

PRESS ANNOUNCEMENT

PHATISA ACQUIRES ROLFES GROUP IN PUBLIC-TO-PRIVATE TRANSACTION

13 February 2020

Phatisa, through its Food Fund 2 – together with Sabvest, Masimong Chemicals and Rolfes management – have acquired the entire issued share capital of Rolfes Group, thereby delisting the business from the Johannesburg Stock Exchange to unlock new growth opportunities.

Established in 1938, Rolfes is a supplier of agricultural, food, industrial and water chemical management solutions and services for both the South African and international markets. The company's divisions include:

- **Agricultural** – Rolfes Agri develops, manufactures and distributes products that promote plant root and foliar health, soil nutrition, disease prevention, as well as various other agricultural remedies for the farming sector.
- **Food ingredients** – Bragan Chemicals is a specialist supplier of ingredients and commodities to the food industry.
- **Industrial chemicals** – Rolfes Chemicals distributes an extensive range of solution-focused industrial chemicals and services.
- **Water** – Rolfes Water provides total industrial water management solutions, including specialised water purification solutions and products to the industrial, home and personal care markets.

With a projected global population increase to 10 billion people by 2050, Rolfes caters for the ever-increasing food security, water treatment and manufacturing demand.

Phatisa Food Fund 2, a successor fund to its first food fund (African Agriculture Fund), considers investments throughout the food value chain, including mechanisation, agricultural inputs, poultry and meat production, food processing, fast-moving consumer goods, logistics, aggregation, distribution, wholesale and retail. The fund provides a balanced blend of private equity and development finance, striving to build sustainable assets and communities, while ensuring the best possible returns for investors.

Rinolan Moodley, Partner at Phatisa, commented: 'We see tremendous growth potential in Rolfes and this take-private transaction unlocks latent value within the group, allowing management to focus on private equity aligned growth targets. We look forward to partnering with our co-investors and a highly capable management team.'

Richard Buttle, Rolfes CEO, said: 'We have chosen to partner with Phatisa, as they are likeminded investors who have a proven track record of investing and growing businesses across Africa. The Rolfes management team has demonstrated incredible grit over the past few years and we are looking forward to embarking on our next chapter as we continue building a market leading business.'

Eugene Stals, Chief Investment Officer at Phatisa, added: 'As a specialist investor within the African food value chain, Phatisa is well placed to further propel Rolfes's growth across the continent. The transaction is aligned with our investment model of backing passionate management teams and leveraging our deep sector expertise to add value and implement focused impact initiatives.'

The transaction has received all regulatory approvals.

ENDS

About Phatisa

Phatisa is a sector-specific African private equity fund manager located in and operating across sub-Saharan Africa. The firm currently has three funds under management, totalling more than US\$ 400 million, focused on food and affordable housing. Phatisa comprises a team of over 37 dedicated staff and a solid track record of managing private equity funds and commercial businesses throughout the continent. We speak 33 languages and represent 11 nationalities. Phatisa's vision is to be the leading sector-focused development equity (DevEq) fund manager in Africa. This philosophy finds expression in the unique formula of DevEq = PAT* $x + i^2$ ™; 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

With US\$ 246 million in capital commitments, AAF was the continent's first private equity fund focused solely on the agriculture and food value chain and commenced operations in 2011. It is now fully invested. The portfolio consists of eight companies and one subsidiary fund investment, amounting to a footprint of 22 countries. Phatisa's impact objectives for AAF are directly aligned with eight SDGs, highlights to the end of Q3 2019 include:

- **SDG 1: No poverty** – raised and invested US\$ 246 million in Africa.
- **SDG 2: Zero hunger** – produced > 3.4 million tonnes of food and food-related products in Africa.
- **SDG 5: Gender inequality** – impacted > 17,900 female employees and beneficiaries directly.
- **SDG 8: Decent work and economic growth** – impacted > 109,600 smallholder farmers and micro, small and medium enterprises linked to Phatisa food and food-related investment portfolio and associated technical assistance projects.
- **SDG 12: Sustainable development** – 100% of portfolio companies have environmental and waste management policies and 63% have implemented recycling initiatives.

Phatisa press contact

Pravisha Rampal, Head of Investor Relations Telephone + 27 (0) 11 463 1920 Email investorrelations@phatisa.com
Izelle le Roux-Owen, Partner - Corporate Communications Email irpressroom@phatisa.com

