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What the pension fund gatekeepers think of Reg 28 Amendments

Sun sets on Section 12J

Harith bullish in infrastructure opportunities in Africa

FROM THE EDITOR'S DESK

Speaking to the outgoing founder of Investec, Ian Kantor, from his Austrian COVID hideaway in the skiing idyll of Kitzbühel recently, I was struck by a comment he made, which about sums up the reason for Investec's phenomenal growth and success. A far cry from the bucket shop that my late colleague and co-founder of this boutique publishing house, David Gleason, used to rib former CEO Stephen Koseff about whenever the opportunity arose.

In 1974 – 47 years ago – Larry Nestadt, Errol Grolman and Ian Kantor founded Investec as a small leasing and financing company in Johannesburg.

It secured a banking licence in 1980 and after merging with Metboard, a trust company, it was first listed on the JSE Securities Exchange in South Africa in 1986.

In 1988, Investec Bank was restructured into Investec Group, giving Investec management and staff control of the company.

In September 2018, Investec announced plans to demerge and separately list its asset management business, Ninety One.

And here we find ourselves today, the demerger successful and the bank's share price enjoying a strong period, with Ninety One a globally respected asset manager of some scale.

When asked about the timing of starting the business, Kantor didn't hesitate to say that, politically, things couldn't have been worse. Indeed, they were troubled times, with the 1976 Soweto uprising, followed by the 1980s and the State of Emergency.

But Kantor attributes this, at least in part, to Investec's success. You see, "resources were cheaper, rentals, human capital, that sort of thing," and thus swimming against the tide of pessimism to grow a business was made that little bit easier.

Enduring one full year of the COVID-19 pandemic, and another interminable State of Emergency, had clear impacts on private equity and venture capital activity across industries, here on the southern tip of Africa.

But astute dealmakers will be aware that when economic times are tough and narratives are negative, fortunes can be made. ◆

Michael Avery

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Gleason Publications

What the Gatekeepers think of Reg 28 Amendments

Last year, government unveiled 50 strategic infrastructure projects (Sips) and 12 special projects involving a total investment of R360bn, as the first tranche of a massive infrastructure expenditure programme to drive the post COVID-19 economic recovery effort.

These initial SIP projects are expected to create an estimated 275,700 jobs in six sectors: water and sanitation, energy, transport, digital infrastructure, agriculture and agro-processing, and human settlements.

The fact remains that South Africa is one of the most unequal countries in the world, and requires significant investment in infrastructure for all her people to enjoy the basic dignity of running water, electricity, tarred roads, health care and education.

However, a major question mark remains over how these projects will be funded.

In April 2020, we had calls from the private equity industry to increase prudential limits on asset allocation imposed by Regulation 28 of The Pension Funds Act, and to split the asset class from hedge funds.

The conversation became poisoned by the spectre of prescribed assets, which were used by the apartheid regime to terrible effect. However, done the right way, it could present a pathway to prosperity and out of South Africa's COVID-induced economic depression.

The waiting is finally over. National Treasury released its draft amendments to Regulation 28 of the Pension Funds Act on 26 February 2021.

It is fundamentally about making it easier for retirement funds to increase investment in infrastructure, not prescription, as some fearmongers forewarned, and improve the measurement of infrastructure investment by the Financial Sector Conduct Authority (FSCA).

The amendments refer to infrastructure investment already permitted through various asset classes, and suggest unbundling the asset category related to "hedge funds, private equity funds and other assets".

Delinking this asset category will make private equity a separate asset class with a higher investment limit.

So pretty much what Private Equity campaigned for, at least. But what do the pension funds and the so-called gatekeepers, their asset consultants, think of the proposals?

Soyisile Mokweni, Chairman of the Consolidated Retirement Fund, one of the fastest growing local government retirement funds in South Africa, which boasts approximately 52,000 members and roughly R32bn in assets under management, and one of the leading investing funds in alternatives, welcomes the move. It is admittedly one of the more progressive funds in the country when it comes to private equity, with 18,4% of its funds invested in alternatives.

Soyisile Mokweni

"Given the fact that during the last six years, the JSE has been moving sideways, if you can't find Alpha in the places where you traditionally find the returns, you need to look elsewhere with your investment strategy, and that is the journey we started way back when Regulation 28 was amended in 2011," explains Mokweni.

> "I think the definition [of infrastructure] needs to be expanded. Our understanding, at this stage, is that it only covers public infrastructure and perhaps the definition needs to be expanded to cover all the infrastructure, including privately financed infrastructure."
> Shainal Sukha

The CRF is advised by Shainal Sukha, Managing Director of Sukha and Associates, an independent and black-owned asset consulting firm. These are the so-called 'gatekeepers'.

Sukha welcomes the Amendments, in that they will now allow greater transparency, especially for funds that were previously invested through collective investment schemes, which are generally pooled funds and life policies, as that exemption has been removed.

"And so, under Regulation 28, if the current amendments go through, funds will receive greater transparency in terms of their underlying holdings in those life policies and collective investment schemes, which will allow funds to better track the overall allocation to infrastructure, whether it's through equity, debt, property or any other asset class," explains Sukha. "I think it improves transparency, and it also allows government and other stakeholders, like the regulator, to be aware of the amount that retirement funds are actually already investing in infrastructure."

Though Sukha feels the definitions require some tightening.

"I think that the definition [of infrastructure] needs to be expanded. Our understanding, at this stage, is that it only covers public infrastructure, and perhaps the definition needs to be expanded to cover all the infrastructure, including privately financed infrastructure. As you know, many retirement funds, including CRF, participated in a highly successful government program, the renewable energy program. So based on understanding, it seems that the REIPPP programme may not be recognised as infrastructure because it's privately financed. So, we would want to see that definition just expanded slightly."

Shainal Sukha

Anne-Marie D'Alton, CEO of Batseta, believes that one of the most important outcomes is that there is now an opportunity to mobilise retirement funds to approach this investment into infrastructure as a collective effort, to create that environment where funds can collaborate without compromising a decent, risk adjusted financial return, "where you can make sure that the investments really have an impact, that the jobs are created where they're

Anne-Marie D'Alton

supposed to be created, and finally, that the retirement funds still have the right to decide whether they want to invest or not. And in that particular process, we will make sure, as Batseta, that retirement funds get the necessary training and education, and that they are exposed and able to improve their skills in this particular area."

In a world where JSE listings are declining and investors are increasingly finding that the listed environment doesn't afford the levels of protection one used to find comfort in, alternative assets are increasingly receiving consideration as suitable replacements for the long-term needs of pension funds. And the amended Regulation 28 looks likely, once the issues around definitions are addressed, to accelerate this trend. ◆

Uncovering the moat

Assessing differentiation

Donald Farmer

A lifetime ago, when I first met my wife, Alison, we were both working for an archaeological group in Scotland. I was focused on research, and I still remember the thrill whenever we uncovered some new feature on the ground that confirmed or refuted my academic hunches. One day, I arrived at the excavation of the Bishop's Castle in Glasgow to be greeted by excited colleagues. "We have it! We found a moat." And there indeed it was, dug deep into the ground, faced on one side with a nicely engineered foundation wall. Part of that trench can still be seen today.

Farmer

More than thirty years later, I now work internationally as a strategy advisor to software vendors and as a technical advisor to investors. Even today, however, my daily task – and what excites me – is to find a moat.

In this case, we're not talking about a trench around your castle, but instead the gap that must be bridged by any competitor or challenger before they can match the advantage of your technology. Rather like my old moats, these new tech barriers should be well-engineered, and may be wide or deep: indeed, understanding that distinction in dimension is an important matter.

Defining differentiation

When I am assessing a company or a product for investors, they often ask me about the

> Medieval moats were stagnant, filthy, full of trash and worse. I suppose that was a deterrent to swimming across. I'll not go there, but it is worth looking beneath the surface of a differentiation that, on paper, looks promising.

moat. Even if they don't use the term, they understand the problem. Is this technology different enough that it would be difficult, if not impossible, for someone else to match it?

A technology moat may be deep, in the sense that it represents a real breakthrough in capabilities or functions that would require intense intellectual effort to bridge it. Today, I see numerous new vendors claiming advances in AI or machine learning that are unique to them. It's not a matter of time until someone else catches up, it's a matter, perhaps, of technical intelligence, of being able to make the same discoveries. New startups, springing out of university research labs, often claim to have a uniquely deep differentiation.

On the other hand, a wide moat may seem relatively easy to cross. Nevertheless, the barrier is still there. It may take a long time for a would-be competitor to acquire all the experience, build all the features and functions, and to play out all the scenarios that you have mastered, even if few of them are, in themselves, technically challenging. I often find these deep moats in vendors which have emerged from consulting organisations – productising years of practice – or in enterprises which spin off their internal products for the market.

Whether wide or deep, there are things to look out for ...

Under the murky water

I could take this metaphor too far. Medieval moats were stagnant, filthy, full of trash, and worse. I suppose that was a deterrent to swimming across. I'll not go there, but it is worth looking beneath the surface of a differentiation that, on paper, looks promising.

Firstly – and perhaps most obviously – is the intellectual property protected? Patents have lost some of their utility as a protection as, even provisionally, the process turns more slowly than the technology world is spinning. Nevertheless, good IP adds value and proves out important claims.

Just as important as IP is your human capital. If you are claiming a deep technology breakthrough, are the engineers secured for the future? If you're claiming wide experience, is that learning secured?

It is also important to investigate whether the differentiation really is significant in business, rather than technical terms. New technologies, even real breakthroughs can be vulnerable to other, quite different, but parallel developments. One of my clients had made some remarkable improvements in data compression, but by the time they were ready to bring it to market, the major cloud vendors were pricing storage as a commodity, so cheaply that few enterprises cared about extra compression. A quick pivot to some more specialised and, fortunately, lucrative markets was needed.

The forgotten alternatives

However much we claim our technologies to be unique, it is worth remembering that there are always alternatives. I am wary of the enthusiastic team who claim to have no competitors. It is rarely true, even within the scope they have in mind. And if there really are no direct competitors? There are always alternatives for the customer...

We'll do it ourselves, or hire contractors. Risk-averse enterprises often find this route attractive, although in my experience, it rarely works out well. Still, they may prefer to build out a complex project than to take a risk on a new vendor.

We'll do it in Excel. Often said as a joke in the world of data analytics, but quite often true. In fact, a spreadsheet may not be the alternative,

but a large number of companies are prepared to muddle through with the tools they have.

Finally, the most important alternative: We'll do nothing. We may not solve the technical problem, but we'll mitigate the business problem in some other way. Perhaps an AI-powered chat bot is the best way to deal with real-time customer support, but we can use human agents and make a virtue of our personal touch.

The big fish

I do want to make one final point, which comes up regularly in many of my assessments. Is it not possible for a large vendor, with much greater resources, to apply their energy in this space? Won't they crush the startup easily, whether the moat is broad or deep?

Having worked at major global vendors and in award-winning startups, this is one of my least worries. Why? Simply because it's rarely just a matter of resources that makes the difference. Large vendors already have strategies and plans and budgets; their investments are laid out, their resources are allocated. Changing direction is a slow, often arduous process, prone to internal politicking. A large vendor is more likely to partner with a unique startup, or acquire it, than to directly set out to cross that moat.

Differentiation is a complex subject, with many dimensions to consider. I have suggested a simple but handy metaphor to bear in mind when assessing a new offering – it really is a great day when you can say, "We found it. There's a moat!" ◆

Farmer is the Principal of TreeHive Strategy, advising software vendors, enterprises and investors on data and advanced analytics strategy. He works with major international vendors, but also with some exciting and unique start-ups from Silicon Valley to Singapore, from New Zealand to Iceland. Farmer has worked on some of the leading data technologies in the market, in award-winning start-ups, and in his years leading design and innovation teams at Microsoft and Qlik.

Harith sees permanent capital vehicles as the future for infrastructure funds

Harith General Partners, one of the largest investors in African Infrastructure, has announced a nearly R3bn (US$200m) capital raise in a follow-up to its Pan African Infrastructure Development Fund (PAIDF) 2, which is open to existing and new investors.

The PAIDF 2 Infrastructure Top Up Fund is a shorter-term vehicle (five to six years) that is being established to take advantage of very near-term expansion opportunities in some of the best performing PAIDF 2 portfolio companies, and to realise a mature pipeline of high-quality infrastructure opportunities for investors.

Harith's PAIDF 1 & PAIDF 2 portfolio companies include Aldwych Holdings Limited, one of the largest Independent Power Providers

on the continent; leading South African telecommunications infrastructure group, CIVH; MainOne, an undersea cable company and leading provider of innovative telecom services and network solutions for businesses in West Africa; Lanseria International Airport, South Africa's only privately owned international airport; Beitbridge Border Post, the busiest border post in Southern Africa, and others.

Emile du Toit, MD: Fundraising & Liabilities at Harith told Catalyst that he's "very excited about raising this type of fund".

Du Toit says that expanding investment in renewable power projects such as The Lake Turkana Wind Power project in Kenya is high on the agenda.

The Lake Turkana Wind Power project is located in the Loiyangalani district in Marsabit County. It is comprised of 365 wind turbines, each with a capacity of 850 kW, and a high voltage substation that will be connected to the Kenyan national grid through an associated Transmission Line, which is being constructed by the Kenyan Government.


Emile du Toit

Once operational, the wind farm will provide 310 MW of reliable, low cost energy to Kenya's national grid (i.e. approx. 15% of the country's installed capacity), which will be bought at a fixed price by Kenya Power & Lighting Company Ltd (KPLC) over a 20-year period, in accordance with the Power Purchase Agreement.

"We are also looking at other renewable power opportunities throughout our portfolio holding company, Energy Holdings," explains Du Toit.

"We've got some investments in the digital infrastructure space and fibre assets where we

potentially want to expand our investment in some of these assets and, as you would know, we are currently invested in one of the largest fibre suppliers in South Africa, which includes CIVH and Dark Fibre Africa, which includes both South Africa and the Middle East. And on top of that, we will also look at some of the other transport assets."

The capital raised will be invested in existing PAIDF portfolio company expansion opportunities, as well as in selected new, key pipeline deals and strategic infrastructure investment opportunities. These opportunities are both pre-determined and existing.

Turning to the opportunity set in South Africa, Du Toit is encouraged by the proposed Amendments to Regulation 28.

"I think it's quite promising," says Du Toit. "Firstly, the prominence that infrastructure is now getting in these discussions; however, I think with regards to definitions around what constitutes infrastructure, maybe some work needs to be done on that. But in terms of opening up the universe of funds to invest in infrastructure, we definitely welcome the moves."

Du Toit believes that the limits have been set at an adequate enough level at this stage, and pension funds which have previously not invested in this space may start exploring opportunities.

"I think the important thing to note, though, is that pension funds and managers tend to prefer investing in listed assets," he adds hastily. "But if you look at infrastructure development, these are projects of fairly large amounts; they are long term investments and often in the initial stages, it's quite illiquid. And hence, most of these projects are delivered in the unlisted or private equity kind of environment."

And, Du Toit believes that, in the past, that would require a deeper conversation with asset managers and pension funds alike, who would need the project sponsor to open up, to help them better understand the business model and become comfortable with how to invest in private equity, and invest in infrastructure.

"I don't think there are many listed entities that offer these kinds of opportunities, and I don't see that changing in the near-term."

This naturally raises the question about the scope for innovation in the structuring of funds and the creation of listed entry points. Something, Du Toit admits, that Harith has been investigating.

"I think the interesting thing that we've been studying quite intensely is the permanent capital model [similar to Ethos Capital]. And, we believe that it is potentially a model that is better suited to the infrastructure investing manual," says Du Toit. "And we're anticipating that we would also launch a permanent capital vehicle structure for investors as well, at some stage."

"The exciting element of this, for the country, is that once you see a few more listed vehicles start trading and they gain significant scale, you will see serious activity in that space and a lot of interest, which bodes well for infrastructure funding into the future."

"The exciting element of this, for the country, is that once you see a few more listed vehicles start trading and they gain significant scale, you will see serious activity in that space and a lot of interest, which bodes well for infrastructure funding into the future."

"But it will take time," cautions Du Toit. "For the next three years, I think the bulk of investment will still go through either unlisted or private equity fund vehicles." ◆

S12J industry has itself to blame for "surprise" early sunset

Despite furious lobbying for its extension, leading into the National Budget in February, National Treasury decided to allow the sun to set on the section 12J incentive that has seen roughly R11bn raised by fund managers from private investors to deploy into qualifying venture capital companies.

It was a disappointing end to what was largely seen as a highly successful incentive, but not entirely unsurprising to those close to the sector who had seen some managers abuse the spirit of the incentive.

As COVID-19 causes South Africa's fiscal deficit to bulge even further, perhaps a little less than anticipated, thanks to the recent better than expected tax take numbers for November and December, and into the first quarter of 2021, the question remains: what role should and could incentives such as s12J play in supporting SMEs through this crisis?

As National Treasury points out in its 2019 Economic Strategy document: 'Creating an environment in which SMMEs can thrive is inextricably linked to creating conditions in which all businesses can thrive.'

One of the main challenges to the growth of small and medium-sized businesses is access to equity finance.

To assist these sectors in terms of equity finance, Government implemented a tax incentive for investors to invest in these businesses, called s12J, which has really blossomed over the last few years.

The tax benefit fundamentally changes the target return profile of the investment. If you take a R1m investment into a s12J company for a person with a marginal tax rate of 45%, that essentially means that the individual makes a net investment of R550 000. This is because the tax man is essentially funding the R450 000; instead of paying SARS R450 000, you are investing it in an s12J company.

But there is a small catch. When you sell your investment at the end of five years, you will be liable to pay capital gains tax, with the entire investment calculated as a gain.

Dino Zuccollo

Dino Zuccollo, chair of the 12J Association of South Africa, sums up the reaction to the announcement in one word: "Disappointing."

"I think when one analyses National Treasury's views around s12J, it's fair to say that they made a number of good points and that certainly their reasoning wasn't totally incorrect," says Zuccollo.

But he hastens to add that there were also many issues that they missed.

"If you take a look at the rationale, there were three points that they made. The first was that, in their opinion, many of the investors into the s12J companies were investing with no risk and, in [Treasury's] view, excess capital, irrespective of whether the incentive was there or not."

Zuccollo doesn't necessarily agree with the reasoning, and he believes that many of these businesses, such as hotels, required equity injections due to COVID-19 and the concomitant

impact on the tourism sector, by way of example.

"And just a principal issue that I didn't like was that rich people and high net worth individuals were gaining a tax deduction through section 12. And again, that is an accurate point, but I don't think it paints the whole picture. Being in the asset management business, I can assure you that high net worth capital in South Africa at the moment is going offshore in unbelievably large quantities. And frankly, any incentives that can convince people to keep their money in South Africa, to benefit South Africa, should be retained in some shape or form."

Jonty Sacks, a partner at a boutique fund management and administration business specialising in s12J, Jaltech, has a slightly different take.

Jonty Sacks

"The non-extension of s12J came as a huge surprise to the industry. Particularly given that the s12J Association's report indicated that more than 15 000 jobs were supported by the incentive, and more than 350 SMMEs received equity funding," says Sacks. "On reflection, however, it appears that the industry has itself to blame for the non-extension, particularly around the failure by a number of fund managers who failed to deploy capital under management.

"As an industry, had more capital been invested in SMMEs, then the argument for an extension would have been far more convincing, as one would assume that the job creation numbers would have been significantly larger, tax revenue collected from the SMMEs would have been significantly higher, and so on.

"It is therefore no surprise that National Treasury's statement read that 'the incentive has not adequately achieved its objectives'. How could it, given that only approximately R4bn of the total R11bn raised by the industry has been invested into the SMME market?"

"As an industry, had more capital been invested in SMMEs, then the argument for an extension would have been far more convincing, as one would assume that the job creation numbers would have been significantly larger, tax revenue collected from the SMMEs would have been significantly higher."

The question now becomes, what happens to the funds come exit time, when potential buyers will be aware of the stampede for the exits, and while the industry will battle to retain talent?

"The first thing that's worth pointing out is that s12J is not being scrapped with regards [to] funds that are already there," explains Zuccollo. "What happens is from June of this year, no new s12J funds can be created and so investors still have until June of this year to take advantage of the tax incentive and to get their tax breaks. I think the biggest issue now, though, comes to the people managing s12J funds. Obviously, the question is, have you invested with a fund that has the skills and expertise [to effectively manage the fund]? But now in the face of s12J changing, the question is, who's going to be around in four years' time to manage your money and to ensure an orderly and hopefully profitable unwind of your investments?"

That's one of the most important points for investors to consider if they do want to invest in s12J before the deadline of 30 June, to make sure that their managers are part of a larger business that will endure the test of time. ◆

Resilience, Resurgence and Results

After a one-year hiatus due, as everything was in 2020, to the global pandemic, the Africa Private Equity and Venture Capital Association's (AVCA) annual conference (the 17th edition, no less) returned, albeit virtually.

Kendall Evans

AVCA structured the conference as an AVCA virtual week, commencing on 20 April 2021 and ending on 23 April 2021, with two days of conference followed by two days of masterclasses: the "Legal Agreements Masterclass" and the "Private Capital Funds Masterclass". The Conference was well attended by over 350 Global and African dignitaries, Limited Partners, General Partners, DFIs and advisers, including delegates from Bowmans' offices across Africa. Indeed, Bowmans was represented by partners from Nairobi, Uganda, Mauritius, South Africa and its alliance firm in Nigeria, UUBO.

Evans

The Conference's key themes were the "Three Rs" of Resilience, Resurgence and Results, which are particularly pertinent in a year where the globe (and Africa) continues its struggle to come to terms with the new normal of the COVID pandemic.

H.E. Nana Addo Akufo-Addo, the President of the Republic of Ghana, delivered the opening address, and his key themes, echoing and introducing those of the Conference, were the collaboration between the private and public sectors, and the resilience and recovery of the African economy. He aptly concluded that *"Closer collaboration and cooperation between the public and private sector is required to achieve Africa's resilience and resurgence".*

Thereafter, and throughout the two days, there were a number of different keynote presentations, panel discussions and break-outs focusing on the Three Rs and, in particular, on:

- Africa's revival post-COVID, including debating the role that private investors should play in accelerating the continent's recovery and, indeed, pinpointing those areas that have been impacted by the pandemic and companies that will challenge traditional players in the future;
- Evolving themes and emerging opportunities in African Private Equity, including examining emerging economies with rising opportunities to challenge the well-established jurisdictions, such as Kenya, South Africa, Nigeria, Ghana, Egypt and Morocco;
- Regulatory and policy changes affecting private investment on the continent; and
- Various thematic streams, including healthcare; ESG impact investing; infrastructure; and agriculture, to name a few.

Additionally, all delegates were given the opportunity to break-out into different "rooms"

to discuss topics, and network virtually – still a difficult undertaking, and one that takes some getting used to, but useful nonetheless.

The two days of Masterclasses were not quite as widely attended as the Conference, although from a virtual perspective, they worked extremely well as a format. The Private Capital Funds Masterclasses provided a detailed overview of investing and managing private equity and venture capital funds in emerging markets, and the Legal Agreements Funds Masterclasses were to provide a training programme focused on providing a better understanding of African private equity legal agreements, common pitfalls of different contractual terms, and key commercial issues.

James Westgate (Sandton, South Africa), Vruti Shah (Nairobi, Kenya), Dominic Indokhomi (Nairobi, Kenya) and Kendall Evans (Nairobi, Kenya), partners in Bowmans' Sandton and Nairobi offices, gave one of the Legal Agreements Masterclasses in respect of *"Restructuring Distressed Portfolio Companies".* The key takeaways being to ensure collaboration between all stakeholders in such portfolio companies, and speed and decisiveness of action when a portfolio company is in distress.

The Conference ultimately ended on a positive note. The continued challenges facing investors in Africa and its myriad different jurisdictions, cultures and markets were identified and discussed in detail. However, the continued resilience of the continent's economy was a key feature, together with the entrepreneurship of many of its people.

> The Conference's key themes were the "Three Rs" of Resilience, Resurgence and Results, which are particularly pertinent in a year where the globe (and Africa) continues its struggles to come to terms with the new normal of the COVID pandemic.

Olugbenga Agboola, Co-Founder and Chief Executive Officer of Flutterwave, noted that the fact that multiple countries make up Africa *"presents an opportunity to find solutions, deliver amazing companies and drive investments",* and Maurizio Caio, Founder and Managing Partner of TLcom Capital, called it as he saw it when he said, *"Africa is world-class; the quality of entrepreneurship is wonderful and it's as good as any other market in the world".* These descriptions of Africa as an investment market are true and, indeed, cannot be bettered. That was a wrap until 2022, where the wish must be for more of the same from Africa and, from AVCA's perspective, that all delegates at next year's conference can meet in person. ◆

Evans is a Partner | Bowmans Kenya

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PRIVATE EQUITY DEALS Q1 2021

NATURE	PARTIES	ASSET	ADVISERS	ESTIMATED VALUE	DATE
Acquisition by	MVM Holdings from the Kwa-Zulu Natal Rugby Union and Supersport International	51% stake in The Sharks rugby team	Webber Wentzel; Werksmans	not publicly disclosed	Jan 7
Acquisition by	Naspers Foundry (Naspers)	further investment in Aerobotics		undisclosed	Jan 20
Acquisition by	Platform Investment Partners, FOM: Entrepreneurial Development Bank and Cathay AfricInvest Innovation	a stake in Aerobotics		undisclosed	Jan 20
Acquisition by	Invenfin (Remgro)	20% stake in Releaf Pharmaceuticals	Cliffe Dekker Hofmeyr	undisclosed	Jan 21
Acquisition by	Futuregrowth Development Equity Fund (Old Mutual)	a significant stake in Thebe Tourism	Cliffe Dekker Hofmeyr	undisclosed	Jan 27
Acquisition by	Naspers Foundry (Naspers)	The Studenthub Online	Webber Wentzel; Cliffe Dekker Hofmeyr	R45m	Feb 1
Acquisition by	Futuregrowth Development Equity Fund (Old Mutual)	investment in hearX		undisclosed	Feb 1
Investment by	Creadev, Finnfund and existing shareholder Imaginable Futures	in Spark Schools (Series C)		undisclosed	Feb 4
Acquisition by	Main Street 1649 (Apex Partners)	Clyde Bergemann Africa	Cliffe Dekker Hofmeyr	undisclosed	Feb 4
Acquisition by	AgVentures	a 30% stake in Skudu	Boy Louw Attorneys	undisclosed	Feb 6
Investment by	UW Ventures, Allan Gray and E Squared	in Synatic		undisclosed	Feb 11
Investment by	IDF Capital	in MortgageMarket.co.za (Series A)		R10m	Feb 12
Investment by	Metier Sustainable Capital Fund II	in Energy Vision	Cliffe Dekker Hofmeyr	undisclosed	Feb 18
Investment by	Imvelo Ventures	in bancX		undisclosed	Feb 18
Investment by	Bose Ventures, HAVAIC and Sphere Holdings	in hearX		undisclosed	Feb 18
Acquisition by	Old Mutual Namibia via an infrastructure investment fund (Old Mutual) from AEE Power Ventures SL	majority stake in Aloe Investments Number Twenty-Seven (5MW solar photovoltaic plant in Rosh Pinah)		undisclosed	Feb 19
Acquisition by	Apis Growth Fund and JG Summit	stakes in TymeBank South Africa and TymeGlobal [Series B]	ENSafrica	$110m	Feb 23
Acquisition by	Sanlam Private Equity (Sanlam)	majority stake in the Cavalier Group		undisclosed	Feb 24
Acquisition by	Convergence Partners via the Convergence Partners Digital Infrastructure Fund	100% of Ctrack's operations in Africa and the Middle East	Bowmans	undisclosed	Feb 25
Investment by	Raba, firstminute capital, CRE, Village Global, 500 FinTech, FutureAfrica, Norrsken Foundation, Musha Ventures, Iqram Magdon Ismail, Michael Vaughn, Niklas Adalberth, David de Picciotto, Charley Ma, Sima Gandhi, Iyinoluwa "E" Aboyeji, Marc Bhargava, Carl Tremblay, Calanthia Mei, Andre Mohammed, Hannes Graah, Nitesh Banta, Eli Pollak, Aaron Fu, Johan Bosini, Wayne Stocks, Tom Phillips and other investors	in Stitch		$4m	Feb 25
Investment by	Vumela Fund	in Inoxico		undisclosed	Mar 2
Investment by	E Squared Investments	in WeThinkCode [to be used to open a new campus in Durban]		R9,2m	Mar 3
Investment by	Imvelo Ventures	in Quench		undisclosed	Mar 3
Acquisition by	African Infrastructure Investment Managers, a member of Old Mutual Alternative Investments (Old Mutual)	majority stake in Ngoya Etix DC (data centre)		undisclosed	Mar 4
Investment by	Kindred Ventures, CRE Venture Capital and Endeavour	in Flexclub		$5m (equity & debt)	Mar 11
Acquisition by	Agri-Vie Fund II (EXEO Capital)	Maia Group [Wellness Warehouse and True Health Holdings]		undisclosed	Mar 24
Acquisition by	SPE Mid-Market Fund I Partnership (Sanlam)	controlling stake in Absolute Pets	ENSafrica	undisclosed	not announced

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