
AgDevCo partners with Mahela and ZZ2 to further develop the Skutwater avocado and citrus farming operations at Weipe, Limpopo, South Africa.

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Mahela Group, a leading citrus and avocado producer from Letsitele, and ZZ2 Group, a leading avocado and tomato producer from Mooketsi, are developing a 400-hectare avocado and citrus farming operation in Weipe, Limpopo, South Africa, with a non-controlling minority equity investment from AgDevCo.

The partnership enhances Mahela's and ZZ2's existing relationship which already combines their expertise as some of South Africa's largest citrus and avocado producers respectively. The Skutwater project will see the current combined orchard size increase from 190 hectares to 400 hectares under the first phase, with a potential to expand to 1,500 hectares in the second phase with plans to develop expansion opportunities in neighbouring countries, including Mozambique. Skutwater is anticipated to employ over 1,200 equivalent full-time employees on completion.

“We believe that with trusted partners such as ZZ2 and AgDevCo we will be able to unlock exciting opportunities in the global market. With innovative and efficient farming practices, the Skutwater project will not only add to agricultural development in the area, but also create many new and needed job opportunities to people from the nearby communities.” says Barend Vorster, Mahela Group CEO.

The global market for citrus and avocados remains favourable, and with sophisticated and sustainable agronomic practices under favourable conditions in Weipe, higher yields of quality fruit can be achieved, focused on the earlier international market window.

“The partnership with the Mahela Group and AgDevCo enables ZZ2's team to join forces with astute agriculturalists. We look forward not only to make a success of the operation at Weipe, but also to explore other opportunities in Africa with our partners over time.” says Tommie van Zyl, ZZ2 Group CEO.

AgDevCo's CEO, Daniel Hulls, says: *“AgDevCo is delighted to partner with ZZ2 Group and Mahela Group to contribute to the commercial and impact success of Skutwater. We are deeply impressed by the farming capabilities and business ethos of both and are excited to learn from them in South Africa and to actively explore opportunities elsewhere in Africa.”*

NOTES FOR EDITORS:

For further information please contact Burtie van Zyl, GM Avocado ZZ2 and Investment Project Manager: burtie@zz2.co.za

This transaction was supported by DLA Piper and Bowmans in South Africa.

The **Mahela Group** is one of South Africa's largest privately owned citrus producers and exporters, with a diversified portfolio in avocados, bananas, macadamia nuts, litchis and kiwis produced across Limpopo as well as in the Southern Cape. The Mahela Groups sees itself as a custodian of nature and, therefore, strives towards producing fruit in an environmentally sustainable and responsible manner. www.mahela.co.za

The **ZZ2 Group**, is one of the largest tomato producers globally and a leading producer of export avocados and deciduous fruits. They also produce medjool dates, cherries, almonds and onions. ZZ2's purpose is to grow differentiated primary agricultural products for customers worldwide. Their mission is to optimise resources and to farm in harmony with nature in a sustainable way. They strive to create value for all their ecosystem partners in a balanced manner. www.zz2.co.za

AgDevCo is a specialist investor in African agriculture, growing sustainable and impactful agribusiness, with USD 280m under management. Their vision is a thriving commercial agriculture sector, which benefits both people and planet by investing in and supporting agribusinesses to grow, create jobs, produce and process food and link farmers to markets. They support their partners to work towards climate sustainability, and where possible, regenerative solutions. As at the end of 2023, AgDevCo's had committed \$178m committed into more than 30 investments across 9 countries in sub-Saharan Africa. www.agdevco.com

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