

LOCAL AGRI FUND ATTRACTS R770 MILLION, PLANS ANOTHER

16 November 2010: Agri-Vie, the private equity fund focused on food and agribusiness investments in sub Saharan Africa, has announced the final close of its first fund, after attracting investments of \$110m (approximately R770 million), 10% higher than originally anticipated.

Herman Marais, chief executive at Agri-Vie, said the oversubscription in the current economic climate demonstrates the appetite for such investments, resulting in the group already planning a follow up fund in the future. “We anticipate launching a follow-on private equity fund with the same mandate to invest in food and agribusiness in Africa. Given the success we have seen, we would expect this fund to be larger in size and to also venture into central parts of Africa, as well as South and Eastern Africa.

“We are currently establishing a presence in Nairobi, Kenya, which will be Agri-Vie’s first permanent presence outside of South Africa, reflecting the long term view we take with our investments,” says Marais.

The fund, which was initiated by SP-aktif and Sanlam Private Equity, capitalises on the growing markets for processed food in the major cities of Africa as well as export opportunities. The fund already has a base of strong blue chip investors with Sanlam Life, the Development Bank of Southern Africa (DBSA), the Industrial Development Corporation (IDC) and the Kellogg Foundation already invested in the fund.

Agri-Vie also recently welcomed three new investors including Norwegian development finance institution Norfund, the European Investment Bank and the International Finance Corporation (IFC), the private sector arm of the World Bank.

“Norfund is very pleased to have partnered with such a respected private equity partner in its efforts to contribute towards the development of competitive food and agribusinesses in Africa. Of critical importance to us is the value that Agri-Vie places on making investments in SME businesses that have a meaningful impact on the regions in which they operate,” says Deepak Malik, Head of Financial Institutions & Funds at Norfund.

Marais says about 30% of the fund has now been fully invested in a variety of businesses mainly in East Africa and South Africa. “Our investment team continues to look at targeted investments



within the sector and we are in active talks with other companies. We are confident that we will be able to deploy the rest of the capital over the next 24 to 36 months,” says Marais.

Marais says Agri-Vie has been successful in establishing itself as an impact investment fund, combining equity related returns with demonstrable development impacts in the regions in which it operates such as job creation, food security, entrepreneurial development and environmental benefits. “There is a growing international interest in impact and social investments, which seek to combine financial objectives with meaningful development impacts in societies around them.”

He says this is a critical part of Agri-Vie’s investment philosophy and the investment team monitors not just the financial progress of the companies but also the progress in developing its socio-economic impacts.

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About Agri-Vie

Agri-Vie is a private equity investment fund focused on agribusiness in Sub-Saharan Africa with a mission to generate an above average investment return, as well as demonstrable socio-economic development impacts through its equity investments. The fund was initiated by SP-aktif and Sanlam Private Equity with the cooperation of South African and international investors as well as the Makotulo BEE Consortium. The fund’s vision is to be a catalyst for sustainable growth through investing in one of the foundation sectors of Africa’s economies. Agri-Vie seeks to realise this vision through deploying development capital and management know-how according to sound investment and business principles. Agri-Vie Investment Advisors is a financial services provider authorized by the Financial Services Board, Registration number 33826. Visit www.agrivie.com for more information.