

DATE

April 28, 2022

SECTORS

Industrials

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Michael Mariaz
Managing Director

UN SDG ACTIVITY



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



10 REDUCED
INEQUALITIES



DC Advisory advised AutoXpress on the sale of Actis' minority stake to AfricInvest and IFC



Background

- Founded in 1958, AutoXpress International Ltd (AutoXpress) is an importer, distributor, and retailer of tyres, auto parts, and accessories serving retail and

corporate customers across the East African market

- AutoXpress currently operates 56 retail and wholesale branches across Kenya, Tanzania, Rwanda and Uganda, selling c.1M tyres per annum
- In 2014, Actis LLP (Actis) acquired a ~36% stake in AutoXpress. Since then, the company has more than doubled the number of branches, grown retail sales contribution from 15% to 35%, and now counts more than 900 professionals worldwide
- AutoXpress has also introduced a range of initiatives to improve the company's ESG performance across waste disposal, recycling, and community engagement
- AfricInvest Capital Partners (AfricInvest) is one of the most experienced private equity investors in Africa
- International Finance Corporation (IFC) is the largest global development institution focused exclusively on the private sector in developing countries

Process

- DC Advisory (DC) was engaged by the shareholders of AutoXpress to identify an investor to support AutoXpress through its next phase of growth
- DC worked closely with management and shareholders to prepare AutoXpress for an international sale process, optimising its market leading position in the high growth East African market
- With extensive experience in the automotive aftermarket sector, DC were well placed to identify and engage a select, competitive bidder group comprising international and domestic strategic and financial purchasers
- DC ran a tailored process, leveraging its senior relationships with investors capable of supporting AutoXpress' ambitious growth plans, and advised on all aspects of the sale process through to signing

Outcome

- Following a competitive process, the shareholders sold Actis' minority stake to a consortium of AfricInvest and IFC for an undisclosed consideration
- The founders, Jeenal Shah and Sandeep Shah, will retain their majority stake in AutoXpress to strengthen the company's pan-regional business through a strategy to enter new markets, leverage technology, and further improve access to its services
- This transaction reaffirms DC's strong connections in the African market, and highlights our unique access to strategic and financial purchasers

"We are very pleased to have assisted the founders and Actis in this sale process. We wish Jeenal and Sandeep, AfricInvest, and IFC all the very best in the next stage of the company's exciting growth phase. This transaction further demonstrates DC's expertise in the automotive aftermarket sector globally, a space which should see further consolidation in the coming years."

Michael Mariaz
DC Advisory

"Jeenal, Sandeep, and Actis have together built AutoXpress into a fantastic and truly world class platform, which we are confident will continue to thrive into a pan-African leader with AfricInvest and IFC's backing. We are delighted to have advised the shareholders on this significant transaction in Africa, which has been identified as an increasingly strategic area of focus for DC."

Ajay Patel
DC Advisory