

Home » Deals » Phatisa buys 40% of Torre Equipment Africa

Phatisa buys 40% of Torre Equipment Africa

Posted on June 27, 2016



Like 0 Tweet G+ 1

In what will be the ninth deal for the \$246 million African Agricultural Fund, **Phatisa** is investing almost \$15 million to acquire a 40% stake in Torre Equipment Africa (TEA), a subsidiary of JSE-listed Torre Industries. A management consortium will acquire an additional 5% of the company, with Torre Industries retaining the balance of 55% as an ownership stake.

Phatisa's deal team, which was led by Partner Joseph Bergin, was attracted by TEA's strong growth potential and able management team. As well as providing capital, Phatisa will look to assist TEA in finding new opportunities for expansion as well as grow sales in the agricultural sector. Investing in mechanization in Africa can drive long term sustainability in the agricultural sector, dramatically increasing production yields and pushing access and integration if the sector's value chains.

"Today's announcement...represents a significant development for the Fund and Phatisa alike as we continue to execute against our investment strategy and demonstrate our commitment to making strategic investments to support the long term growth of Africa's agriculture and food value chains." Commented Phatisa's Chairman, Valentine Chitalu. "This transaction enables the further expansion of our inputs platform and Torre's reach, while leveraging well-established business in sub-Saharan Africa, regional leadership expertise and strong brand momentum in the region."

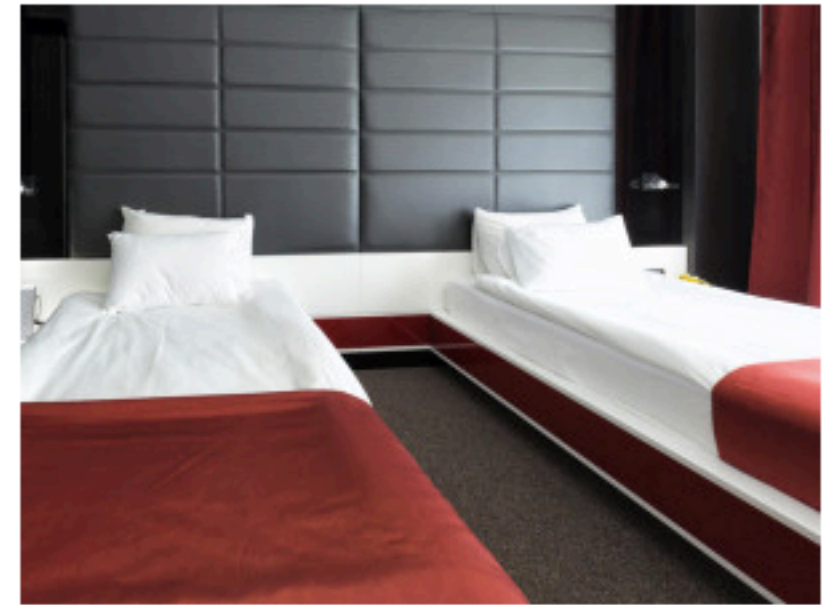
TEA, which has 316 employees, is a pan-African equipment distributor with operations in Côte d'Ivoire, Ghana, Liberia, Sierra Leone, Cameroon and Botswana. Recently, TEA won the mandate to be the official distributor of Case IH in Côte d'Ivoire, a global leader in agricultural equipment, which it hopes to expand to Cameroon and other west African countries, thus increasing their agricultural footprint within the region.

Bowman Gilfillan provided legal advisory services to Phatisa for this transaction, whilst Cliffe Dekker Hofmeyr acted on behalf of Torre Equipment Africa.

Stay connected



Most Popular



Actis exits mattress maker Mouka in secondary sale to Abraaj

July 13, 2015

The Abraaj Group has acquired a majority stake in Nigerian mattress manufacturer, Mouka Ltd, from emerging markets private equity firm Actis and the firm's founding [more...]



Abraaj sells Network International stake to Warburg Pincus and General Atlantic



LeapFrog earns \$200mln commitment from OPIC



PIC converts Eduloan debt into 40% equity stake



TriLinc approves \$8mln trade finance investments in Africa