Press release from Jan de Beer, cell 082 456 3677:

Chryso S.A. Exports Growing Faster Than Local Sales

The Chryso Southern Africa Group's decision to increase its emphasis on exports is paying dividends with the growth in the Group's export sales last year for the first time showing substantially bigger sales growth than local sales, says Norman Seymore, vice-president of the Chryso Group globally.

The Chryso Southern Africa Group consists of leading admixture producer, Chryso SA, and construction chemicals manufacturer, a.b.e. Construction Chemicals. Seymore is CEO of both companies.

Seymore says the decision to concentrate more on exports to the sub-Saharan African market was taken in 2012, when a special Business Development division, concentrating mainly on African and Indian Ocean islands sales and distribution, was established. "Our quest to boost exports is now showing the results we sought with the growth in exports to Africa, particularly to neighbouring states, growing by as much as 25% in total last year. The growth, albeit off a low base, reinforces our conviction that the Chryso SA Group must continue to seek increased representation in sub-Saharan Africa. Alarmingly for South African industry, it also shows how deeply factors such as the continuing labour unrest, the threat of load shedding, as well as rampant corruption and other negative economic and political factors, have eroded local business confidence resulting in the unexpectedly low growth of our Group sales within South Africa," he explains.

Chryso SA is consequently planning to increase its African Business Development export staff contingent with special representatives concentrating on key African markets in future. "We have also just appointed the company, Lunapa, based in Luanda as our fist licenced distributor in Angola. The company will initially distribute Chryso admixtures but there are plans to also include a.b.e. product lines in future. The Angolan market has big potential although, like most oil-based economies, there always tends to be some uncertainty about growth projections."

The Chryso Group was late last year acquired from its former parent company, Materis, in France by LBO France, a leading European equity firm. Seymore said at the time that the acquisition had strong benefits for the Chryso Southern Africa Group because the cash injection resulting from the acquisition would provide Chryso with a new credit line to finance future growth.

He said the expanded credit reserves would enable Chryso to expedite the large-scaled expansion and acquisition plans that had for long been part of its future growth strategy. Seymore also stated that the Chryso Southern Africa Group had definite plans to establish manufacturing facilities in both East and West Africa. The new credit line the LBO acquisition had provided would increase the pace of Chryso Southern Africa becoming the Chryso springboard into the African continent," he stated.

Ends

Caption:

Exports to Africa by the Chryso SA Group rose by 25% last year to justify Chryso's decision to place increasing emphasis on the sub-Saharan market, says Norman Seymore, vice-president of the Chryso Group globally.

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