

ETHOS

PRIVATE EQUITY

When a deal
has all the right
ingredients, there's
no need to chase
rainbows

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Ethos has successfully led a consortium to acquire and delist Universal Industries, at an enterprise value of R1.3bn.

The consortium comprises Ethos Fund V, management and directors of Universal, with a residual shareholding in reserve for a black economic empowerment partner.

Universal is a leading equipment supplier to the perishable food retail, wholesale, hospitality and related industries, through well-established underlying businesses (baking systems, catering and kitchen equipment, and refrigeration systems). Universal is ideally positioned to benefit from significant growth forecast in the retail sector, driven by continued consumer strength.

The company has invested for many years in its Africa strategy and has an active plan to rapidly expand its activities, in partnership with major South African retailers, into the rest of the continent.

"This is an extremely attractive investment, in partnership with a highly regarded management team," comments Ethos partner Shaun Zagnoev. "Universal has considerable potential, with a leading share of the local market, powerful brands and exciting sub-Saharan growth prospects."

"Value will be unlocked by enhancing operational efficiencies, augmenting market share and directing substantial resources towards the burgeoning African opportunity," adds Ethos Principal, Samantha Pokroy.

The transaction was the first public-to-private deal announced in South Africa, under the new Companies Act.

Ethos' 26-year track record is founded on our ability to source proprietary transactions and blend innovation with thoughtful management to create long-term value. The fusion of these magic ingredients results in superior performance and ultimately builds better businesses.

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Ethos is an Authorised Financial Services Provider

