

# MANUFACTURING AFRICA



Manufacturing Africa aims to reduce poverty in Africa by attracting £1.2 billion of foreign direct investment into manufacturing and creating 90,000 jobs over 7 years (2019-2026). The programme is funded by the UK government through the Foreign, Commonwealth & Development Office (FCDO).



## Supporting Expansion of Leading Fast Moving Consumer Goods Manufacturer

The Fast-Moving Consumer Goods (FMCG) sector in Africa has significant scope to expand. The projected growth is driven by population increase and a consistent surge in the urbanization rate that will lead to more disposable incomes.

A leading Kenyan manufacturer of Fast-Moving Consumer Goods (FMCG) in East Africa is looking to tap into the macro trends to grow its business and achieve its ambition of having the No.1 market share in its product segments in Africa by the year 2030.

The manufacturer of popular East African household brands intends to expand its footprint across Africa through acquisitions and investments in greenfield projects.

The acquisitions will accelerate the growth of the FMCG sector as the local companies will have easier access to capital, technical assistance, better sustainable manufacturing practices and increased market penetration abilities.

The manufacturer has established a separate entity whose objective is to consolidate investment in collaboration with potential financial partners to develop and create a Pan-African Consumer goods platform valued at USD 1 billion. The brands under this entity will benefit from a larger market share, broader product ranges and increased economies of scale.



**50**

popular brands owned by  
FMCG company



**1,371**

new jobs to be created



**\$1 billion**

pan-African FMCG  
platform

# THE CHALLENGE

The manufacturer is looking for support to structure the project and raise an initial round of USD 87 million (out of USD 500 million of FDI through subsequent rounds) to support the development of the FMCG entity that will drive its Pan-African growth agenda.

## MA SUPPORT

Manufacturing Africa support contributed to the refining of the ambitious project by delivering on the following:



Supporting management in developing an integrated financial model and providing commentary on valuation and transaction structure



Drafting of materials including a Strategy Memorandum for the company's management team and an Information Memorandum to support the fund raising.



Identifying a shortlist of potential Business & Investment Partners whom the company may consider for outreach



Advised the company on further opportunities to improve Environmental Social and Corporate Governance (ESG) and development impact within the future acquisitions and the investment entity.

## IMPACT



MA support enabled the company to validate the concept and identify the missing elements that are key to the successful implementation of the expansion strategy.



Through a collaborative process, a working document that will serve as a road map for the execution of the project has been developed.



MA support has led to Corporate preparedness resulting in the start of Business & Investor Partner engagements.

*“The MA team served as a sounding board that provided us with a different view of the project. The external view allowed us to revisit our plans and consequently smoothen and adjust the execution plan by eliminating frills and non-requirements.”* Company Representative

*This programme is funded by UK aid from the UK government; however, the views expressed do not necessarily express the UK government's official policies.*

## CONTACT US

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