

## Agri-Vie invests 49.9% stake in joint Terason and Technichem



Agri-Vie, the private equity fund focused on food and agribusiness investments in Sub-Saharan Africa, has announced a 49.9% stake into Intelichem, the holding company of Terason and Technichem.

The Intelichem Group of companies is a leading provider of crop protection solutions, specialized plant nutrition and seeds to the agricultural industry and related peripherals through its subsidiaries Terason and Technichem.

Terason has a track record of 15 years and through technologically driven specialists, offers producers environmentally friendly pest control solutions and speciality plant nutrition products. Technichem, established in 1991, is a market leader in the distribution and marketing of high-end crop protection, seed and leading edge crop solutions in the primary grain producing regions of South Africa.

According to Rudi van Niekerk, the investment into the joint businesses of Terason and Technichem is in line with Agri-Vie's focus on agricultural inputs as a strategic growth sector. "There are substantial growth opportunities for the business locally, in Africa, as well as in sub-Saharan Africa and Agri-Vie was in the position to provide the additional capital to unlock its investment potential."

"24% of all cultivated land globally is in Africa. However, Africa only contributes 9% of the world's agricultural produce," says van Niekerk.

According to the McKinsey Global Institute's study, 60% of the world's uncultivated arable land is in Africa. "The African continent is behind in technology, mechanisation, and plant fertilisers /nutrition and crop protection products. Because these three inputs are lacking, Africa's agriculture growth is lagging behind."

Intelichem's CEO, Rudolph Geldenhuys says that Terason and Technichem are in the position to alleviate these agricultural challenges by contributing towards food security through a solution-focused approach optimizing output and quality. "In order for farmers to grow their businesses and produce more crops sustainably and effectively, they need to focus on the quality of the output from the smallest hectare."

Van Niekerk adds that Agri-Vie was further attracted to invest in Intelichem because of the company's excellent track record. "Intelichem is a leader in its industry and has a 20% market share in the market. No other company of its kind has this size market share in the country."

Geldenhuys explains that the company provides a combination of products, skills, technology and expertise offered through programmes and applications that help keep agribusinesses and food security strong. "Terason and Technichem are geared towards the sustainability of the environment through their responsible and safe handling and application of pesticides training initiatives, campaigns, and the use of bio pesticides. We have seen a definitive shift in farmers' attitudes towards more responsible and sustainable practices and our output based offerings focus on adding value to the end user."

Van Niekerk adds that the business is primed to continue with its successes. "Management knows exactly what their clients' needs are, having established continuous communication channels and

strong relationships with clients. Years of experience allows the business to make thorough, accurate and ethical recommendations. Clients also benefit from the efficient and timely delivery of products thanks to excellent well-established logistical and enterprise resources," concludes van Niekerk.

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