

## MEDIA RELEASE

### Press release: PIC invests in AP Ventures

Public Investment Corporation (PIC), on behalf of its client the Government Employees Pension Fund (GEPF), co- invests in AP Ventures focused on the global usage of Platinum Group Metals (PGMs)

- PIC and Anglo Platinum Marketing Limited (APML) are investing US\$100 million (approximately ZAR1,340 million) respectively for a total commitment of US\$200 million (approximately ZAR2,680 million) to AP Ventures, with the primary objective of catalysing growth in the usage of PGMs.
- AP Ventures invests in advanced technology companies whose products utilise the unique high-performance characteristics of PGMs.
- AP Ventures management has built a successful track record, through the support of seven uniquely positioned existing seed assets.
- The aim remains to scale the strategy, so unlocking further value for South Africa, through a focused fundraising effort for the AP Ventures product offering, anchored by the commitment from GEPF and APML.
- In line with South Africa's industrial development and beneficiation objectives, AP Ventures will pursue localisation opportunities from these PGM supported technologies where commercially viable.

**Pretoria, South Africa, 17 July, 2018:** The Public Investment Corporation and Anglo Platinum Marketing Limited (APML) announced today that they are collectively committing an investment of US\$200 million (approximately ZAR2,680 million) to AP Ventures Capital Funds (APV Fund) The newly created AP Ventures is the first fund of its kind investing in pioneering technologies and businesses harnessing the unique high performance characteristics of PGMs. AP Ventures will invest in sectors aligned to PIC's investment strategies for alpha generation, which include hydrogen and fuel cell value chain, energy storage and logistics, power generation and management, water, healthcare and food preservation.

The PIC is one of Africa's largest investment managers, with assets totalling over R2 trillion, and through its extensive investment research expertise, brings unrivalled insight to AP Ventures and its portfolio companies. PIC, as one of the largest investors in the SA PGM mining sector, on behalf of its Clients, recognises the need to support its investment in this struggling sector through proactively preserving the long term mineral wealth for all South Africans. The South African PGM mining industry represents the largest global resources of PGM and is the largest employer in the mining sector. The investment in the AP Ventures funds forms part of the PIC's diversification strategy to maximize Alpha, through thematic investing that is aligned with long term, structural investment opportunities in the PGM sector.

**Commenting on today's announcement Dr Daniel Matjila, Chief Executive Officer, Public Investment Corporation said:**

*“Through our investment in the independent AP Ventures Fund, the PIC is funding technology innovation and furthering demand for PGMs, which will ensure the industry has a sustainable future. As a leading global institutional investor this investment further demonstrates our support of the United Nations Sustainable Development Goals. My view is this investment will stimulate and sustain the demand for PGMs in the long term, benefitting our clients and preserving the long term mineral wealth for all South Africans. In addition, the potential for localisation of these technologies in South Africa, contributes to sustaining jobs in the PGM mining sector and planning for creation of jobs in the manufacturing sectors. The PIC is already a significant investor in the platinum mining industry and regards the long-term sustainability of the industry as a being critical to long-term returns of its portfolios.”*

**Commenting at the launch of AP Ventures, Andrew Hinkly, Managing Partner, said:**

*“The world needs solutions to global challenges such as renewable energy integration, resource scarcity and a growing global population. Technologies powered by PGMs are providing solutions to these problems in areas such as hydrogen infrastructure, electric mobility, water purification and medical devices.*

*AP Ventures Fund is the only fund of its kind offering investors access to these innovative, fast-growing companies built on the unique properties of PGMs. Our experience and industry network combined with the support of cornerstone investors Anglo American Platinum and PIC, means we have a high performing portfolio of existing investments as well as a strong pipeline of new opportunities.”*

AP Ventures will operate a global mandate, investing in companies that develop patentable technologies using PGMs. The Fund will invest thematically in sectors which use PGMs to address global challenges such as renewable energy integration, resource scarcity and a growing population. This includes: hydrogen infrastructure; fuel-cell electric mobility; energy storage platforms; water purification; sensors; durable electronics; and medical devices.

AP Ventures is led by a specialist global investment team with proven expertise and a successful track record. The team previously formed part of Anglo American Platinum’s PGM Investment Programme which was first established in 2014. The Programme made approximately R800 million (US\$ 60 million) of early stage and growth capital investments with historic audited results consistent with top quartile venture capital returns. The PIC has been instrumental in ensuring AP Venture’s fund structure has the appropriate governance in place to attract ongoing funding.

**Chris Griffith, Chief Executive Officer, Anglo American Platinum, added:**

*“The launch of AP Ventures is an exciting new development which will support the growth of PGM technologies and increase PGM demand. Developing the market for PGMs is a strategic priority for Anglo American Platinum and this investment with AP Ventures is a key initiative. Having enjoyed success and built a strong track record as part of Anglo American Platinum’s PGM Investment Programme we have taken the decision to separate the fund’s activities into an independent structure that will attract additional outside investment and allow AP Ventures to increase the scale of its activities.”*

Headquartered in London, AP Ventures is committed to opening an additional office in South Africa and to raise additional capital from other investors. In addition, the PIC and Anglo Platinum, through their South African offices will offer further support to achieve localisation objectives where commercially viable.

The existing portfolio includes investments in Allergy Systems, Food Freshness Technology Holdings, Greyrock Energy, HyETi Holdings, Hydrogenius Technologies, Primus Power and United Hydrogen Group.

**-Ends-**

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### **About Public Investment Corporation**

The Public Investment Corporation (PIC) is a public asset management firm wholly owned by the South African government, with the Minister of Finance as the sole shareholder representative of the government. PIC's clients are mostly public sector entities including the Government Employees Pension Fund, which contribute 90% of the funds that PIC manages. Other clients include Unemployment Insurance Fund, Associated Institutions Pension Fund, Compensation Commissioner Pension Fund and Compensation Commissioner Fund. The PIC is a hybrid of a single asset manager and a multi-manager with emphasis on providing its clients with value at a low cost and invests in established names with strong management requiring little oversight. PIC is a world class asset management company, and it boasts more than 100-year reputation of delivering excellent results. It is the largest and most successful asset manager on the African continent with

assets under management in excess of R2 trillion as at 31 March 2017. The PIC invests in a variety of asset classes such as the following:

- Real Estate
- Shares on the Johannesburg Stock Exchange
- Bonds
- Private Equity
- Developmental Investments

The PIC has a clear developmental investment programme. The developmental investments focus on the following areas: Economic Infrastructure (Roads, Rail, Transport & Logistics, Energy, Ports (air, sea, and rail); Social Infrastructure (Affordable Housing, Health, Education); Priority Sector Investments (Agriculture, Agro- processing, Manufacturing and beneficiation Tourism); Environmental & Sustainability (Renewable energy, Clean technology Green buildings, Sustainable environments);and SMEs across all sectors.

### **About AP Ventures**

AP Ventures is an independent venture capital firm headquartered in London dedicated to investing in advanced technology companies utilising the unique high-performance characteristics of Platinum Group Metals (PGMs). The fund operates a global mandate to invest in pioneering new technologies and businesses which solve global challenges. AP Ventures is led by Andrew Hinkly (Managing Partner) and Kevin Eggers (Partner). As cornerstone investors The Public Investment Corporation and Anglo-American Platinum have each committed US\$100 million to AP Ventures.

More information: [www.apventuresllp.com](http://www.apventuresllp.com)

### **Andrew Hinkly, Managing Partner, AP Ventures**

Prior to founding AP Ventures Andrew held a number of senior leadership positions at Anglo American, where he worked for a decade and was a member of the Anglo American Platinum Executive Committee. Whilst at Anglo American Andrew established the successful Corporate Venture Capital Fund, the predecessor fund to AP Ventures, to invest in innovative companies which utilize PGMs. Andrew is a board member of two investee companies, Food Freshness and GreyRock.

### **About Anglo American Platinum**

Anglo American Platinum Limited is a member of the Anglo American plc Group and is the world's leading primary producer of platinum group metals. The company is listed on the Johannesburg Securities Exchange (JSE). Its mining, smelting and refining operations are based in South Africa. Elsewhere in the world, the Group owns Unki Platinum Mine in Zimbabwe. Anglo American Platinum has a number of joint ventures with several historically disadvantaged South African consortia as part of its commitment to the transformation of the mining industry. Anglo American Platinum is committed to the highest standards of safety and continues to make meaningful and sustainable difference in the development of the communities around its operations.

More information: [www.angloamericanplatinum.com](http://www.angloamericanplatinum.com)