

Press Release

30 November 2023

**Affirma Capital exits investment in GZ Industries to majority shareholder
Oppenheimer Partners**

Affirma Capital (formerly Standard Chartered Private Equity) has exited its longstanding investment in the GZI Group (GZI) to Oppenheimer Partners Limited. The private equity firm announced this landmark transaction, following its 10-year investment in Africa's largest pure play beverage can packaging solutions provider. This transaction is a significant industry milestone for completed exits within Africa private equity's large cap segment.

GZI is a leading manufacturer and producer of premium-quality aluminium cans for global blue-chip beverage brands in Africa. The Group supplies beverage cans into key regional markets across sub-Saharan Africa. GZI boasts production capacity of three billion cans per annum and employs c.1,000 people.

Affirma Capital first invested in GZI in 2012, increasing its stake to 37.5% during its ownership period. Affirma Capital led GZI's expansion in Nigeria, launching the Group's second plant and crystallised GZI's strong market position in West Africa amidst increasing competition. The expansion saw GZI go from a single plant with nameplate capacity of 1.2 billion cans per annum to two plants with total nameplate capacity of 1.8 billion cans.

During its ownership period, Affirma Capital led the transition of GZI from an owner-managed business to a market leading business with an independent management team and best-in-class governance systems. This has catalysed a systematic approach to shaping growth amidst a tough macro environment. Affirma Capital has also been instrumental in reshaping the Group's balance sheet for resilience and defensiveness across its markets. This has enabled GZI to become Africa's leading beverage can manufacturer.

In 2018, the private equity firm led a capital raise to co-fund GZI's expansion into South Africa. This resulted in Oppenheimer Partners acquiring a stake in GZI. Following this transaction, the two investment firms successfully executed GZI's entry into South Africa and shaped GZI's expansion strategy from a single-country operation into a regional packaging leader with operations in Nigeria and South Africa, and an impressive export market reach.

GZI has received global recognition and certifications of its operations such as ISO9001, ISO14001, ISO45001, SEDEX and FSSC22000. In 2023, GZI was awarded the prestigious Aluminium Stewardship Initiative (ASI) performance standard. ASI is a global initiative that works together with the aluminium value chain to collaboratively foster responsible production, sourcing and stewardship of aluminium.

Ronald Tamale, Founding Partner and Head of sub-Saharan Africa at Affirma Capital said: “We are proud of the work we’ve done to build a market-leading, multinational packaging business in Africa. When we first invested in GZI, the business was a single plant, single-country operation. Since then, we have shaped a successful growth strategy culminating in market leadership across sub-Saharan Africa. GZI now boasts 3 world-class manufacturing facilities in Nigeria and South Africa – Africa’s largest economies. We’ve played a pivotal role in GZI’s transformation.”

“During our investment period, we have navigated complex macroeconomic headwinds including fx illiquidity challenges in Nigeria, supply chain disruptions, commodity price volatility, and an uncertain economic outlook in GZI’s core markets. Despite this, we’ve remained disciplined by focusing on delivering growth, margin expansion, and the protection of shareholder value. The sale of our stake to Oppenheimer Partners demonstrates the robustness of our partnership since 2018. We wish the GZI team and Oppenheimer Partners all the very best as they embark on the next phase of the GZI journey.”

Affirma Capital is an independent emerging market-focused private equity firm established through the spin-off of Standard Chartered Private Equity (SCPE) from Standard Chartered Bank in 2019. With a solid 20-year long track record of successful investments in over 100 companies across Asia, Africa, and the Middle East, Affirma Capital currently manages over USD 3 billion in assets. Rand Merchant Bank Nigeria Limited (RMB) acted as advisers to Affirma Capital on the transaction.

Ends

For further information, please email media@affirmacapital.com