

Press Release – For Immediate Release

09 October 2018

P149 MILLION MANAGEMENT BUYOUT OF LEADING CONGLOMERATE TRANSPORT HOLDINGS A THRILLING SUCCESS

Gaborone – Botswana Development Corporation’s (BDC) portfolio management strategy continues to bear fruit positioning homegrown talent to steer the growth of leading industries in the economy. As the Nation’s main investment operation for driving considerable commercial developments, it remains an imperative for the firm to engineer the growth of local enterprises. The Corporation announced on 09 October 2018 the successful management buyout of hallmark logistics company, Transport Holdings Pty Ltd (“TH”), from Imperial Holdings (Pty) Ltd (“Imperial”). This striking deal will culminate the transfer of majority shareholding of TH into local hands therefore making it a 100% citizen-owned enterprise.

In addition to the management buyout of the majority shareholder, Imperial, which owns 80% of TH; BDC’s investment will finance the further growth acquisition of TH’s subsidiary, Imperilog Botswana, in which the minority shareholders hold the remaining 30%. Thirdly the deal is also purposed to finance growth capital for TH’s African expansion strategy.

“This is a golden moment for our Nation because a proudly Botswana business is now taking the reins of its destiny that shines with prospects of further growth. We are confident in the management team who provide relevant industry experience which will continue to serve TH in taking-on the continental industry,” said BDC Managing Director, Mr. Bashi Gaetsaloe. He continued, “Our strengthened partnership with TH through this transaction will allow our country a variety of opportunities to reap from. These include opportunities to increase local employment as more resources would be needed to drive production and introduce more market-relevant services adapted to the local industry. We will also witness a proudly Botswana-business become a pan-African operation and see the exporting of Botswana’s business culture to external markets whilst attracting investors to our economy. This successful buyout is by-all-means a great win for Botswana!”

Transport Holdings Group (TH) is a leading Botswana conglomerate of transport and logistics companies with a twenty-five-year history in the market. Under the leadership of Managing Director, Anthony Lee, the management team has largely been responsible for driving the growth and profitability of TH through prioritising the building of strong customer relationships, quality service delivery and maintaining effective cost-management systems. Over its 25 years in business, Transport Holdings has grown from a 3-truck business, to a 100-truck operation with an asset value of approximately P77 million presently.

“I would like to thank my team for ensuring this transaction was a resounding success. I commend Mr. Lee and his team for the robust legacy they have so tirelessly built over the years.

Our shareholding remains a testament of our continued confidence in TH's value proposition and business strategy and we look forward to strengthening our relationship as their investment partner for the road ahead.

We are confident that TH's business model will indeed take this proudly Botswana brand to take on Africa's boisterous and emerging markets," concluded Mr. Gaetsaloe.

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NOTES TO THE EDITOR

About Transport Holdings Group

Transport Holdings Group (TH) is a leading Botswana conglomerate of transport and logistics companies with a twenty-five-year history in the market. Subsidiaries of Transport Holdings Group include Imperilog Botswana, Mulbridge Transport, Express Cartage and Transport Holdings. Through its four subsidiaries, the company provides a full spectrum of transport and logistics services which include clearing and forwarding; warehousing and consolidation; and road transportation of mainly dry goods. The company has over the past 25 years been awarded long-term contracts and worked with blue chip companies such as Debswana Group of Companies, The Coca Cola Company, Spar Group Limited, Bolux, Woolworths and African Copper.

TH delivers packages of every scale from small multiple consignments to full single customer truck-loads with destinations across the SADC region. It has business presence in Botswana (Gaborone, Francistown and Maun), South Africa and Zambia and further provides services to Namibia, Mozambique and other SADC countries.

ABOUT BDC

Botswana Development Corporation Limited, or 'BDC,' is the country's main agency for commercial and industrial development. Established in 1970, under the Companies Act, BDC is a company Limited by Shares and fully owned by the Government of Botswana. BDC is mandated to provide, facilitate and support financing of commercially viable enterprises that contribute towards building a sustainable and diversified Botswana economy; to stimulate the growth of the private sector; to invest in the region and internationally; whilst generating wealth for the Shareholder.

The Corporation invests in commercially viable projects across all sectors of the economy except large-scale mining. These include Energy, Manufacturing, Industry, Property, Services, Tourism, Innovation and Technology as well as Agriculture locally.

Throughout, BDC intends to promote best practices in business, governance and environmental standards in the funds or companies they choose to invest in. BDC conducts its business on a commercial basis and exercises special care and regard to economic and commercial merits.