

PRESS ANNOUNCEMENT

PHATISA WINS MID CAP DEAL OF THE YEAR FOR ROLFES TRANSACTION

9 December 2020

Phatisa has won the Mid Cap Deal of the Year category at the Private Equity Africa (PEA) 2020 Awards for its investment in Rolfes Group. Currently in its ninth year, the annual awards are a well known accolade of success in the African private equity industry.

The final winners were selected by an independent panel of 20 judges which included representation from CDC, DEG, EBRD, IFC, Mbuyu Capital Partners, Wimmer Family Office, 27four Investment Managers and Family Office Data Alliance. The winners will be presented with their trophies at the landmark tenth Annual PEA Awards Gala Dinner to be hosted in London in 2021.

Phatisa, through its Food Fund 2 – together with Sabvest, Masimong Chemicals and Rolfes management – acquired the entire issued share capital of Rolfes Group in the first quarter of 2020, thereby delisting the business from the Johannesburg Stock Exchange (JSE) 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:

- **Agriculture** – 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 management solutions** – Rolfes Water provides total industrial water management solutions, including specialised water purification solutions and products to the industrial, home and personal care markets.

Rinolan Moodley, Partner at Phatisa, said: 'We are grateful for the award and would like to thank PEA for the recognition. Delisting Rolfes from the JSE has allowed the business to focus on operational excellence, whilst becoming more agile in targeting both organic and inorganic strategic investment opportunities. We look forward to continuing on our journey with a highly motivated and capable management team.'

Eugene Stals, Chief Investment Officer at Phatisa, commented: 'We are honoured to have received this recognition for our investment in Rolfes and acknowledge the contribution of Rolfes' management; our co-investors, Sabvest and Masimong; and our advisors. The transaction is aligned with our investment model of backing competent and passionate management teams. Leveraging off our deep sector expertise, we aim to add value and work with management to drive growth in domestic markets and across the African continent. Managing the complexities of a take private transaction showcases Phatisa's competencies in successfully concluding transactions in the public and private markets.'

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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

The African Agriculture Fund, Phatisa's inaugural food fund, was the continent's first private equity fund focused solely on the agriculture and food value chain and commenced operations in 2011. Fully invested, the portfolio consisted of eight companies and one subsidiary fund investment, amounting to a footprint of 22 countries. Building on the successes and learnings of its predecessor fund, Phatisa Food Fund 2 continues to leverage the team's core skill set, with two deals concluded to date.

Phatisa's impact objectives for its Food Funds are directly aligned with eight Sustainable Development Goals (SDG). Highlights up to 30 September 2020 include:

- SDG 1: No poverty – raised and invested US\$ 367 million in Africa.
- SDG 2: Zero hunger – produced > 3.8 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 > 86,000 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 have implemented recycling initiatives.

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