

KHUMOVEST PRIVATE EQUITY FUND I



KEY FEATURES

Fund size	ZAR500 million
Fund focus	Small-to-medium enterprises
Fund manager	Khumovest Advisory (Pty) Ltd
Investment vehicle	En Commandite Partnership
Domicile	South Africa
Fund target gross IRR	>25% p.a. (Gross)
Fund term	10 years with a maximum of two consecutive one-year periods
Launch date	August 2019

INVESTMENT OBJECTIVE

The Khumovest Private Equity Fund I (the "Fund") has been established to address a key restriction to economic growth in South Africa, being the lack of access to capital available to the small-to-medium enterprise ("SME") sector in South Africa. The principle objective of the Fund is to achieve long term sustainable capital growth by principally investing in SME's while at the same time being a driver for economic growth and job creation.

INVESTMENT STRATEGY

The Fund will focus on addressing the need for capital within the SME segment of the South African economy. This segment is characterized by companies with the following characteristics:

- Have a full-time staff contingent of between 10 to 200 people; and (either one of the following criteria);
- Have a total annual turnover of between R10 million and R250 million; or
- Have a net asset value of between R25 million and R150 million; or
- Have an EBITDA of between R30 million and R50 million.

These companies fall within the ambit of SMEs within South Africa.

ASSET ALLOCATION

The Funds strategic asset allocation will be as follows:

- Growth Capital (equity/quasi equity): 60% - 100%; and
- Acquisition Capital (equity): 0% - 40%.

We believe that this strategic asset allocation is optimal, allowing us to offer growth and acquisition capital. We find that entrepreneurs within the market require equity capital to grow their businesses, however they also look to monetise a portion of the value they have created within their businesses.

KEY DIFFERENTIATORS

- Access to Manager's proprietary deal flow; and
- One of the few black owned and managed asset managers within South Africa.

ABOUT US

Khumovest is a 100% black owned and managed financial services firm based in South Africa.

We are an authorised Financial Services Provider (FSP No. 46637) and a registered Credit Provider (NCR Reg No. NCRCP10355).

Khumovest is a level I contributor to Broad-Based Black Economic Empowerment.

EXPERIENCED TEAM



Martin Kuscus - Independent non-executive chairman

- Martin is a seasoned investment professional with more than 24 years experience in finance and asset management
- Between 1994-2004, Martin was the MEC of Finance in the North West Province. Martin was also the chairperson of the board of trustees of the GEPF (2005-2009).



Sanushka Chetty, LLB - Non-Executive Director

- Sanushka has over 10 years of experience within corporate governance, company law and private equity.
- Prior joining Vodacom as an executive head of department, legal affairs, she was an executive at ENSafrica in the corporate commercial department.



Itumeleng Mothobi, CA(SA) - Non-executive director

- 12 years investing experience in leverage and corporate finance within Sub-Saharan Africa.
- Currently Senior Debt Transactor at Standard Bank (East Africa).



Thurstan Moodley, CFA – Managing Partner

- 11 years investing experience within Private equity in South Africa and Rest of Africa
- Previously managed the Public Investment Corporation's Private Equity and Structured Investment Product Portfolio.



Ratirelo Mothobi, CA(SA) – Managing Partner

- 12 years investing experience within Private equity in South Africa and Rest of Africa
- Previously managed the Public Investment Corporation's Private Equity and Structured Investment Product Portfolio.

CONTACT DETAILS

Thurstan Moodley

Mobile: +27 84 207 3566

Email: thurstanm@khumovest.com

Ratirelo Mothobi

Mobile: +27 71 674 3285

Email: ratirelomm@khumovest.com

Khumovest Advisory (Pty) Ltd

22 Ealing Crescent, Silverpoint Office Park, 2nd Floor, Building A, Bryanston, Johannesburg, South Africa, 2191
www.Khumovest.com

Regulatory Information:

Khumovest Advisory (Pty) Ltd ("Khumovest" and/or the "Manager") is a licensed Financial Services Provider (FSP NO. 46637) and a Regulated Credit Provider (NCR Reg no. NCRCP10355)

This Fund Fact Sheet (the "Sheet") is being circulated to a limited number of sophisticated prospective investors on a confidential basis as an information-only document. It is distributed with a view to establishing the basis for further discussions on the investment opportunities described herein and it is anticipated that these opportunities may ultimately be made available to investors as an opportunity to invest in the Fund. However, the Fund has not yet been established and is not yet being marketed, offered, or placed to or with any investor. This presentation is in draft form and is subject to updating, amending, revision, correction, completion and/or verification without notice. This draft Sheet does not constitute marketing, offering or placement of Interests in the Fund.