

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	Fundraise launch: October 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 R10 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



Alton Solomons, CA(SA), CFA – Independent Investment Committee Member

- 22 years experience across the financial services industry, ranging from Private Equity, Audit, Risk and Compliance.
- Alton was previously the CEO of Sanlam Private Equity and was responsible for the investment strategy of the business and custodian of Sanlam's R3 billion private equity investment portfolio.



Njabulo Mthembu, BS, MA(Accounting), CPA(USA) – Independent Investment Committee Member

- 24-years experience in Private Equity & Assurance.
- Njabulo was a partner at Treacle Private Equity, which realized more than R1.5 billion for investors through the firm's mid-market funds. He was also the Managing Director at BMFI, a public investment company.



Thurstan Moodley, CFA – Managing Partner

- 11 years investing experience within Private equity in South Africa and Rest of Africa.
- Thurstan previously managed the Public Investment Corporation's Private Equity and Structured Investment Product Portfolio, where he was responsible for asset allocation and deal execution.



Ratirelo Mthobi, CA(SA) – Managing Partner

- 12 years investing experience within Private equity in South Africa and Rest of Africa
- Ratirelo previously managed the Public Investment Corporation's Private Equity and Structured Investment Product Portfolio, where he was responsible for asset allocation and deal execution.

CONTACT DETAILS

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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)

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