



PRESS ANNOUNCEMENT

PHATISA TEAMS UP WITH TORRE - EXPANDING ITS AFRICAN MECHANISATION PLATFORM

23 JUNE 2016

Phatisa has invested in Torre Equipment Africa Limited (TEA), a pan-African equipment distributor with operations in Côte d'Ivoire, Ghana, Liberia, Sierra Leone, Cameroon and Botswana, among others. Torre Equipment Africa, a subsidiary of JSE-listed Torre Industries Limited, specialises in the supply of branded capital equipment, distribution of high-quality spare parts and the delivery of reliable repair and maintenance services.

Investing into mechanisation in Africa has the potential to drive long term sustainability in the agricultural sector, improve food production through dramatically increased agricultural yields, and enable further access and integration of the agriculture and food value chain.

'TEA is about to commence on an exciting journey with Phatisa as the business continues to grow from strength-to-strength. Our accomplishments are a testament to our dedicated staff, loyal customers and supportive shareholders.' stated Stephen Smithyman, CEO of Torre Equipment Africa. Adding that 'Phatisa's investment into TEA will help support the expansion plans across the Group and allow us to deliver on our objectives in becoming the best supportive dealership on the continent.'

This investment comes on the heels of the recent appointment of TEA as the official distributor of Case IH in Côte d'Ivoire, a global leader in agricultural equipment, and amid discussions to expand to Cameroon and other west African countries, thus increasing their agricultural footprint within the region.

'Phatisa's deep expertise in agriculture brings capital and ability to TEA and we are excited to work together in driving value creation through strategic ambition, expanding our product offering and ensuring we continue delivering customer service excellence,' added Charles Pettit, CEO of Torre Industries.

The Phatisa deal team, led by Joseph Bergin, Senior Partner, was attracted to the opportunity of investing into TEA as the business has strong growth prospects and a highly capable and experienced management team. Phatisa will be able to assist TEA in unlocking new opportunities and expanding sales within the agricultural sector, where we have deep knowledge and specialists in the palm oil, cocoa and sugar industries.

Valentine Chitalu, Phatisa's Group Chairman concurred: 'Today's announcement, the ninth African Agriculture Fund portfolio company, 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. 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.'

Ends

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Phatisa is a sector-specific African private equity fund manager located in and operating across sub-Saharan Africa. The firm currently has two funds under management, totalling more than US\$ 285 million, focused on food and affordable housing. Phatisa comprises a team of over 30 dedicated staff with more than 500 years of collective experience, and a solid track record of managing private equity funds and commercial businesses throughout the continent. We speak 29 languages and represent 12 nationalities.

- Phatisa's African Agriculture Fund (AAF) – a US\$ 246 million fund – commenced operations in January 2011 and has committed investments in excess of US\$ 187 million, from Sierra Leone in West Africa to Mauritius in East Africa. This reflects a total of nine portfolio companies across a diverse range of agri and food related businesses.
- The Pan African Housing Fund (PAHF) is an Eastern and Southern African investment initiative, launched in response to the ever-increasing housing shortage in this region. The US\$ 41.95 million fund commenced operations in early 2013 and the Phatisa property team has successfully concluded six investments to date, located in Kenya, Rwanda and Zambia.

Phatisa's vision is to be the leading sector-focused **development equity** fund manager in Africa. This philosophy finds expression in the unique formula of **DevEq = PAT * x + i²™**; a balanced blend of private equity and development finance, striving to build sustainable assets and communities, while ensuring the best possible returns for investors. www.phatisa.com

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