

Afgri pursues Bank of Athens' SA stake

By [Colleen Goko](#)

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Afgri is seeking to acquire the South African portion of Bank of Athens. The deal would give Afgri, which has long been a financier of farmers in partnership with the Land Bank, a banking licence.



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Afgri CEO Chris Venter said the 94-year-old business was constantly evolving and looking at ways to better service its customers. The group has a partnership with the Land Bank called Unigro, which offers loans and crop insurance to farmers. Afgri also has a subsidiary called GroCapital Financial Services, whose services include trading futures contracts for farmers.

"Since the early 2000s we have aggressively expanded our financial services offering. We manage a R12bn debtors' book through Unigro and GroCapital. The move reiterates the core focus of the group which is to ensure food security across the continent. We will be better placed to help our customer base grow their business. The management team at the bank will be staying," said Venter. Afgri will gain the right to accept deposits, something its existing relationship with the Land Bank does not provide.

Venter would not disclose the value of the deal. "That's one of the benefits of being unlisted." Afgri delisted from the JSE in April 2014. Its shareholders include Fairfax, the Public Investment Corporation, empowerment consortium Bafepi Agri and management.

Venter said the deal had the backing of the group's shareholders. "We still need the necessary approvals from the South African Reserve Bank and all relevant authorities. I would hope the deal would be done later this year, but it is difficult to provide a timeline. This is a journey about which we are excited. We hope we can conclude the deal as soon as possible."

The South African Bank of Athens provides business banking services to medium-sized local businesses, as well as niche transactional banking to the broader market. With Robert Laing

Source: Business Day

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