

# Ethos Private Equity announces its imminent buyout

Ethos Private Equity (Ethos), a leading alternative asset management firm in Africa, has entered into a definitive agreement to be acquired by the Rohatyn group (TRG), a specialised global asset management firm focused on investment solutions in emerging markets and real assets.



Source: Supplied. Ethos chief executive officer, Peter Hayward-Butt will remain in his role.

Incorporating Ethos expands TRG's capabilities and local presence during a volatile period in financial markets, giving investors access to one of the largest and fastest growing regions in the world.

Africa is a diverse investment destination with significant potential opportunities in private markets, real assets, and public markets, for which local expertise and experience are paramount to achieve successful outcomes.

Combining forces with Ethos positions TRG to deliver a larger array of investment solutions to limited partners (LPs) of both firms.

Since 1984, Ethos has made more than 150 investments supporting South African and sub-Saharan businesses.

With more than 20 years of experience, investment teams at TRG offer capabilities across public equities, corporate and sovereign debt, private markets, forestry, agriculture and infrastructure.

## A perfect match

"The philosophical and cultural similarities of TRG and Ethos were apparent from the start," said Nicolas Rohatyn, the Rohatyn group's chief executive officer and founder.

"We share a belief that multiple thematic cross currents - such as private credit, renewable energy, digitalisation, and agriculture, among others - will anchor future investment priorities for investors.

"Our combined firm, with almost \$8bn in assets under management (AUM), almost 400 institutional LPs, and the ability to offer solutions for de novo investing, as well as ongoing GP consolidations and fund restructurings, will occupy a unique position in our industry."



AfDB invests \$20m in private equity fund targeting renewable energy projects in sub-Saharan Africa

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"This transaction is a strong vote of confidence in the Ethos team and signals our intention to leverage its platform to drive growth and investment in South Africa and across the continent. In addition, TRG will provide the Ethos business with exposure to a new group of investors and further align our combined efforts with LPs to strengthen the foundations of capital markets on the African continent," said Rohatyn.

## Exciting new chapter

Stuart MacKenzie, Ethos chief executive officer, added: "This announcement is the start of an exciting new chapter for Ethos and the culmination of the strategic transformation we started in 2016.

"Since then, we have successfully diversified our product offering, geographic footprint and sources of capital. This transaction represents a compelling opportunity for us to pursue the next growth phase as the African arm of TRG, one of the largest alternative asset management firms in emerging markets.

"Our values and cultures are both steeped in a passion for innovation, driving impact, creating value and delivering returns. Together we have an incredible platform for growth, and we are committed to leveraging it for the benefit of all stakeholders."

Terms of the transaction were not disclosed. The transaction is subject to customary conditions including the approval of the South African competition and exchange control authorities.

Lazard Ltd became an advisor to TRG during the transaction process and assisted TRG in its completion.

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