Cola Beverages Africa and The Coca-Cola Company.

Energy & Utilities also played a critical role, representing 25% of all West African transactions and 57% of Energy & Utilities deals across Africa—the highest regional share. Notable transactions involved Hinckley E-Waste Recycling (operating in Nigeria and Ghana), which completed two rounds: a [\\$2 million equity investment](#) from Alitheia Capital and Goodwell

Investments, and a [\\$1.5 million facility](#) from All On. Other prominent energy deals included Petrolin Ocean's [\\$65 million acquisition of an additional 4% stake](#) in publicly listed oil company Aradel Holdings (facilitating an exit for longtime shareholder Africa Capital Alliance), and a [\\$19.9 million syndicated debt facility](#) from FMO and AfDB to Dédougou Solaire, an SPV developing an 18 MW solar power plant in Burkina Faso.

**Central Africa:** Energy & Utilities continued to dominate in Central Africa, accounting for 54% of regional transactions. Most deals were Pan-African in scope, spanning multiple regions. Highlights included Savannah Energy's [acquisition of Klinchenberg B.V.](#), which added the 206 MW Ruzizi III hydropower project (spanning Burundi, the DRC, and Rwanda) to its portfolio, and Inside Capital Partners' [growth equity investment](#) in RDG Collective, a solar PAYGo provider looking to expand its operations in Zambia and the DRC.

**North Africa:** Information Technology remained North Africa's leading sector, accounting for 42% of all regional transactions and 38% of all IT deals recorded across the continent, the second-highest share after Southern Africa. The most notable transaction was AfricInvest's [acquisition of a strategic minority stake](#) in Morocco's Unisystem Group, a provider of electronic security, digital infrastructure, and energy-solutions services. North Africa's AI ecosystem also attracted strong investor attention, with Renew Capital investing in [Hypeo AI](#) (Morocco), 216 Capital [backing Advocate](#) (Tunisia), and the largest AI transaction of the quarter: Intella's [\\$12.5 million Series A](#) to support AI-driven business-process optimisation.

**Southern Africa:** In Southern Africa, Information Technology and Financial Services remained dominant, accounting for 28% and 26% of regional transactions, respectively. M&A activity was particularly vibrant, including Link Mobility Group's [\\$115 million acquisition](#) of SMSPortal, a communications-platform-as-a-service (CPaaS) provider, and Nedbank's [\\$93.2 million acquisition](#) of iKhokha, a South African fintech serving SMEs with mobile point-of-sale and other financial solutions. Private equity and venture capital activity also remained strong: Sanari Capital led a [\\$23.4 million investment](#) in Ctrack, a telematics and fleet-management firm, while Contactable, a South African digital-identity company, raised [\\$13.5 million in equity](#) from Venture Capitalworks to fund its pan-African expansion.

Within Financial Services, notable banking-sector consolidations included Access Bank UK's acquisition of a [76% stake](#) in AfrAsia Bank (based in South Africa and Mauritius) and FDH Bank's purchase of a [98.9% controlling stake](#) in Ecobank Mozambique SA from Ecobank Transnational Incorporated for \$14.5 million. These transactions reinforced Southern Africa's role as the continent's most active hub for large-scale financial-sector M&A.

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