

4080001-RMB Corvest

RMB-led group buys JoJo Tanks

SURE KAMHUNGA

Financial Services Editor

A CONSORTIUM led by RMB Ventures has concluded a management buyout, for an undisclosed amount, of JoJo Tanks, which manufactures tanks used to harvest rainwater and store liquids.

Other consortium members were RMB Corvest, Pan-African Private Equity Fund 1 and the Oppenheimer family's Stockdale Street private equity vehicle.

For RMB Corvest, this is the second investment in as many days after it announced last week that it had partnered with black-owned Zico Capital to purchase — also for an undisclosed amount — a 25% stake in Nigerian food company Vital Products.

A statement released yesterday said JoJo Tanks was bought from an Investec Principal Investments-led consortium.

JoJo Tanks CEO Rod Cairns said the deal would enable it to fund its expansion while making a difference to people affected by lack of water security.

An executive at RMB Ventures, Amina Pahad, said JoJo was a market-leading company that was active in a high-growth niche and led by an "exceptional" management team.

"The fact is that six of SA's 14-million-odd households do not have access to in-home water reticulation and would benefit significantly from residential rainwater harvesting," she said.

Pan-African Private Equity Fund 1's Zuko Kubukeli said JoJo was one of the key companies that would lead SA's plan to preserve water resources. "We see JoJo Tanks as one of the key enablers of SA's challenge to preserve water, a limited resource, of which greater harvesting and storage is paramount," said Dr Kubukeli.

A spokesman for the Oppenheimer family, Paul Salomon, described JoJo as a "great" business led by a strong management team and which was well positioned to address some of the water challenges facing SA.