

Agri-Vie acquires 49.9% in Intelichem



BY: LEANDI KOLVER

Food and agribusiness investment-focused fund Agri-Vie on Tuesday announced that it had acquired a 49.9% stake in Terason and Technichem holding company Intelichem.

The investment into the Intelichem businesses was in line with Agri-Vie's focus on agricultural inputs as a strategic growth sector, Agri-Vie investment adviser Rudi van Niekerk said.

"There are substantial growth opportunities for the Intelichem business locally, in Africa, as well as in sub-Saharan Africa and Agri-Vie is in a position to provide the additional capital to unlock its investment potential," he added.

Van Niekerk pointed out that while 24% of all cultivated land globally was in Africa, the continent only contributed 9% of the world's agricultural produce.

According to a study conducted by the McKinsey Global Institute, 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," the study stated.

Intelichem CEO, Rudolph Geldenhuys stated that Terason and Technichem were in a position to alleviate these agricultural challenges by contributing towards food security through a solution-focused approach that optimised 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,” he said.

Geldenhuys explained that Intelichem provided a combination of products, skills, technology and expertise through programmes and applications that helped 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 biopesticides. 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,” he said.

Meanwhile, Van Niekerk added that Agri-Vie was further attracted to Intelichem as a result of the company’s record.

“Intelichem has a 20% market share in the market. No other company of its kind has this size market share in the country,” he said.

He added that the business was primed to continue achieving 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,” Van Niekerk concluded.