



PRESS ANNOUNCEMENT

PHATISA: FINAL CLOSE OF THE AFRICAN AGRICULTURE FUND AT US\$ 243 MILLION

18 SEPTEMBER 2013

Following the finalisation of OPIC's US\$ 50 million investment, Phatisa, a multi-award winning African private equity fund manager, announced the successful conclusion of its fundraising for the African Agriculture Fund (AAF), with US\$ 243 million in total capital commitments.

The AAF was launched on the principle of harnessing capital from diverse international sources to invest in Africa's long term food security in a sustainable and transparent manner. The solution? Solicit European, African and US investors and target businesses across the African food sector requiring equity capital to expand and grow, where traditional bank debt is neither available, nor appropriate.

The Fund's investors are a wide-ranging national and institutional mix of development finance institutions, government agencies, development banks, commercial banks, fund-of-funds and private investors that have come together to bolster this truly continental effort to stimulate food production. With the support of such a prestigious group of limited partners, Phatisa is convinced that the AAF is poised to contribute to economic growth in this essential sector.

Despite the current global economic climate, Phatisa, an African-based fund manager, has exceeded expectations in raising and investing development capital. By combining an experienced and passionate senior team with a proven track record, clear goals and vision, Phatisa foresees the AAF's future as extremely positive, building on a strong foundation that has been laid in just over two years.

The AAF commenced operations in January 2011 and its first deal, located in post conflict Sierra Leone, was concluded within six months and swiftly followed up by a sizeable investment into Zambia's poultry protein chain. The investment momentum has continued and, to date, the AAF has committed in excess of US\$ 84 million across Africa from Sierra Leone to Madagascar and six other countries in between. Phatisa hopes to disperse 50% of the AAF's equity by the end of 2013. This reflects a total of nine investments across diverse disciplines: primary farming, processing, inputs, fertiliser, protein production, FMCG and beverages.

The AAF's nine investments across seven countries include:

- palm oil plantation and milling, Goldtree (Sierra Leone) and Feronia (DRC);
- poultry layers, Goldenlay (Zambia) – two follow-on investments have been concluded;
- bottling and distributing mineral water, Continental Beverage Company (Cote d'Ivoire); and
- private equity fund, AAF SME Fund (pan-Africa), first closed in February 2012 at US\$ 30 million, focused on SME companies in the food and agri sectors. Three portfolio investments have been concluded to date in Cameroon, Zimbabwe and Madagascar.

To date, no investments have been made in any of the African engine economies, demonstrating the Fund's aim to combat chronic undercapitalisation of the agri and food sectors outside of these economies.

Senior Founding Partner, Stuart Bradley, comments: 'Given the nature of the financial markets throughout the fundraising period, 2010 to 2012, we were pleased to gain the support of a diverse investor base that shared our vision of development and private equity in Africa. We value our investors entrusting us with their capital and are focused on providing them with attractive financial and developmental returns'.

Phatisa is single-minded in its efforts to find investment opportunities throughout sub-Saharan Africa, aligning itself with the best of African businesses and building long term sustainable value that will continue far beyond the life of the Fund – leaving a tangible legacy for a more prosperous Africa.

Ends (Words 545)

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Phatisa is a private equity fund manager, operating across sub-Saharan Africa, operating from offices in Port Louis, Johannesburg, Lusaka, Nairobi, Accra and London. Phatisa comprises a team with a significant track record of managing private equity funds and agricultural businesses throughout the continent. The Phatisa team is located in Africa and spends a considerable amount of time developing relationships with strategic partners in all countries where funds under management are active. This ensures that funds have reliable networks and information in the countries in which they invest. Team members have a reputation built up over the last decade, which can be seen in their track records, on-the-ground network, and access to agricultural players and facilities on the continent. Phatisa provides the experience necessary to invest, manage and successfully exit what will be one of Africa's most pioneering agricultural private equity funds. www.phatisa.com

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> African Agriculture Fund

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Website www.phatisa.com