

June 10, 2019

Sahel Capital Announces Investment in Ladgroup Limited

Sahel Capital, fund Managers for the Fund for Agricultural Finance in Nigeria (“FAFIN”), today announces that definitive agreements have been executed for an investment in Ladgroup Limited (“Ladgroup”), an indigenous agricultural company that engages in the processing and export of shea butter.

Ladgroup commenced operations in 1972 with the exportation of shea nuts, cocoa, ginger, coffee & gum arabic, and became the largest exporter of shea nuts and cocoa. The company is currently focused on the value addition of shea nuts through processing into shea butter for export on an industrial scale through its factory located at Ikenne-Remo, Ogun State.

Ladgroup has built strong relationships with leading global shea stakeholders with an interest in West Africa, and has executed off-taker agreements with some of these stakeholders. With the investment, Sahel Capital will leverage on its wealth of experience and relationships in the West African corporate and agribusiness community to support Ladgroup’s growth and position the company as a market leader in the West African shea industry. The investment will further strengthen Ladgroup’s capacity to bridge the processing gap of shea nuts in Nigeria, tap into the increasing global demand for shea butter, and venture into downstream industries such as refined cooking oil and other shea butter derivatives over the next few years.

Prince Dr B.A. Onafowokan, Chairman and Founder of Ladgroup Limited, said today: *“We are pleased to have reached agreement with FAFIN and to have them partner with us as shareholders in Ladgroup. Our long-term focus is to be the leading shea processing company in West Africa, and we are confident that the financing and operational support from Sahel Capital, as well as its technical assistance facility will greatly improve our future prospects.”*

Commenting on the investment, Mr. Olumide Lawson CFA, Partner at Sahel Capital, added: *“We are thrilled to partner with Ladgroup, and are excited by the growth opportunities within the global shea sector. We expect this investment to create jobs across the shea value chain in Nigeria, and to especially boost incomes of women who are the primary individuals active within the sector.”*

The Board of Directors is being reconstituted with the investment in Ladgroup. Mr. Olumide Lawson and Mr. Remi Bodunrin of Sahel Capital, along with a number of experienced independent directors, will join pre-existing Board members such as Mr. Kunle Onafowokan (current Managing Director) on the reconstituted Board.

About Sahel Capital Agribusiness Managers Limited

Sahel Capital is a food and agribusiness-focused private equity firm that aims to transform the agriculture sector in Nigeria. Sahel Capital is the fund manager of the Fund for Agricultural Finance in Nigeria (“FAFIN”), which has US\$66 million in investable capital. FAFIN’s investors include the African Development Bank, CDC Group, Dutch Good Growth Fund, KfW Development Bank, Nigerian Sovereign Investment Authority, and Nigerian government via the Federal Ministry of Agriculture and Rural Development (“FMARD”) and the Federal Ministry of Finance.

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