



## Power Steering

### Ethos - the vehicle for Tiger Automotive's growth

Over the last four years annual domestic sales of passenger vehicles have increased by 55%, and vehicle volumes are forecast to continue to grow over the next five. Given that tyre sales typically lag vehicle sales by four years, growth prospects in this market are both dynamic and sustainable for the next ten years.

With an enterprise value of R1.05 billion, the transaction will allow a greater number of management to participate in equity ownership and encourage the executive team to focus on significantly building the business. Tiger Automotive's strong and experienced leadership team is complemented by Ethos' strategic expertise and ability to facilitate growth.

Tiger Automotive holds a substantial share of the wheel and tyre retail and wholesale market in Southern Africa:

- Tiger Wheel & Tyre, the retail business comprises 54 outlets - two thirds of which are company owned. Anticipated levels of demand and expansion into new geographical locations should result in significant growth of their retail footprint.
- YSA, the wholesale business, is a distributor of passenger, 4X4, off-road, light and heavy truck and bus tyres as well as aluminium wheels to an extensive customer base.

Both divisions are expected to benefit from a burgeoning middle class and growth prospects for aftermarket sales.

Tiger Automotive is the seventh investment in Fund V and enhances the diversification of our portfolio, demonstrating the positive role private equity can play in helping sound companies to facilitate growth, investment and employment.

*We didn't invent the wheel - we're just helping TiAuto to perfect it.*

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