

Ex-HSBC duo execute debut buyout

Marlow Capital is currently raising finance on a deal by deal basis. Its first buyout – that of South African waste management business Wasteman – is thought to be worth in the region of \$50m.

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Marlow Capital, a nascent private equity firm founded by two HSBC bankers in Sub-Saharan Africa, has inked its debut deal: the acquisition of waste management company Wasteman Group.

Financial details of the acquisition were not disclosed, although a source close to the situation pegged the deal at around \$50 million.

Marlow was established 18 months ago by two ex-investment bankers with a view to executing buyouts in the Sub-Saharan African mid-market. The two founders, Andrew Hunt and Sean Meyersfeld, were latterly at HSBC where Hunt was the investment banking head for the region and Meyersfeld was director.



Wasteman: capitalising on infrastructure spend

The firm is seeking to capitalise on two underlying trends in Sub-Saharan Africa: the growth in businesses benefitting from increased infrastructure investment, such as Wasteman, and the ongoing expansion of middle class consumers in the region.

“We’re not looking to participate directly in the commodities cycle, so we haven’t been hit with the large downturn in that sector. We still like the Sub-Saharan Africa’s long-term fundamentals,” said co-founder Andrew Hunt in an interview.

Infrastructure is proving to be a popular destination within Southern Africa for private equity capital. Earlier this month Kingdom Zephyr, a pan-African GP, made a \$20 million investment in Buildworks, a South African company which builds electrical substations for the power industry. “We see growth in electrical infrastructure for the next 10 to 20 years,” said Kingdom Zephyr partner Panos Voutyritsas.

Marlow Capital is currently funding acquisitions on a deal by deal basis, attracting commitments mainly from European family offices. Hunt says the firm will look to raise their first time fund when some normality returns to the fundraising market.

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