



Mbuyu Capital Partners

PRESS ANNOUNCEMENT MBUYU CAPITAL EXITS ITS CO-INVESTMENT IN MERIDIAN

24 April 2019

Phatisa, the lead investor of a consortium including Mbuyu Capital as a co-investor, has reached an agreement with Ma'aden on the sale of its controlling shareholding in Meridian Group (Meridian).

Meridian is a prominent African agricultural inputs business, distributing approximately half a million tonnes of fertiliser across four countries; generating revenues in excess of US\$ 300 million. Meridian's flagship fertiliser brand, Superfert, is available throughout Malawi, Mozambique, Zimbabwe and Zambia, and has earned a loyal customer base due to its superior quality and bespoke blends, proven to stimulate agricultural productivity.



The Meridian executive team will remain with the business, partnering with Ma'aden, a diversified resources company, listed on the Saudi Arabian stock exchange. This partnership will further strengthen Meridian's market position, leveraging Ma'aden's global presence and integrated supply chain, allowing the company to better service the growing demand for fertiliser across the region.

Rinolan Moodley, Deal Partner at Phatisa commented: 'Meridian exemplifies Phatisa's ethos of development equity, demonstrating how private equity investments can deliver a tangible and sustainable impact on food security within the continent, as well as driving superior returns for our investors. Our capital and insight were instrumental in developing Meridian's distribution networks, providing smallholders with access to customised fertiliser blends that continually drove volume growth and resulted in EBITDA tripling over our investment period. Importantly, during this growth trajectory, we positively impacted over 13,000 smallholders – 69% of which were women – with our training programmes and technical assistance facility.'

Michiel Timmerman, Managing Partner at Mbuyu Capital commented: 'Meridian's market leadership, strong management team and Phatisa's lead as a specialist in the sector made Meridian an excellent opportunity to create attractive financial returns for investors with development impact as a co-product. Phatisa's technical assistance facility, associated with its African

Mbuyu Capital Partners Ltd, Michelin House, 81 Fulham Road, London SW3 6RD, UK

Mbuyu Capital Partners Ltd is authorised and regulated by the Financial Conduct Authority in the UK (Firm reference number 825150).



Mbuyu Capital Partners

Agriculture Fund (AAF), enabled the firm to leverage the impact of its financial investment, through the longer-term initiatives needed to develop the smallholder agriculture sector and create sustainable demand for Meridian's products.

The transaction is subject to conditions precedent, including regulatory approvals.

Mbuyu Capital Partners focuses on private markets in Africa, managing portfolios and funds for institutional investors to provide access to private equity, credit and infrastructure opportunities. The firm invests in primary and secondary funds and co-investments. www.mbuyucapital.com

Michiel Timmerman, Managing Partner – mtimmerman@mbuyucapital.com; +44 7875 335207

Mbuyu Capital Partners Ltd, Michelin House, 81 Fulham Road, London SW3 6RD, UK

Mbuyu Capital Partners Ltd is authorised and regulated by the Financial Conduct Authority in the UK (Firm reference number 825150).