Catalyst

SA's quarterly Private Equity & Venture Capital magazine

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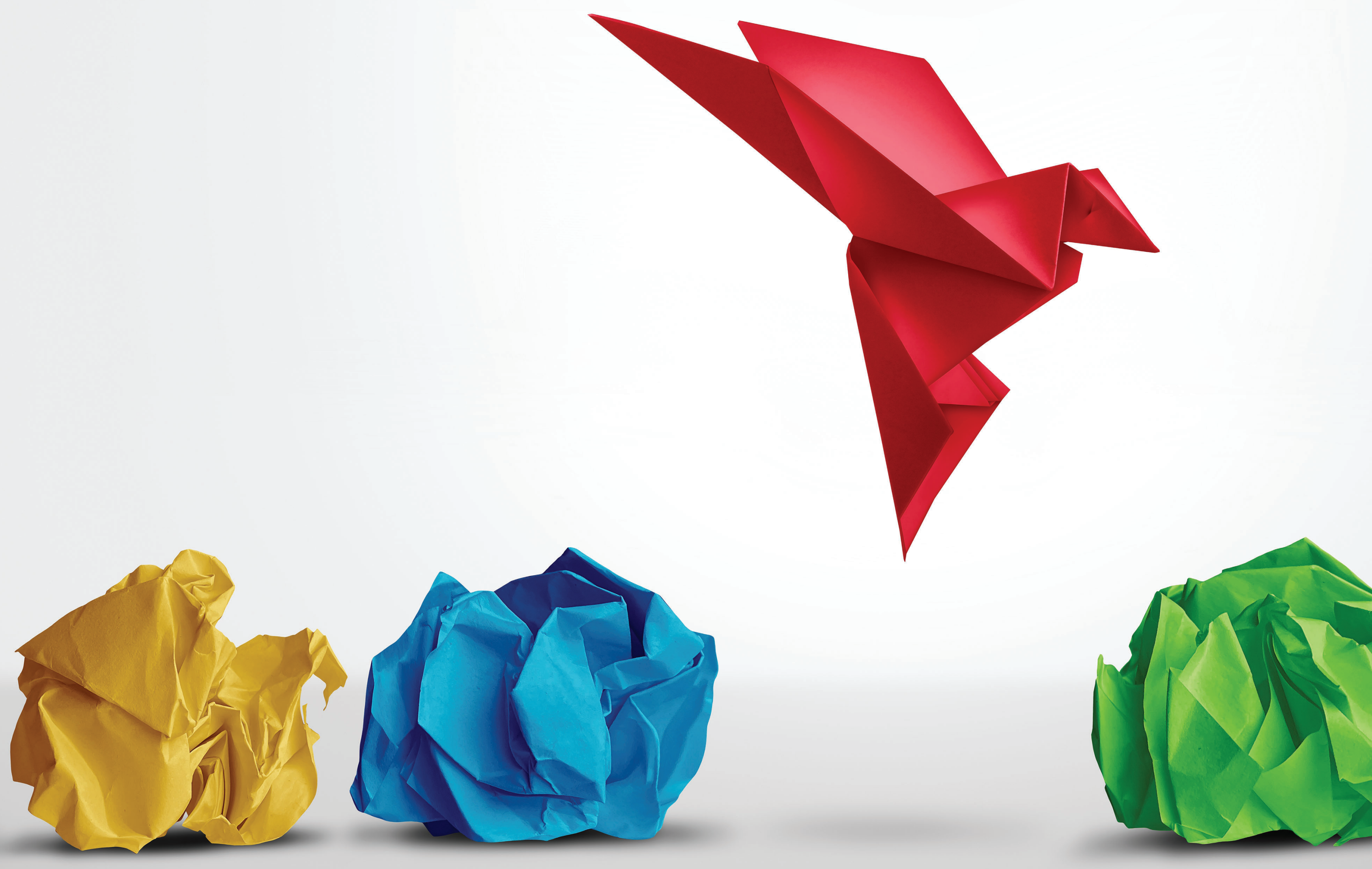
Stemming the JSE delisting deluge

Infrastructure opportunities opening up for PE

Warranty and Indemnity Insurance – is the love affair over?



FROM THE EDITOR'S DESK

SAVCA CEO Tanya van Lille announced in April that she'll be leaving the industry association after five years at the helm.

I first met van Lille when she stepped into the large shoes vacated by her predecessor, Erika van der Merwe, who relocated to the Netherlands, where she now works with Robeco.

I recall our first coffee at Fab in Parkhurst, the powerlifter with the piercing blue eyes declined the ice cream croissant, and spoke with anxious anticipation at the challenge that awaited her, stepping out of academia at the Gordon Institute of Business Science and into the operational role of growing and fostering the industry's relationship with investors, regulators and the broader public, as well as ensuring that it continued to progress its journey of increasing inclusivity.

She has certainly powerlifted the profile of the industry through the launch of several key industry initiatives during her term; among them, the Venture Capital (VC) Conference, which has grown year-on-year since 2019, fast becoming a calendar favourite. She also launched the SAVCA Industry Awards in 2018, showcasing the industry by recognising portfolio companies that have made a real impact in their communities, and on job creation.

During her tenure, the industry has also made critical strides along its transformation journey, where SAVCA, together with support from FNB and the SA SME Fund, created the SAVCA Fund Manager Development Programme, the first of its kind on the African continent.

With the industry in fine fettle following the tumult of the COVID pandemic and looking to capitalise on growth opportunities in the region as economies look to rebuild, it's a good time to pass the baton on, but Tanya will be sorely missed.

The team here at Catalyst and DealMakers wish her well as she searches for her next big lift. ◆

Michael Avery

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Gleason Publications

Stemming the JSE delisting deluge starts with de-institutionalising SA's public market

South Africa's public market is broken. In the past 30 years, the number of listed companies has more than halved from 760 to about 330.

Paul Miller

Worryingly, the trend appears to be gaining momentum. No less than 25 delistings occurred in 2021 (with just seven new listings in the same period), and at least a further 21 delistings are already anticipated for 2022 – and we're only at the beginning of the second quarter.

We must fix this situation and arrest this delisting trend. Everyone involved in investment banking needs to realise that this trend is a threat to their livelihoods. This is now a matter of urgency, because it is likely that the local public markets will enter something akin to a death spiral, where an ever-diminishing pool of very large listed companies is matched by an ever diminishing pool of ever larger asset managers, sucking the oxygen out of the market and stifling new entrants – both new listed companies and new investors.

Dynamic, lively public markets are required, not only to provide savings and investment opportunities, but also to underpin the growth and investment that is so desperately needed to support South Africa's economic development and, of course, all-important job creation. It goes without saying that a public market in a death spiral will eventually also offer meagre opportunity to investment bankers.

While at a micro level, the JSE itself is an easy target for ascribing the blame for this crisis, the real structural cause has less to do with listing red tape, supposed high costs, or cyclical share prices, and everything to do with the systematic institutionalisation of the country's savings and investment industry over the past three decades.

Investment on the JSE has become increasingly exclusionary.

Of course, the imperative to fix the delisting crisis in this country goes beyond providing investors with access to a diversity of investment options; the capital needs of the businesses themselves must be met by the public markets too. For the private investor in South Africa, opportunities to provide primary capital to newly listed companies have become increasingly few and far between. And the habit of companies and their advisors to structure listings to avoid the obscure JSE Listing Requirement 5.18 appears partly to blame.

Paul Miller

Simply put, Requirement 5.18 states that if an offer of shares to the public is oversubscribed, the allocation of the available shares must be done equitably. It was created to ensure that when a general offer is made, like an initial public offering (IPO), large institutions don't have an unfair advantage over smaller institutions, or the investor in the street. This is in line with the financial sector's own charter to which all banks and many other advisors are party, and which has, as one of its objectives, the realisation of a more equitable financial sector – especially in terms of promoting the interests of those who have historically been excluded.

"By compelling South Africans to access these incentives only through institutions, we have choked off access to capital for smaller listed companies. Is it any wonder, then, that smaller companies don't perceive any benefit of listing, or staying listed, on the JSE?"

All of which begs the question: Why is Requirement 5.18 so obscure that the only people aware of its existence are regulatory managers studying towards their JSE sponsor executive exam?

The answer is that JSE Listing Requirement 5.18 has not been applied to any new listings for at least the past decade. It was last applied three times in 2010 and just once in 2012.

If the financial services sector deliberately excludes the public from most primary capital raising opportunities, largely for reasons only of timing and convenience, then they should not wonder why there is not a pool of smaller investors available to provide the oxygen that the market so desperately requires.

This exclusionary trend has also been driven by institutional investors who have what is known as an 'acceptable limit' on the size and liquidity of the companies targeted for investment by their asset managers – which generally translates to the largest 80 to 120 companies only. That's not to say that those institutional investors are solely to blame, however, as it is the regulations within which they operate that are at the heart of the problem.

For example, a unit trust fund is typically required to return cash to an investor within 24 hours of receiving a request to withdraw funds. Delivering on this high liquidity expectation is a challenge for most funds. Not only is the minimum settlement period for disinvestment from a large liquid listed entity three business days, but selling out of a position in a smaller listed company can easily take as long as a week or two. This inherent liquidity mismatch exists in every collective investment scheme and is replicated across other types of institutional funds.

This size and liquidity bias means that the larger the fund gets, the fewer individual counters it can consider for investment. This compounds the death spiral as funds have been getting larger and, as a result, the number of counters in their acceptable investment universe has been shrinking.

The economics of personal stockbroking have also collapsed, and many stockbrokers have spent the last decade transforming into regulated wealth managers, which has involved moving most of their clients into index benchmarked model portfolios or institutionally managed collective investment schemes, with the remainder moved on to no-service, no-advice, secondary trading-only digital platforms.

Add to this the fact that an ever-increasing proportion of investing is now index-linked, and it is clear that South Africa's financial sector has firmly turned away from both direct investment by smaller investors and investment into smaller listed entities.

It's obvious that a massive bias in favour of 'the large and the liquid' has been designed into our entire institutional savings industry. That means that any company outside of the top 120 listed on the JSE receives very little interest from our institutional investors. The same institutional investors have, in turn, assimilated many small direct investors, in part through gatekeeping the access to tax incentives.

The solution: De-institutionalise our markets.

Irrespective of the answers to these questions, the reality we must face is that South Africa's capital market is simply no longer fit for purpose, especially for a resource rich economy. This is clear when you compare the South African market to those in the UK, Canada and Australia.

As is the case in this country, individuals in those countries are given tax incentives to save. These range from tax deductions on pension contributions to deferment of capital gains tax in collective investment schemes. In South Africa, we have gone one step further and introduced tax free savings accounts that attract no tax at all.

The difference, however, is that South Africans are only able to access these tax incentives if they save in an institutional fund and pay an institution to manage the assets.

In contrast, UK, Australian and Canadian individual investors have the option of benefitting from these tax breaks through self-directed, self-invested or self-managed investment accounts, in which they can hold a wide range of assets, including stocks and shares.

By compelling South Africans to access these incentives only through institutions, we have choked off access to capital for smaller listed companies. Is it any wonder, then, that smaller companies don't perceive any benefit to listing, or staying listed, on the JSE?

It is clear that any solution has to start with de-institutionalising our savings market. This demands a primary focus on the 'bottom of the pyramid', namely the general public. Meaningful incentives to save are needed, but in a way that gives individuals the right to choose where and how they save and invest. Most individuals will continue to save through institutions, but we must remove the monopoly that institutions currently enjoy on the access to tax incentives, if we are to save the very market on which they depend.

In 1992, the Jacobs Committee laid the basis for the next three decades of financial sector reform in South Africa. It proposed much of the legislative and regulatory scaffolding on which our savings industry now rests. Importantly, it investigated the 'attainment of a level playing field for competing financial intermediaries (i.e. banks, life assurers and asset managers) in the country'. It did not, however, include consideration of the same levels of fairness for private direct investors and, as a result, it has inadvertently contributed to the steady shrinkage of the JSE that we have seen ever since.

The time has come for another Jacobs Committee, this time to investigate levelling the playing field between institutional and direct investors, with the objective that both should at least be afforded the same investment opportunities, be taxed on the same basis, and have the ability and incentive to support new listings of smaller companies seeking access to equity capital.

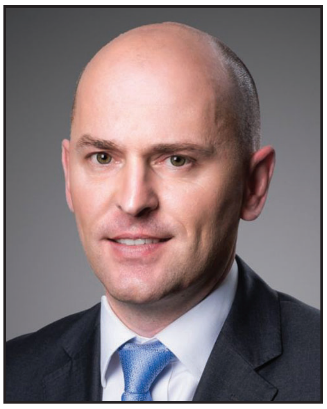
The time has come to de-institutionalise our stock exchange and get the investing public back into the public market. If we don't, we may well end up with a bourse comprising only 120 or so large, liquid companies. And that will certainly be of no benefit to anyone. ◆

Miller is a Director of AmaranthCX.

Taking AIIM at The Logistics Group

While the opening up of South Africa's monopoly network infrastructure continues to progress at mixed speeds and with uncomfortable teething problems, particularly on the broken track of third-party access to rail, private equity infrastructure funds continue to position for a new era of private sector participation.

As President Cyril Ramaphosa said at the government's recent fourth Investment Conference, there is optimism "that the various infrastructure development projects such as construction of bulk water infrastructure, construction of new road networks, energy capacity expansion plans, improvement of our port infrastructure among others, present great opportunities for sustainable as well as inclusive growth." This was in the context of the Economic Reconstruction and Recovery Plan – government's economic blueprint unveiled by the President in 2020.



Ed Stumpf

And make no mistake, the challenge is one so large that the country seems consumed by the new national question of whether South Africa is well on its way to becoming a failed state, if not already there.

According to The South African Property Owners Association, the root of the challenge remains firmly embedded at local government level, with aging infrastructure, poor maintenance regimes, excessive numbers of potholes, rampant corruption, poorly maintained pedestrian walkways, leaking water mains and sewers, collapsing water treatment plants, electricity shutdowns, crime, grime, failing substations, and cable theft – all of which result in the loss of trading income, the order of the day.

When viewed through a distant lens, the progress appears a little more encouraging – the first spectrum auction in 18 years; Eskom being unbundled, glacially, but still; and Transnet Freight Rail opening up the tracks to third parties for the first time in 163 years. A new State water utility is being considered to "lure" private funds, and expected to be operational in 2023; and SANParks, which manages South Africa's 20 national parks, recently gave details of the more than 100 projects for which it is seeking public-private partnerships. And there is more on the list.

The bottom line is that turning points are often hard to spot in the fog of anger and multiple disappointing false dawns. Could this time really be different?

The smart money at African Infrastructure

"The bottom line is that turning points are often hard to spot in the fog of anger and multiple disappointing false dawns. Could this time really be different? The smart money at African Infrastructure Investment Managers (AIIM) seems to think so."

Investment Managers (AIIM) seems to think so.

Most recently, AIIM, one of Africa's largest infrastructure-focused private equity fund managers, with US$2,6bn assets under management across the power, renewable energy, digital infrastructure, midstream energy and transport sectors, with operations in 19 African countries, and the Mokobela-Shataki consortium, completed a R1,6bn takeover of The Logistics Group (TLG). The integrated logistics company operates in Southern Africa, with services across port, rail, warehousing and digital transport logistics.

The transaction was financed by a mix of equity and debt financing. AIIM, through its flagship South African IDEAS Fund and AIIF4 Fund, acquired a 74% stake in TLG. The remaining 26% stake was acquired by strategic investment partners, the Mokobela-Shataki Consortium, sponsored by Moss Ngoasheng, founder and CEO of Safika Holdings, and Monhla Hlahla, former CEO of Airports Company South Africa and current Chairperson of Royal Bafokeng Holdings.

Adding TLG to the AIIM portfolio bolsters its transport strategy in southern Africa, helping to address capacity deficits from ports and inland transport. South Africa's ports are some of the continent's least efficient. Doubling efficiency could equate to halving the distance between the country's main trading partners.

Investment in transport corridors running from strategic southern African ports will benefit from strong growth prospects for various bulk and break-bulk cargoes, such as battery metals, cementing the continent's role as a key player in the global energy transition.

Ed Stumpf, Investment Director at AIIM, calls the deal "a rare opportunity" to acquire a multi-corridor player, while addressing regional capacity constraints in partnership with Transnet and other major operators in the region.

"We view TLG as the cornerstone for a regional ports and logistics platform which will pursue additional investments along a number of transport corridors."

"Looking more broadly, this will help reduce transport costs, which can have a considerable impact on the price of goods, and catalyse trade regionally and beyond. Positioning the group to support multi-mode rail/road and backhaul cargo efficiency is a core part of our strategy to reduce carbon emissions as part of the journey to net zero."

Investment to enhance the existing TLG terminals in Cape Town, Port Elizabeth and Durban will be pursued in partnership with Transnet National Ports Authority, while operational ramp-up of TLG's businesses in Mozambique, Zambia and Namibia will be prioritised.

AIIM will also seek to develop bolt-on investment prospects in other key markets where it has portfolio investments and on-the-ground experience to ensure that TLG provides a comprehensive offering along diverse corridors to hinterland centres of production or demand, commencing in the Southern and East African region.

AIIM's legal advisor was ENSafrica. Singular Consulting provided commercial advice and KPMG led on accounting and tax. ◆

Warranty and Indemnity Insurance – is the love affair over?

Private equity is all about cash in and cash out – the sooner monies drawn down from limited partners can be returned to them with the contracted hurdle, the sooner the fund gets into carry and the general partner starts to reap the rewards of making profitable investments.

John Bellew

It follows that anything that delays or reduces cash flows to limited partners is to be avoided if at all possible. This is particularly the case with respect to exit proceeds. In an ideal private equity world, portfolio companies would be sold voetstoots, with the possible exception of warranties of title. It is, after all, difficult to resist warranting that you actually own what you are purporting to sell…

Sadly, the ideal private equity world is not to be found in South Africa, or indeed in our experience in Africa more broadly. Irritatingly, purchasers will insist on obtaining a formal set of warranties that relate not only to title, but to the essence of the business they are buying. Warranties exist for two reasons – the first is to flush disclosure, helping buyers understand the business they are buying and the risks that it faces. The second reason is obviously to afford buyers a right of recourse if what they think they are buying turns out not to be the case. A wise old lawyer once said that if you buy a cake, the warranties are there to ensure you get the full cake, without a missing piece.

However, warranties are pointless if the cash that backed them had been distributed to the seller (or its limited partners). So, it became common practice for warranties to be backed by escrow, where a portion of the price would be held back to ensure it was available to meet warranty claims. Cash held back is cash that cannot be distributed to limited partners and which cannot turn off the hurdle. Bother, as Pooh Bear might have said.

John Bellew

Then into this realm of imperfection rode the white knight of warranty and indemnity insurance. All of a sudden, it was possible for a seller to provide warranties but pass the buck of paying out claims to an insurer, all for payment of a reasonable premium. The warranty cover was fairly generous, the underwriting process not overly onerous and the time periods covered by the policy longer than that often negotiated by a miserly seller. The private equity industry has embraced the concept enthusiastically – one scarcely sees an auction these days where the seller has not tested the insurance market and received indicative terms from an insurer, subject to underwriting.

But recently, things seem to have changed. It's not exactly that there is trouble in paradise, but our recent experience is certainly indicative of a hardening market. Insurers world-wide are spoilt for choice, given the global M&A boom in 2021. Some have exhausted their capacity, whilst others are cherry-picking the best deals which most properly fit their risk profile. In this market, the appetite to insure African risk seems to have diminished, and premiums have risen.

A consequence is that in a number of the deals we are seeing, only one insurer is showing appetite to underwrite the risk. This means that the insurer is in a position to adopt a 'take it or leave it approach', which is sub-optimal for the buyer and the seller.

The underwriting process also seems tougher than it was. There is laser focus on the quality and extent of due diligence undertaken by the buyer (and by the seller in the case of a vendor due diligence). If a risk has not been investigated, it will not be covered. In an environment where deals are taking longer to consummate, there is also pressure to keep updating due diligence to ensure that it does not go stale.

So, does this mean that W&I insurance is no longer attractive? We don't believe so, but contracting parties need to be aware of a couple of important consequences of a hardening market.

The first is that if you want cover, you may have to conduct much more extensive due diligence than in the past, to facilitate underwriting. There is clearly a cost of doing so, which needs to be borne in mind when looking at the increased premiums that are being demanded.

The second is that there is likely, in many deals, to be a bigger gap between what the policy covers and the warranties that the purchaser requires. Many purchasers will require their seller to fill that gap, and that may bring escrow discussions back into play.

So, in conclusion, the warranty discussion is likely to become much more difficult, and warranty arrangements much more complex as a result. ◆

Bellew is Head of Private Equity at Bowmans.

BOWMANS
THE VALUE OF KNOWING

The Blue Collar Board Member

Recently, the CEO of a JSE listed company (in the most unequal country in the world) was awarded an annual payment of R300m for his stellar performance of steering the ship through the choppiest waters in a while, as spurred by the advent of the COVID pandemic.

Langa Madonko

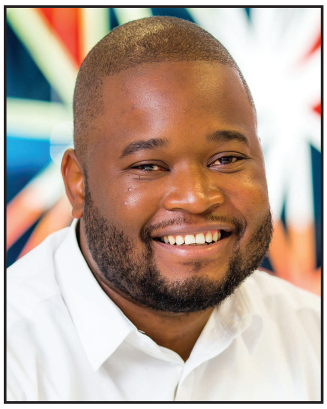
The conversations immediately gravitated to the topic of the earnings gap between the C-Suite and the blue collar worker. It also brought in the issue of how votes on remuneration at shareholder level are materially insignificant in determining the outcomes of the remuneration, and that it would be a long time before this gap narrowed, at least in the SA context.

Although the inequality conversation dominates the South African context, perhaps a more nuanced conversation is the one of how inequality is not only the measure of the discrepancy between races or gender, but that, even in an environment of equal opportunity such as the workplace, a CEO can earn R300m while cleaning staff and other workers earn less than R10,000.

A colleague of mine brought to my attention the conversation on the amendments to the Companies Act, which propose the representation of workers on the boards of companies. Being a private investor, one always looks at legislation through the lens of what the proposed legislation is trying to curb or promote. That being said, in my view the proposal looks to address some of the issues linked to inequality by allowing the employees to participate in the governance and decision-making processes affecting the future of the company. South Africa is not the first to move in this direction. In fact, some State Owned and Private Companies have set up two tiered structures that have acted as sounding boards on governance and operations.

Although the inequality conversation dominates the South African context, perhaps a more nuanced conversation is the one of how inequality is not only the measure of the discrepancy between races or gender, but that, even in an environment of equal opportunity such as the workplace, a CEO can earn R300m while cleaning staff and other workers earn less than R10,000.

So why is the legislation coming now? It is my view that there are primarily two reasons why the Department of Trade and Industry would want to move in this direction. The first is B-BBEE. With the allowance of Employee Share Schemes in South Africa, one of the gripes of the B-BBEE Commissioner has been how the



Langa Madonko

legislation specifically anchors B-BBEE on 3 pillars, one of which is voting rights, the structure of which is not as envisaged by the Commissioner. Secondly, the issue of continuous strikes – in a past briefing, the current Minister of Trade and Industry postulated that if workers had a seat at the table, they would better understand the nuances of business, and the conversations would be a lot smoother.

Personally, I am in favour of this regulation for the following reasons, and offer them as justification for this welcome change, while acknowledging that there may be limitations in terms of some of the practicalities of implementation.

Firstly, statistics have shown that diverse boards of companies tend to perform better. In theory, bringing workers in who are from diverse backgrounds and experiences, and who understand a different aspect of the business, would, in my opinion, likely bring varied schools of thought to conversations. This would allow companies to gain an improved awareness of their target audiences, especially for those businesses that look to serve the Historically Disadvantaged and female markets, where a simple check of the annual reports of the JSE listed and CIPC registered companies shows their glaring under representation.

Secondly, I believe that the amendments would be positive in terms of the alignment of the interests of company boards with the companies' best interests. The employees who work in the business would have a different view of the path that the business should chart, hopefully taking a balanced risk approach, in contrast to some board members who have a profit motive and sometimes forget to take their foot off the gas, even if they see a blind rise, in pursuit of the returns. I believe that such a balanced board would come closer to choosing a socially responsible approach towards investing and growing the business; an approach that will balance the profit imperative with the social imperative, as well as the need to preserve and create jobs as part of achieving sustainability.

Thirdly, there is the aspect of the collective social mistrust that exists in South Africa. It's always clear that business and labour don't trust government, and labour does not like business, or government outside of an election year. The offer of a seat at the table on terms that give sufficient power and influence and a substantial level of transparency to employees of the business may be a start.

Glaring considerations exist, such as how employee directors are chosen and by whom; management or by an independent external process? What proportion of boards will be employee representatives, and will the balance of power make them ineffectual? Could this become another fulfilment of the South African proverb of great concepts, poor execution, as has taunted other legislation? Whatever the outcome, I believe that through this muted change, South Africa has an opportunity to introspect and to decide how it wants to deal with the unequal workplace by investigating what this law is trying to achieve. ◆

Madonko is an Investment Principal | Investor Relations & Capital Raising at Summit Africa.

Local news

The South African Venture Capital and Private Equity Association says goodbye to its CEO, Tanya van Lille, after five years of serving the industry association.

Tanya has come to be highly regarded in the industry for the tremendous work she has done in growing public awareness of the asset class, promoting its use amongst pension funds, and expanding its presence among women and managers of black-owned funds.

"I will be working closely with the board to appoint a new CEO and will do all that I can to facilitate a smooth transition. My exceptional team will continue to provide strong support and will further ensure the seamless integration of the appointed CEO into the SAVCA fold." ◆

Tiger Brands is betting on Africa's plant protein market, which is projected to grow at a compound annual growth rate of 6.5% to US$560,62m by 2023. The food and beverage group has invested in Herbivore Earthfoods via its venture capital fund for an undisclosed amount, and says the deal is closely aligned with its health and nutrition strategy. Barati Mahloele, venture capital fund director of Tiger Brands, told Michael Avery in an interview on Business Day TV that the legacy brand company had realised that it had lagged on innovation, and that the Fund was its answer to turning that around. ◆

PRIVATE EQUITY DEALS Q1 2022

NATURE	PARTIES	ASSET	ADVISERS	ESTIMATED VALUE	DATE
Investment by	E Squared Investments	in AirStudent		undisclosed	Jan 13
Acquisition by	Phatisa and management from HL Hall & Sons Investments	100% of Deltamune	Step Advisory; IBIS; DLA Piper; Webber Wentzel	undisclosed	Jan 14
Acquisition by	Fledge Capital	a 25% stake in Ultimate Sports Nutrition (USN)		undisclosed	Jan 14
Investment by	Andreessen Horowitz (a16z), Avenir, Google and angel investors	in Carry1st [Series A extension]		$20m	Jan 19
Investment by	Various investors	in Orderin [pre-Series B]		$4,7m	Jan 21
Investment by	Knife Capital	in Wamly		undisclosed	Jan 25
Investment by	Global Founders Capital, Base Capital, Finca ventures, The Raba Partnership, 4DX Ventures, Alan Rutledge, Shaun Hurwitz, Youcef Oujidane and Olugbenga GB Agboola	in FloatPays		$4m	Jan 25
Investment by	Havaic and 4Di Capital	in CompariSure [pre-Series A]		R15m	Jan 26
Investment by	Investec Private Capital and a consortium led by Nurture Investment Management	in TallOrder Solutions [additional Series A]		R47m	Jan 26
Disposal by	Ascendis Health to Apex Management Services	Ascendis Medical business	Rothschild & Co; Questco; ENSafrica; Cliffe Dekker Hofmeyr; PSG Capital	R325m	Feb 1
Acquisition by	Pepkor from Kinea Private Equity and the founding Caseli family	87% stake in Grupo Avendia S.A.	Rothschild & Co; PSG Capital; Lefosse Advogados	$228m	Feb 3
Investment by	Kalon Venture Partners, Launch Africa, IDF, Allan Grey E2 Ventures and AlphaCode	in Carscan		< $1m	Feb 4
Acquisition by	RMB Corvest (RMB Holdings), Umoya Capital Partners, Calibre Capital and management	investment in Brunel Laboratoria		undisclosed	Feb 7
Investment by	Agile Capital	in Séché South Africa, which includes Interwaste, Spill Tech and Envirosure		undisclosed	Feb 8
Investment by	E Squared Investments	in Excel@Uni		R4,74m	Feb 9
Investment by	The Spruce House Partnership, PayPal Ventures, TrueLayer, firstminute capital, The Raba Partnership, CRE Venture Capital, Village Global, Zinal Growth and other investors	in Stitch [Series A]		$21m	Feb 14
Investment by	Shakti VC, Launch Africa Ventures, Founders Factory Africa and five35	in Zindi		$1m	Feb 18
Disposal by	Libstar to PAPE Fund Managers and Kanaka Chemicals	70% stake in Contactim and Chet Chemicals divisions	Standard Bank; Cliffe Dekker Hofmeyr	R174,6m	Feb 21
Investment by	Imvelo Ventures	in Lipa Payments		R10m	Feb 22
Investment by	Arrowroot Capital, Kennedy Lewis Investment Management, Endeavor Global and Harvest	in Clickatell [Series C]	Macquarie Capital	$91m	Feb 22
Acquisition by	Silvertree from David Torr, Christopher Verster-Cohen and Katherine Barry	the remaining stake in Ucook		R187m	Feb 24
Acquisition by	Naspers Foundry (Naspers)	equity stake in Floatpays		R15m	Feb 24
Investment by	Pantera Capital, Alameda Research, Cadenza, CMT Digital, Coinbase Ventures, Distributed Global, GSR, Third Prime, Avon Ventures, Bittrex, 4Di Capital and other investors	in VALR [Series B]		$50m	Mar 1
Acquisition by	International Finance Corporations (IFC), Proparco and Bopa Ventures (Bopa Moruo Private Equity and RMB Ventures)	a stake in Respublica Group		R516m	Mar 2
Investment by	Norfund and CDC	in H1 Capital Investments		R360m + R240m	Mar 3
Acquisition by	The Foschini Group from Westbrooke Investments (Actis)	Tapestry Home Brands	Rand Merchant Bank; Investec Bank; ENSafrica; White & Case	R2,35bn	Mar 7
Investment by	Launch Africa	in Insights by Experts (Homecoming Revolution)		undisclosed	Mar 11
Disposal by	EOH Mthombo (EOH) to Bachique 842 (LR Africa)	the Information Services Group consisting of Hoonar Tekwurks Consulting SA, Managed Integrity Evaluation, Xpert Decision Systems and Zenaptix	Rothschild & Co; Java Capital; Webber Wentzel; Bowmans; PwC; Mazars; EY	R417m	Mar 11
Investment by	E Squared Investments	in Consumption Information Real Time [seed funding]		R7,2m	Mar 17
Acquisition by	Secha Capital	a stake in Herbivore Earthfoods		undisclosed	Mar 28
Acquisition by	Tiger Brands Venture Capital Fund (Tiger Brands)	minority stake in Herbivore Earthfoods	JPMorgan	undisclosed	Mar 28
Investment by	Grindstone Ventures, Hlayisani Capital, Realm Digital, Nustate Capital Partners and Galloprovincialis	in Sticitt		undisclosed	Mar 31