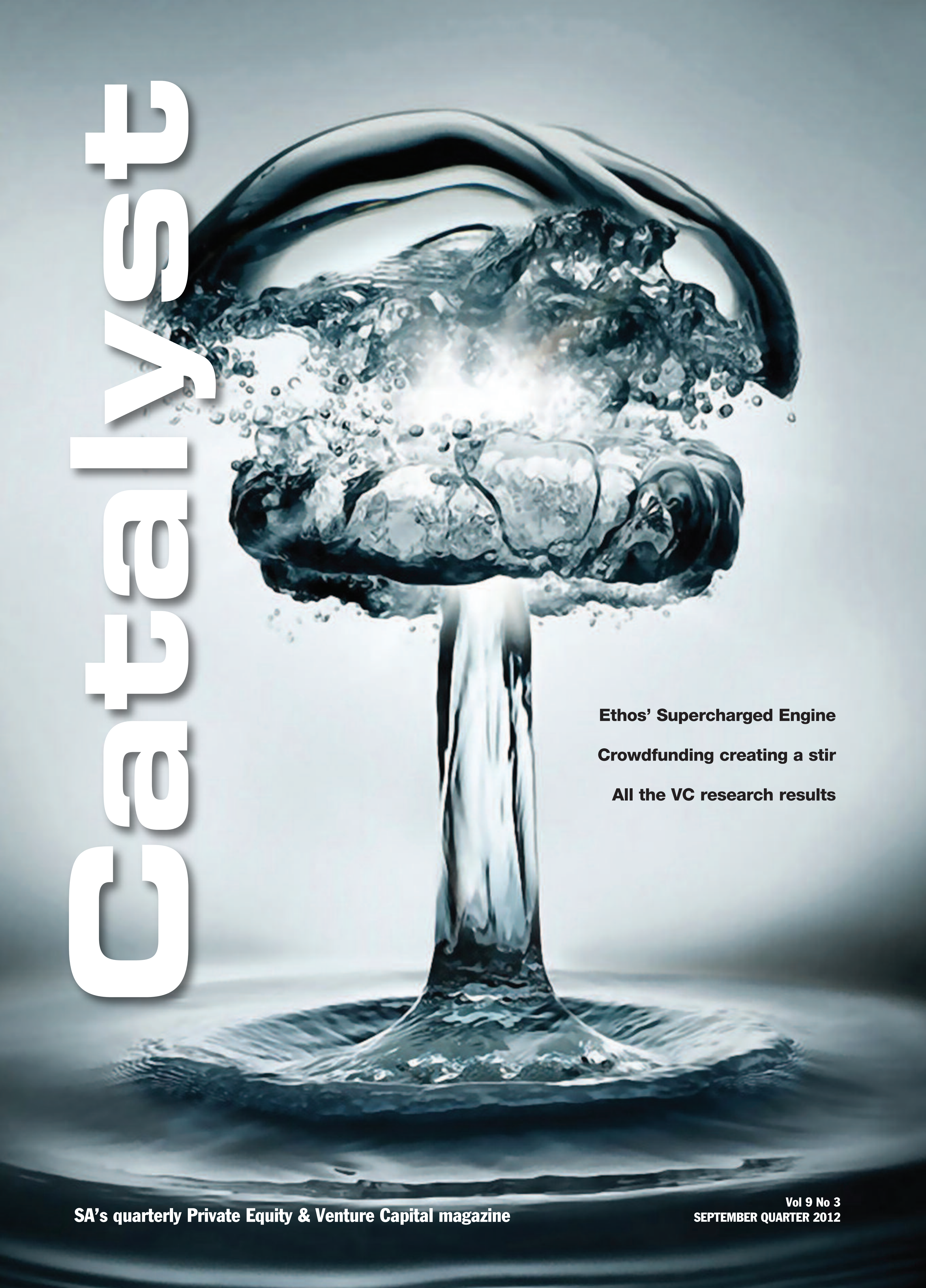
Catalyst



Ethos' Supercharged Engine

Crowdfunding creating a stir

All the VC research results

SA's quarterly Private Equity & Venture Capital magazine

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FROM THE EDITOR'S DESK

South Africa's increasingly potholed road to Mangaung, a surfeit of negative economic news and general malaise due to the growing body of evidence suggesting the ANC-led government, under the prevarications of President Zuma, is failing to come to grips with a modern open economy, casts a decidedly long shadow over any discussions about the state of the private equity industry.

It is, after all, vitally important for business that the democratic project remains intact. And with Mangaung merely weeks away now, it appears that another seven years of the incumbent and some fairly radical policy shifts are probably in the offing.

The situation reminds me of a Meg Wheatley mantra. The writer, management consultant and sage of organisational behaviour said: "In these troubled, uncertain times, we don't need more command and control; we need better means to engage everyone's intelligence in solving challenges and crises as they arise."

Clearly the collective weight of such uncertain political and economic times has the ability to upset even the most ardent optimists, but it is important to recognise that this intemperate space also creates room for collaboration, and presents opportunities on the cusp of chaos to borrow from Einstein ever so slightly.

Viewed against this backdrop the performance of the local private equity industry is nothing short of astounding.

After all it wasn't long ago that the industry was hopefully poking its head above the trench after the great recession of 2008. Deal activity was just starting to show signs of a return to life in late 2010, early 2011, and news of a trickle of fundraising returned to the market. But that was quickly shut down by the storm of sovereign defaults in Europe which sent skittish investors haring back into their bunkers.

The fact that deal activity is ticking up again as some of the aging dry powder is charged with seeking out opportunities is good news.

The early signs emerging from data being collected for the 2012 SAVCA KPMG PE survey indicates a gradual recovery might be in full swing by next year, according to Malcolm Segal, SAVCA's executive consultant.

Certainly bigger deals are back on the table with the standout being Ethos's third-round buyback of Waco for an undisclosed sum (but large enough considering it was taken private for R2,4bn in 2000) and Country Roads' (Woolworths) purchase of apparel brand Witchery from a pe firm down under for R1,4bn.

Partners at the big three tell me that deals are to be found out there and disaggregated dry powder (meaning stripping out the rest and leaving the fully independents) is not in abundance. Encouragingly, this all points to an uptick in fundraising activity and further momentum in the buyout market.

The search for SAVCA's new CEO is finally over with the appointment of financial journalist and broadcaster Erika van der Merwe to steer the Association. Van der Merwe, apart from being the Association's first female Chief Executive, will bring her particular expertise in communications and economics to the job and promises to follow on from the exceptional foundations laid by former CE J-P Fourie.

For those fans of Erika's role as CNBC Africa Anchor she assures me that she's enjoying her time at the cash flush broadcaster and won't be going anywhere in a hurry. I wish her every success in her new, somewhat more private, role. ◆

Michael Avery

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Catalyst

Publisher: David Gleason

Editor: Michael Avery

Design & Layout: Janine Harms, Gleason Design Studio

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Tel: +27 (0)11 886 6446
Fax: +27 (0)11 886 6448

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Ethos first took Waco private in 2002 for R2,4bn - in what was then the largest private equity deal concluded in South Africa - before exiting to CCMP and Unitas in 2005.

Buy-back and build it again Ethos

Are secondary buyouts a safer and more sensible way for private equity funds to invest dry powder in uncertain times? That was the question when the private equity shareholders of multinational industrial services company Waco International (Waco) – CCMP (formerly JP Morgan Partners) and the Asia-based Unitas Capital – announced the sale of Waco to a local consortium, led by Ethos Private Equity (again), and including RMB Ventures, Standard Bank and Waco management.

Waco earns its revenues primarily through its rental businesses. The hiring of equipment provides a more predictable stream of income and cash flow than Waco typically generates from its sales businesses. Over the last few years, the group has successfully forged inroads into sub-Saharan Africa and sustaining this growth momentum is a key management focus.

Kagiso Strategic Investments retains its 25% shareholding in Waco Africa.

To answer the opening question, Ethos partner Stuart MacKenzie, believes there's little merit in the thesis. "By all accounts secondary buyouts have mixed reviews internationally," he says, before adding, "but Waco's management team had a growth vision that stood up to the due diligence and we're backing them."

Since Ethos's previous foray, Waco has evolved into a leading industrial services business in South Africa, Australasia and the UK, providing forming, shoring and scaffolding services, as well as relocatable modular buildings, and sanitation solutions.

Stuart MacKenzie

The Ethos-led buyout follows the successful sale in 2011 of the group's large Australasian relocatable modular building business, Ausco Modular. MacKenzie says the sale of Ausco changes significantly the geographical focus of the business, which was weighted roughly three quarters EBITDA to Australia, but is now weighted towards the African growth story.

Nevertheless, the construction company has continued to deliver a robust performance and a number of acquisitions have been made over the last few years, namely, Rhino in New Zealand, a modular building and temporary fencing business, Hire West in Perth Australia, a company focusing on providing services to the housing sector, and in South Africa, Sani-tech offering portable toilets and Abacus Modular, a modular building business.

Stephen Goodburn, Waco Group CEO and part of the management buyout component expressed his obvious excitement about the company's future prospects at the time of the announcement.

Stephen Goodburn

"The change of ownership brings a number of benefits to the group, including strong shareholders who are willing to support our growth agenda, improved Black Economic Empowerment credentials, a robust capital structure, a refreshed commitment to the business by key executive management, and a return to South Africa for our holding company," Goodburn said at the time.

As MacKenzie points out, the Waco business provides enough lure to make a strong investment case as a first-time buyout. Throw in Ethos's prior knowledge of the businesses and you're left with an enhanced value proposition for the consortium.

Before the sale of Ausco Modular, Waco's Turnover for 2011 was almost R50bn delivering an EBITDA of roughly R800m. That's a measly margin of 1,6% and, despite the business now looking significantly different without Ausco, the clever lads at Ethos will be licking their lips at the opportunity to drive that margin higher.

"Ethos is excited to be investing," enthuses MacKenzie. "The group is managed by a seasoned management team and we are looking forward to partnering them in growing the business to an even more substantial industrial services group. We firmly believe South Africa is the gateway into Africa."

This sentiment is backed up by Nick Hudson, a senior transactor at RMB Ventures.

"With its leading market positions and strong cash generation ability, we consider Waco a very attractive, long-term investment opportunity. The group's large asset base gives it tremendous scalability when economic conditions improve."

Ethos has a proven and unnerving knack for timing the market so one could read into the purchase that it certainly sees global conditions improving over the course of the next seven years. Much of that improvement domestically will depend on the ANC-led government's ability to deliver on this R4 trillion infrastructure rollout plan that is starting to border on the mythical. With the group now weighted towards the region, clearly waking the African giant from its slumber will be key to driving EBITDA growth.

MacKenzie says the existing debt pile was restructured by Standard Bank, Waco's transactional bank and the lead debt arranger, advising the acquiring consortium and arranging the acquisition funding required for the transaction.

"Our advisory, structuring and financing teams developed and delivered the optimal solutions which provide the consortium with a solid platform from which to realise their growth ambitions," explained Brian Marshall, Head: Leverage Finance, Corporate and Investment Banking at Standard Bank.

Brian Marshall

A finely tuned dealmaking engine over at 35 Fricker Road has been firing on all cylinders over the last two years. The Waco transaction follows on from the acquisition of South African corporate promotions company Kevro for R850m in the first quarter of 2012 (the first investment from its recently raised Fund VI), while 2011 delivered the buyout of Universal Industries and an exit from sporting goods company, Holdsport, through an initial public offering mid-year.

Clearly, Ethos understands the emerging African story and has signalled its belief in the sustained future growth of the continent, with the buyout of Waco further cementing this position. Whether much of this growth will be derived from the South African infrastructure play, however, remains to be seen.

Venture capital remains an emergent but active asset class in SA.

Venture Capital Barometer signals low pressure system

Key findings:

- 11 funds surveyed recording 103 venture capital transactions.
- R830 million invested in the venture capital asset class.
- 46% of transactions executed by private venture capital fund managers and 51% of transactions executed by government backed venture capital fund managers.
- 37% of deals in start-up capital.
- 35% of deals in ICT and electronics.
- 25% of transactions in life sciences.
- Gauteng is the largest base for venture capital transactions but Cape Town received more venture capital funds than either Johannesburg or Pretoria.
- 12 full exits and four partial exits were made in the survey period.

Venture Capital (VC) in South Africa is still an active, albeit emergent, asset class. This is according to a research report released in the third quarter by the Southern African Venture Capital Association (SAVCA) and Venture Solutions, a local innovation management and commercialisation consultancy.

The data from the 2012 SAVCA Venture Solutions VC survey shows the asset class is picking up steam, both in number of annual transactions and in the number of fund managers. South Africa's high-growth entrepreneurial system is also producing notable exits.

However, with only R830m invested in VC, the asset class is substantially smaller in size compared to the funds under management by the South African private equity industry which is in excess of R100bn, or in comparison with the market capitalisation of the JSE.

"This raises important questions about the role and impact of venture capital in stimulating the growth and development of our South African economy," says Malcolm Segal, executive consultant to SAVCA. "But the real figure may be as much as double the stated one because we know that there are numerous investors in the local VC asset class that did not participate in the survey because of our strict parameters, including angel investors, corporate investors, enterprise development initiatives and well-known entities such as Business Partners."

The questionnaire-based research surveyed 11 VC fund managers that, combined, recorded 103 VC transactions totalling an investment in the asset class of R830m. Reported findings cover the period January 2009 to July 2012. Average deal flow was 274 per year per fund manager. Average equity taken per investment was 39,71%.

The largest proportion of transactions concluded in the period was in the early stage of investments. Both start-up and growth capital attacked 37% each of the available funding while development capital accounted for 22% of investments by value and seed capital only 4%. This shows a healthy appetite among investors in early stage and start-up transactions, despite a substantial decrease in the number of transactions by the public sector (normally executing early stage seed and start-up transactions) compared with the 2010 survey.

The biggest recipient of VC money has been ICT (35%), followed by life sciences (health, pharmaceutical and medical devices) attracting 25% of investment over the period under review.

"Energy has not previously been a major VC attracter because of its substantial capital requirements but over the research period the sector attracted 15% of total investment, making it the second largest single sector recipient of venture capital funding," adds Segal.

Predominant regions for VC investment are always a hotly debated topic but the research shows that Gauteng still accounts for the majority (57%) of VC investments by value but Cape Town is the city with the largest number of transactions (37%) in the survey period. Transactions in other parts of South Africa received more focus than in the previous survey.

Over the survey period 12 full exits and four partial exits were recorded.

While fund managers are still reluctant to report exit information publically, each of the major VC fund managers surveyed reported having concluded exits during the survey period.

Segal singled out VISA's acquisition of Fundamo – a US$110m transaction – as worthy of special mention.

From a qualitative perspective the greatest inhibitor to the success of VC funds in South Africa was reported as a lack of

With only R830m invested in VC, the asset class is substantially smaller in size compared with the funds under management by the South African private equity industry which is in excess of R100bn.

Malcolm Segal

skilled entrepreneurs, lack of suitable management for VC invested businesses and a lack of exit mechanisms.

In addition, fund raising, especially from institutional sources is reported as an extremely difficult process although some fund managers claim to have received unsolicited interest from European VC family offices seeking investment opportunities in emerging markets.

"At SAVCA we intend that this survey will stimulate more in-depth analysis in order to create a clearly defined strategy for the development of the VC asset class in SA," concludes Segal. He reported that, following the launch of these results in August, a VC working group within SAVCA was formed to motivate the case for existing funders, including government, to pour more capital into early stage transactions and attract new players to the asset class.◆

Crowdinvest, the country's first ever crowd-sourced investment platform, looks set to revolutionise South Africa's economic landscape by breaking down investment barriers for a broad segment of the population.

Something to crow(d) about

The web-based platform, which will launch on 19 November, plans to stimulate entrepreneurial development and economic growth through its unique crowd-sourced investment model, which affords even those with limited disposable income the opportunity to become investors.

Not only does the platform offer users the chance directly to invest amounts of their choosing into a wide variety of asset classes, but also gives new business owners unprecedented access to necessary capital and intellectual resources.

Crowdinvest is the brainchild of Anton Breytenbach, an ambitious Cape Town local, who conceived the project in 2010 in the hopes of creating profitable investment opportunities for the average South African. Concerned that many of his contemporaries had simply accepted the fact that they would never be able to generate the capital required to create an investment portfolio, Breytenbach set about establishing a model that would allow investors to reap returns in spite of financial limitations.

"Many South Africans simply don't consider investment to be an option, as the vast majority of investment classes require at least R500,000 worth of capital," explains Breytenbach. "Investor's cooperatives can prove to be an effective solution, but the reality is that few of us have sufficient connections to make these happen. Crowdinvest was devised as a tool to make an investor out of anyone, capitalising on the power of online networks to allow like-minded individuals to effectively collaborate on investment opportunities."

Through Crowdinvest, would-be investors can now invest nominal amounts together in a wide range of investment classes, such as businesses, property and fixed assets, and go on to claim their portion of the returns. As little as R1 is required in order to get started, meaning that even more sceptical users can now explore investments with minimal risk attached.

The platform also provides seasoned investors with an opportunity to diversify their portfolios and further spread their risk, with the large investment communities established around various businesses and ventures lessening the likelihood of significant losses. Crowdinvest also offers these users the chance to build networks with fellow investors using the online channel.

Empowering Entrepreneurs

Making investment a realistic possibility for a large portion of the population has massive implications for the entrepreneurial community. The challenges currently involved in obtaining funds from a dwindling number of venture capitalist firms and angel investors are significant, and have deterred many South Africans from realising their business ambitions.

Crowdinvest's founders are no strangers to these obstacles, having spent the past two years working to acquire the start-up capital necessary for legal and infrastructure development.

"South African entrepreneurs are very limited when it comes to financing options, and as a result, many great start-ups never make it to fruition," says Breytenbach. "Crowdinvest makes capital far more readily available to a wide range of potential entrepreneurs, and this solution will hopefully empower them to take that next step and convert their concepts into successful enterprises."

Another stumbling block for entrepreneurs looking to translate their big ideas into big business is the lack of available information and guidance. Without sound business principles in place, even investors with access to sufficient capital are unlikely to enjoy success in an increasingly competitive market.

As a result, Crowdinvest will also offer budding entrepreneurs access to comprehensive mentorship and incubation programmes, which have been developed in order to equip them with the necessary tools and know-how to effectively translate their ideas into feasible business models.

Crowdinvest's investor community consists of ordinary South Africans, venture capitalists, seasoned investors and large organisations, all of whom will have the option to invest in these businesses, as well as provide mentorship to entrepreneurs within their fields of expertise. Based on ratings and feedback from entrepreneurs, a large mentorship community, offering a wealth of intellectual and other resources, will be established.

Access to Intellectual Capital

Unlike other crowd-sourced funding schemes, which offer investors rewards in exchange for capital, all investments on the Crowdinvest platform result in equity, thereby creating a wide network of investors inherently invested in the success of the product or service in question. The result of this is an unparalleled opportunity for entrepreneurs to source knowledge, expertise and assistance over and above necessary financial support.

"What we're aiming to create with Crowdinvest is a community of truly invested investors, who can work together to help ensure a business or venture's success," explains Breytenbach. "Many companies suffer from significant skills shortages, and can help to address these by involving some of their investors in exchange for discounts and rewards. Essentially, the Crowdinvest platform provides unprecedented access to a wide range of intellectual capital, which could prove instrumental in driving the creation of a thriving enterprise."

Anton Breytenbach

The Crowdinvest platform has already garnered significant support, with luminaries such as Helen Zille having acknowledged its important role in facilitating wealth redistribution in the country.

"80% of the country's capital lies in the hands of just 2% of the population, and our primary aim in building this system was to address this critical imbalance," says Breytenbach. "With Crowdinvest, we hope to stimulate economic growth, both by driving entrepreneurial development and by offering a wide range of South Africans a chance to expand upon their earnings, thus distributing wealth more evenly." ◆

Local and International news

National news

SAVCA appointed three new board members at its AGM held at the JSE on September 4th.

Gloria Mamba – GEF Africa Advisors: - Gloria Mamba joined the GEF Africa Advisors as Managing Director based in the firm's Johannesburg, South Africa office. She will be responsible for GEF's growth capital investments in African companies that operate in the clean energy and environmental technology and services sectors. Prior to joining GEF, Gloria was with the Development Bank of Southern Africa (DBSA) where she was a member of the Executive Committee and held positions overseeing the firm's investment banking and private equity activities. She also serves as a member of the Africa Council of the Emerging Markets Private Equity Association (EMPEA).

J-P Fourie is Head of Investor Relations at Metier, a provider of Private Equity fund management and specialist M&A advisory services. Metier has raised in partnership with Lereko Investments South Africa's largest private equity fund in terms of local commitments. Before joining Metier in 2012, J-P was the Chief Executive Officer at SAVCA

Warren van der Merwe, Chief Financial Officer – Vantage Capital Group. Warren has been Chief Financial Officer of Vantage Capital Group since 2007. He is responsible for the financial management of the Group's proprietary investment activities as well as risk management, portfolio monitoring and reporting on Vantage's mezzanine funds. He is a qualified Charted Accountant. ◆

National news

The search for SAVCA's new CEO is finally over with the appointment of financial journalist and broadcaster Erika van der Merwe to the hot seat. Van der Merwe will be known by many as the presenter of CNBC Africa's "Business Tonight". She has an M.Phil in Economics from the University of Cambridge and is a qualified Chartered Financial Analyst. ◆

Erika van der Merwe

Actis, the pan-emerging markets private equity firm, announced the appointment of James Smith as Director in the firm's Value Creation Group in the third quarter. Smith will be based in the Johannesburg. He began his career at Palabora Mining Company before moving to Bain & Company in 1998. He has a BSc in Chemical Engineering from Wits University. ◆

The Conditions for Investment in Private Equity Funds by pension funds became effective on 30 September 2012. In order to clarify certain issues regarding the conditions, the SAVCA Regulatory Sub-Committee met with senior members of the Pension Funds and FAIS departments of the FSB during the third quarter. The following two key points emerged from this meeting.

- The deadline for compliance with certain aspects of the Conditions relating to Category II licenses will be extended to 31 December 2012. The FAIS department urges all private equity funds that have not obtained Category II licenses to contact Loraine van Deventer (012 428 8178) as soon as possible in order to ensure that their application is presented to the Licensing Committee timeously. The deadline for compliance with all other aspects of the Conditions remains 30 September 2012.

  The Pension Funds Department is concerned that some private equity firms have structures that are not permitted in terms of Section 2(1) of the Conditions, for example vesting and discretionary trusts. The Department urged all funds that have not regularized their structures to contact Wilma Mokupo (012 428 8032). ◆

International

Reuters reports that African agriculture has a big investment problem: lots of private equity interest but few opportunities because most farms and companies are too small to absorb the cash or provide attractive returns. With only a third of its 630 million hectares of arable land under cultivation and large quantities of water flowing untapped, Africa is the last great agricultural frontier, its soil coveted by Asian giants such as China and India.

Soaring grain prices and global food inflation are spurring investor interest in African farming, trends that are also eating into household income on the world's poorest continent and threatening food riots like those seen in 2008.

The stakes are high in a region where agriculture still accounts for about a third of gross domestic product but remains undeveloped and rain-fed, with most farms tilled by peasants for subsistence instead of sale.

African agriculture attracted US$102m worth of private equity investment in the first six months of 2012, compared with US$54m in the whole of 2011, according to the U.S.-based **Emerging Markets Private Equity Association**. ◆

The Australian reports that cash-strapped junior mining concerns are being encouraged to turn to private equity as a new source of funding to bring development projects to fruition.

Lou Rozman, investment director of Sydney-based private equity resources fund specialist Pacific Road Capital, was quoted saying he had long been surprised that there was not more PE funding in the resources sector. "Venture capital for mining has always come out of the public market at a very immature, early stage," he said.

With access to capital being a major concern for junior miners in South Africa perhaps there's something we can learn from our antipodean rivals.

We caught up with founder and fellow self-proclaimed wino, Andy Handfield, four months since the official launch in July, to see how the project was ageing.

Real Time Wine showing good potential

Here at Catalyst, we've been known to sniff a few corks in the name of celebrating, unashamedly, the Cape's grape(full) bounty. That's why we couldn't wait to take a sip from the latest wine-focussed tech startup, Real Time Wine, which we reviewed in the first quarter issue (Vol 9 No1). We've enjoyed the application's accessibility, layout and most importantly, its ability to deliver a wealth of information on the vast lake of quality wine available in the South African market. Though we would like to see a barcode scanner in future iterations.

The app, which allows users to share their ratings and reviews of various wines, has already been downloaded more than 4,500 times since its launch in July 2012.

A growth rate that, despite being difficult to benchmark as it is a pilot project, and considering South Africa's biggest wine community is roughly 40 000 unique users per month (wine.co.za and Wine of the Month club), Hadfield declares himself "pretty happy" with.

"We're doing 3 to 4000 uniques at the moment. 10% of the biggest in the country. In four months."

The astonishing popularity of the crowd-sourced wine rating app clearly reflects the emerging trend of South African consumers to increasingly rely on the opinions and recommendations of their social networking peers when it comes to making purchasing decisions.

But what really gets Hadfield's juices flowing is the level of engagement witnessed.

"They say it's always better to have 1000 super fans than 100 000 visitors," explains Hadfield.

"Our rapidly expanding community is starting to generate information that is really useful for the average wine drinker, who can now easily identify the country's most popular wines, based on aggregated reviews rather than panels and guides."

In the four months since the application launched, it has already generated over 3,000 reviews from approximately 1,600 registered reviewers. The app's unique and playful rating scale, which allows users to classify wines as 'Yum', 'Hmm' or 'Yuk', has also proven exceptionally popular, with 7 000 ratings having been captured to date.

"We've seen incredible traction over the past few months, with over 2 000 unique wines already reviewed or rated," says Hadfield. "The level at which people are using the application is incredible, and their involvement is allowing us to provide more and more added value in return."

Among the application's key offerings is a weekly shopping list, which is updated each Friday based on the most popular wines of the week. A location-based specials search is also in the planning stages, which will allow users to identify which wines are available at discounted rates in their area.

Here at **Catalyst** we will certainly raise a glass (or two) to that. ◆

PRIVATE EQUITY DEALS Q1 – Q3 2012 – SOUTH AFRICA

NATURE	PARTIES	ASSET	ADVISERS	ESTIMATED VALUE	DATE
Acquisition by	Standard Chartered Private Equity	minority stake in ETC Group Mauritius	Norton Rose	$74m	Jan 17
Acquisition by	RMB Corvest and Shalamuka Capital	majority shareholding in DLM		not disclosed	Jan 24
Acquisition by	Ethos Private Equity Fund VI	72% stake in Kevro	Webber Wentzel	R850m	Jan 30
Acquisition by	Agri-Vie	37% stake in HIK Abalone Farm		not disclosed	Feb 15
Acquisition by	Capitalworks	majority stake in Duro Pressings		not disclosed	Feb 16
Disposal by	Ethos Private Equity Technology Fund One to Atio	shares held in Atio		not disclosed	Mar 2
Acquisition by	Imbewu SPV4 (Imbewu Capital Partners) from Erbacon	BO's Hire and Sales	PSG Capital	R30m	Mar 15
Acquisition by	Capitalworks	stake in Rosond		not disclosed	Mar 16
Acquisition by	RMB Corvest and Shalamuka Capital	37% stake in Fintech	Cliffe Dekker Hofmeyr	not disclosed	Mar 22
Acquisition by	RMB Corvest and Zico	25% stake in Vital Products		not disclosed	Apr 23
Acquisition by	Consortium of key management, RMB Ventures, RMB Corvest, Pan-African Private Equity Fund 1 and the Oppenheimer family's Stockdale Street private equity vehicle	management buyout of JoJo Tanks	Cliffe Dekker Hofmeyr	not disclosed	May 2
Acquisition by	Ethos Private Equity	12m shares in Transaction Capital		R100m	May 3
Acquisition by	Atterbury Investments from Actis	85% stake in Accra Mall, Ghana		not disclosed	Jun 1
Disposal by	Women's Private Equity Fund to RMB Corvest and Shalamuka Capital	Stake in Respiratory Care Africa		not disclosed	Jun 4
Acquisition by	Capitalworks Private Equity Partnership from Ivor Ferreira Trust and Bruce Henderson Trust	Rhodes Food Group	Webber Wentzel; Edward Nathan Sonnenbergs	not publicly disclosed	not announced
Acquisition by	Ethos-led consortium including RMB Ventures, Standard Bank and management	Waco International	Standard Bank; Cliffe Dekker Hofmeyr; Webber Wentzel	not disclosed	Jul 9
Disposal by	Gresham Private Equity to Country Road (Woolworths)	Witchery Group	Rand Merchant Bank	A$172m	Aug 1
Acquisition by	Oakleaf Investments 89, a consortium led by RMB Corvest from Gijima	MineRP	Rand Merchant Bank; PwC Corporate Finance; KPMG; Webber Wentzel; Cliffe Dekker Hofmeyr	R175m	Sep 26

PRIVATE EQUITY DEALS Q1 – Q3 2012 – REST OF AFRICA

COUNTRY	NATURE OF DEAL	DETAILS	ADVISERS	ESTIMATED VALUE	DATE
Cote d'Ivoire	Disposal by	Cauris Croissance of it's stake in Petro Ivoire		not disclosed	Mar 9
Egypt	Disposal by	Golden Crescent Investments (Citidel Capital) to Sea Dragon Energy of 100% of it's interest in National Petroleum Company Egypt		$147,5m	Jan 9
Ethiopia	Acquisition by	Duet Africa Private Equity (through Duet Beverages Africa) of an equity stake in Dashen Brewery		not disclosed	Jan 31
Ghana	Investment by	Adlevo Capital Managers and Intel Capital into Rancard Solutions		not disclosed	Jul 10
Ivory Coast	Disposal by	Emerging Capital Markets of it's 24.9% stake in Batim Africa		not disclosed	Jan 31
Kenya	Acquisition by	Emerging Capital Partners of a majority stake in Nairobi Java House	Bowman Gilfillan	not disclosed	May 28
Kenya	Investment by	Actis in Garden City - a 32 acre mixed use development in Nairobi		not disclosed	Jul 5
Morocco	Investment by	Abraaj Capital in Saham Finances		$125m	Mar 7
Nigeria	Investment by	Africa Health Fund (Aureos) in Therapia Health (holding company for The Bridge Clinic)		$5m	Apr 2
Nigeria	Investment by	Tiger Global Management in Iroko Partners		$8m	Apr 4
Nigeria	Investment by	Adlevo Capital Managers, Omidyar Network, Acumen Fund, Capricorn Investment Group and Goodwell West Africa Microfinance Development Company into the parent company of Pagatech		not disclosed	Jun 26
Rwanda	Disposal by	Actis to I&M Bank, Proparco and DEG of it's 80% stake in Banque Commerciale du Rwanda		not disclosed	Jul 18
Togo	Investment by	Aureos Capital in Clinique Biasa		$1,7m	Jul 2
Tunisia	Disposal by	Actis of it's shareholding in Poulina Group		not disclosed	Aug 15
Zambia	Acquisition by	The African Agriculture Fund and management from Aureos and other shareholders of 100 % of Golden Lay. Aureos' stake was 49%.		$24m	May 16