

## **CLSA Capital Partners' Clean Resources Asia Growth Fund invests in PT SariWangi**

**Jakarta / Hong Kong (Monday), 1 August 2011** - CLSA Capital Partners ("CLSACP") is pleased to announce the investment of US\$15 million by its Clean Resources Asia Growth Fund L.P. ("CRAG") into PT SariWangi AEA ("SariWangi Group"), Indonesia's largest private tea company. The investment closed on 14 July 2011 and is the first direct investment by CRAG into sustainable agricultural technology. The investment is structured as a convertible note which is exchangeable into a minority equity shareholding with strong participation on the board of Commissioners.

CRAG's investment strategy is to focus on innovative Asian companies that deliver resource efficiency in the agriculture, water, waste and energy sectors. The US\$15 million investment will enable SariWangi Group to grow its recently launched agriculture technology solutions company, PT Nutrigasi Indonesia (Nutrigation), as well as expand its core tea business.

A pioneer in sustainable agriculture in Indonesia and one of only a handful of plantation operators that is rain forest certified, SariWangi Group utilises a solutions approach consisting of Fertigation (providing water and fertiliser through drip irrigation), wireless sensors and specialised agronomy techniques, that have allowed the reduction of fertiliser use by over 50% and increased yields by over 60%.

Managing Director at CLSACP, Peter Kennedy, commented: "SariWangi Group is a leader in the tea industry and has built a global reputation for quality and integrity. The company's strong management team, market position and strategic partnerships should ensure it outpaces industry growth. As well, its success in the agriculture solutions business will provide a strong growth engine from third party sales and improve margins."

Kennedy added: "Agricultural technologies will become increasingly important in the future. Food consumption is expected to double by 2050, driven by population growth and demand for higher protein diets as emerging markets become wealthier. At the same time, input costs such as fertiliser have increased over 400% in the last decade and land prices and labour inflation have outstripped GDP in many markets. SariWangi Group's agriculture solutions business fits very well into CRAG's investment strategy."

Rocky Menayang, CFO at SariWangi Group said: "Global demand for tea remains strong, driven by recognised health benefits in developed markets and strong domestic demand growth in developing markets. According to the Economist Intelligence Unit, global demand has increased by 34.2% over the past five years (2005-2010) and prices have risen from \$1.63/kg to \$2.89/kg over the same period. Domestic demand in Indonesia in particular has increased from 39,431 tonnes in 2001 to 87,128 tonnes in 2010. We believe this investment by CLSACP will allow us to continue to capture market share in our core business and has also enabled us to accelerate our entry into the agriculture technology area."

Executive Chairman of CLSACP, Richard Pyvis said: "Indonesia is experiencing unprecedented growth, driven by a combination of factors including increased domestic consumption and a rise in the price of natural resources. CLSACP has closed two Indonesian transactions in the last month, reinforcing our commitment to this market."

SariWangi Group's Founder and President J. Alex Supit stated: "We have been working with CLSA Capital Partners on this investment exclusively for quite some time. They are truly a great partner and their team bring great expertise in agricultural technology as well as an intimate knowledge of Asia. We very much look forward to continuing collaboration with them to further grow our businesses."

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### **About PT SariWangi AEA**

PT SariWangi AEA was established in 1962, initially operating in the field of tea trading and later-on becoming a tea producer (blending and manufacturing packaged tea products). The company is a market leader among private companies, blending and selling over 42,000 tons of tea annually. It has the capacity to manufacture up to 11 billion teabags per annum with 1,900 employees and grow its own supply of raw tea (over 5,000 tons annually from its 2,300 planted hectares and employing and supporting 5,500 labor community).

For more information on PT SariWangi AEA please visit [www.sariwangigroup.com](http://www.sariwangigroup.com)

### **About CLSA Capital Partners**

CLSA Capital Partners is the alternative asset-management arm of CLSA Asia-Pacific Markets, Asia's leading independent brokerage and investment group.

CLSA Capital Partners has approximately US\$2.7 billion under management and offices across the region, including Hong Kong, Singapore and Tokyo. CLSA Capital Partners offers a diversified and increasing range of investment vehicles.

Funds currently under CLSA Capital Partners' management are:

- **Aria Investment Partners**, pan-Asian private equity funds providing growth and expansion capital to Asian mid-market companies.
- **Fudo Capital**, pan-Asian private equity funds focused on opportunistic real estate investments.
- **CLSA Sunrise Capital**, an opportunistic growth and mid-market buyout fund focused on opportunities in Japan.
- **Clean Resources Asia Growth Fund**, an Asia-focused clean technology private equity fund. Clean technology includes all forms of sustainable agriculture, water, cleaner energy, environmental technology and waste management. The fund employs a research-driven strategy.
- **MezzAsia Capital**, a pan-Asian mezzanine fund investing in mature businesses and leverage finance to buyout transactions and mid-cap companies.
- **Pacific Transportation**, focused on regional shipping and transport opportunities.

CLSA Capital Partners is a diverse team of industry professionals with expertise in private equity, banking and finance, law and accountancy and industry specialisations. The highly experienced team, with long established roots in the region, has helped many Asian companies realise their growth potential.

For more information on CLSA Capital Partners or the specific funds please visit [www.clsacapital.com](http://www.clsacapital.com)

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