



SAVCA 2017
Venture Capital Success Stories

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Accurately positioning venture capital and private equity as forces for good in the South and Southern African economies is an important goal for SAVCA and its members. This *SAVCA 2017 Venture Capital Success Stories* - SAVCA's first Case Study Compendium dedicated to the VC space - is an important step in achieving this ambition.

Earlier this year, SAVCA released the *SAVCA 2017 Venture Capital Survey*, which presented impressive data indicating a substantial strengthening in the position and impact of investors in VC deals. This Compendium complements those quantitative findings by providing vibrant, compelling case studies explaining how VC actively supports South African business.

While this publication enables VC practitioners to highlight their successes, it also captures the experiences of entrepreneurs and business owners with whom they partnered. These first-hand narrations offer insights to those seeking to expand their business ideas and enterprises, and shed some light on the decisions executives must make when pursuing growth.

Though early-stage capital injections are critical to investee company growth, it is evident to me that long-term success is built on much more than capital. Our VC-backed entrepreneurs themselves assert that strategic and operational expertise, sound corporate governance, expanded business networks, improved business processes and tighter financial controls are just some of additional value contributors that VC can add.

And all recognise that their current growth and scalability is directly correlated to the depth of relationship they have with their VC partners.

I am deeply encouraged by the consistent themes of job creation, innovation, best-practice governance and geographic expansion (to name a few) which appear across these case studies, together with the breadth of sectors to which VC is actively providing capital and insights. From e-commerce to transport, augmented-reality gaming to health and wellness, local VC touches not only the lives of thousands of South Africans, but also customers and users across the globe.

I am also moved to see how many of these home-grown businesses strive to address pressing societal issues through the application of smart, technology-orientated solutions, and – in the process – bring dignity to the less fortunate and meaningful impact to societies, all while generating profits for shareholders.

Anecdotally, most South Africans believe in the entrepreneurial spirit of our nation, thanks to the pioneering and well-publicised successes of Elon Musk, Mark Shuttleworth, and Patrice Motsepe, to name a few. However, business success on such a grand scale can feel far removed from the garages and garden cottages that so often house the budding entrepreneur. Which is why this Compendium is so crucial, as it goes some way to providing tangible proof that humble - yet innovative - ideas can translate into important business opportunities, many with wide-spread applicability and even global revenue streams.

Furthermore, beyond inspiring the entrepreneur, I also believe that these case studies will whet the appetite of later-stage capital providers and other potential business partners. After all, they demonstrate that disruptive, well-managed, and relevant companies – currently being nurtured by reputable and highly competent VCs – are poised for the next stage of growth and likely to be looking for additional partnerships to help them scale and unlock value.

As SAVCA's new Chairman, I would like to congratulate the team on compiling this thought-provoking Compendium and applaud our VC managers and investee management on their learnings and success. Together, SAVCA's members form a meaningful ecosystem of positive influence, patient capital and professional insights that coalesce to drive economic growth and foster innovation for South Africa and beyond.

Craig Dreyer

A handwritten signature in black ink, reading 'Craig Dreyer'.

SAVCA Chairman

Proudly championing private equity and venture capital



SAVCA is proud to represent an industry exemplified by its dynamic and principled people, and whose work is directed at supporting economic growth, development and transformation.

SAVCA was founded in 1998 with the guiding purpose of playing a meaningful role in the Southern African venture capital and private equity industry. Over the years we've stayed true to this vision by engaging with regulators and legislators, providing relevant and insightful research on aspects of the industry, offering training on private equity and venture capital, and creating meaningful networking opportunities for industry players.

We're honoured to continue this work on behalf of the industry.



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Acknowledgements



Augmentors Game



Augmentors creatures battling in Cape Town CBD



KEY FACTS

Company: Augmentors Game (Augmentors)

Investor: Newtown Partners

Year of investment: 2016

Sector: Augmented reality mobile gaming

Type of investment: Venture capital

Enterprise value: > US \$1 million

Employee growth: Zero to eight employees
(Projection for late 2017: 12 employees)

INVESTMENT IMPACT HIGHLIGHTS

- Initial Shark Tank capital injection of R500 000 by Vinny Lingham (Newtown Partners) and Gil Oved.
- Under the guidance of Newtown Partners, Augmentors conducted an initial coin offering (ICO), raised US \$500 000 in 24 hours and reached their target of US \$1 million within the 30-day raising period.
- At the time, it was the world's most successful mobile gaming ICO and SA's first ICO.
- Eight highly-skilled jobs have been created.
- A new CEO has been brought on board to drive the vision of the business.

COMPANY DESCRIPTION

Cape Town-based augmented reality gaming start-up Augmentors was founded by Michael Deon and Kyle Haffenden in February 2016. Following a capital injection from investors on reality television show Shark Tank, Augmentors conducted the first ICO in South Africa.

Augmentors is an augmented reality mobile battle game that will have a number of firsts in the gaming world. The game

uses augmented reality which is cutting edge technology that superimposes a computer-generated image on a user's view of the real world, allowing illusion and reality to collide. Further, the game uses the Bitcoin blockchain (an immutable record) - which allows unique ownership of digital assets (in this case creatures). In most games, the players have no say about the quantity of game characters produced (usually it's unlimited). In Augmentors, players know exactly what they own and some

creature quantities are limited, increasing their rarity. This is the first augmented reality blockchain game in the world and empowers players by creating scarcity and uniqueness in a digital environment.

Through the support of the venture capital (VC) partnership, Augmentors aims to revolutionise gaming and create fun and exciting entertainment on a global scale. Augmentors is currently in development and will be released in 2018.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

Equipped with an augmented reality gaming prototype, but no funding to get the business off the ground, the Augmentors duo of Deon and Haffenden approached sharks (as investors are called) on Shark Tank South Africa for funding. Deon and Haffenden were in luck as one of the sharks, Vinny Lingham, an internet entrepreneur and investment partner at VC fund management firm Newtown Partners recognised the potential that Augmentors had, especially if they used Bitcoin blockchain technology. Lingham, a big advocate for Bitcoin, had seen how trading card game, Spells of Genesis, integrates a blockchain-based token and Augmentors had the potential to follow a similar route. The Augmentors deal became the first Shark Tank South Africa deal made in Bitcoin.

are more tech-focused) will concentrate on the research and development (R&D) of the product. The game, currently at R&D phase, has no users, but the VC fund managers hope its user base will evolve into millions of gamers worldwide in years to come.



Augmentors founders, Michael Deon and Kyle Haffenden, with Sharks, Vinny Lingham and Gil Oved, on M-Net's Shark Tank

Since the date of investment, the Augmentors team has grown from just the two co-founders to include eight employees that are highly-skilled in the augmented reality gaming. The company projects that it will have 12 employees by the end of 2017.

Newtown Partners has effectively advised and assisted Augmentors through its initial R&D and staffing period. At times, the team at Newtown Partners were even willing to assist with day-to-day management. I am confident that their extensive marketing knowledge will drive a successful product launch. As advisors, Newtown Partners ensure that we remain focused and utilise our resources effectively.

– Gert Kruger, CEO: Augmentors Game

The VC fund managers were attracted to the investment by the entrepreneurs, their vision, and the opportunity for further fundraising through an ICO.

Lingham and fellow shark Gil Oved, group co-CEO of advertising agency The Creative, invested R500 000 (about 59 Bitcoins at the time) for a 20% stake in the business. The investment was split into two R250 000 cash injections in exchange for a 10% shareholding by each shark and was concluded after a VC fund manager due diligence process. Further funding of US \$1 million was raised through the Augmentors ICO.

THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP


The VC partnership saw both fund manager and portfolio company merging their expertise to create a unique product. Augmentors brought its augmented reality gaming expertise and vision and Newtown Partners its blockchain, ICO, marketing and start-up expertise. Together they are pioneering augmented reality gaming.

As part of the corporate governance process, a new CEO, Gert Kruger was appointed. Equipped with an MBA and 15 years of experience in the tech industry, Kruger will lead the company to achieve its vision, while the co-founders (who

The game is likely to be ready for first launch in an undisclosed country sometime in the first half of 2018. The strategy Augmentors and its investors have in place is to thoroughly test the game with its target audience across markets to determine key learnings and improvements before launching the final version of the game.



Members of the Augmentors team

The ultimate goal of both the VC fund manager and portfolio company is to have millions of active and paying users worldwide. Both Newtown Partners and Augmentors hope that with the success of this game, Cape Town's gaming community will develop and raise its stature within the gaming eco-system. 



CarZar's managing directors, Michael Muller and Fernando Azevedo Pinheiro



KEY FACTS

Company: CarZar

Investor: Silvertree Internet Holdings (Silvertree)

Year of investment: 2016

Sector: Auto-trade industry

Type of investment: Start-up

Turnover growth: 30% growth per month

Employee growth: From two entrepreneurs to 40 employees within a year

INVESTMENT IMPACT HIGHLIGHTS

- Capital injection from Silvertree led to the founding of CarZar
- Silvertree's partners assisted with valuable legal and financial advice
- Introduction to potential co-investors and broader Silvertree network to facilitate growth
- Strategic input and advice during board meetings for founders as business continues to grow

COMPANY DESCRIPTION

CarZar is an online car buying service that provides an alternative to vehicle trade-ins and private selling in South Africa. The business, officially launched in April 2016, was co-founded by Michael Muller and Fernando Azevedo Pinheiro following the duo undergoing negative experiences in selling their vehicles both privately and with dealerships.

Seeking to eliminate uncertainty and information asymmetry on the part of consumers, CarZar developed an online system that would remove the hassle in the buying and selling of

second-hand vehicles, for both individuals and companies. Individuals seeking to sell their vehicle can fill in their vehicle's details on an online form available on the CarZar website, receiving an instant quote in seconds based on the current market data. If satisfied with the online quote, customers can book a vehicle inspection at one of the CarZar Buying Centres in Gauteng and Cape Town. Home-based inspections are available to sellers based in Cape Town, Durban and Port Elizabeth.

At their inspection, sellers will receive a final cash offer; if accepted, CarZar will make instant payment and take care

of all the paperwork. The selling process won't take longer than 30 minutes. CarZar sells the vehicles to retailers such as car dealerships, helping them source stock ideally suited to their target range.

This helps dealerships to solve the problem of sourcing the exact stock that they want. Currently dealerships tend to keep any vehicles they can get their hands on, and often have stock that is not appropriate for them, but is better to stock than nothing.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

CarZar's business model is based on the success of similar models in other parts of the world. The model disrupts a large and inefficient market for second hand cars, by improving the experience of consumers seeking a safe, predictable way to sell, and dealers seeking a variety of good quality stock. It is further supported by an increasing number of consumers in a tough economy choosing to buy pre-owned vehicles versus new ones. The attractiveness of the model is based on offering a better experience to both sides of a large, existing industry.

Silvertree was attracted to this investment because their online based model provided a service that disrupted the buying and selling of second-hand vehicles in South Africa as an increasing number of consumers face an unpleasant experience while selling privately or to dealerships, while dealers suffer stock scarcity.

with Silvertree as and when they face challenges within the business.

CarZar has been able to access advisory services, such as legal and financial, through Silvertree's central team. The VC fund manager also unlocked business opportunities by connecting the entrepreneurs to organisations that could potentially partner with the business or further invest in the business for future growth.

The start-up has seen revenue grow by approximately 30% per month due to the VC Partnership. And the employee numbers have grown from two entrepreneurs to creating 40 jobs to date.



CarZar provides customers with a safe and transparent car-selling experience

“

It has been an excellent partnership with Silvertree. It has allowed Fernando and I to focus on the business and cracking the market which is the most challenging and important part and what we are passionate about!

– Michael Muller, Co-Founder and CEO: CarZar


”

The great team, combined with a strong and proven model, made the investment an obvious priority for tech-focused investor and operator, Silvertree Internet Holdings. Silvertree's founding partner, Paul Cook, believes the entrepreneurs are a great team and have lots of experience that will fuel both the growth and sustainability of the business. Muller is a chartered accountant and holds a masters degree in financial management and has experience working for PwC and McKinsey & Company, while Pinheiro is a civil engineer with experience as managing director of African operations in Rocket Internet business Easy Taxi.

CarZar recently attracted \$1.5million worth of expansion capital from NASDAQ Stockholm-listed venture capital company Vostok New Ventures, as part of an even bigger round of funding.

THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

Silvertree sits on the board of CarZar, which lends itself to continued good governance within the CarZar business as they gain invaluable lessons from the VC fund manager's experience. Above and beyond the quarterly board meetings, the investee company also has formal and informal discussions

CarZar's plans for 2018 include expanding its South African footprint beyond the four metropolitan cities in which it currently operates and also introducing various innovations on top of the base business model. 



CarZar's easy-to-use booking engine provides users with an instant quote



Domestly Training Academy: Domestly Home Heroes receiving their practical training



KEY FACTS

Company: Domestly

Investor: Ernst Hertzog (Action Hero Ventures), Hannes van Rensburg (Founder of Fundamo) Hermanus Roode (Ex CEO Clover Africa), Industrial Development Corporation (IDC)

Year of investment: 2015, 2016 angel investors and 2017 IDC

Investor shareholding: Significant minority

Sector: Service

Type of investment: Early stage venture capital, expansion investment in the case of the IDC

Enterprise value: For current round, total funding raised is approximately R15 million as of June 2017

Employees: 10 [as of June 2017]

INVESTMENT IMPACT HIGHLIGHTS

- Partnering with the IDC in 2016 for investment into Domestly's expansion going forward.
- Breaking new ground as a start-up working with the IDC.
- Opening branches in both Pretoria and Johannesburg in 2016.
- Creating employment for 900 people, 70% of whom were previously unemployed.
- Attending the Apps Africa awards and winning the 'Most innovative in Africa' prize.
- Domestly also won the MTN App of the Year Award, resulting in the co-founders going to Silicon Valley in California for a month; attending Tech Crunch, the largest tech conference in the world, and visiting the headquarters of companies such as Google and Facebook.

COMPANY DESCRIPTION

Domestly is a start-up digital application that connects domestic workers to clients and homes requiring their services. Known as 'Home Heroes', Domestly has injected a modicum of dignity into cleaning services by ensuring that the men and women on their platform have access to work close to their homes or in their preferred working

areas in an environment that is standardised, suitably paid and supportive. For example, a client that is rude or degrading to their 'Home Hero' may be banned from the platform. Domestly also provides their Home Heroes with the necessary training, equipment, aprons and more to ensure clients receive a world-class cleaning experience.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

Already EBITDA positive before its first investors came on board, Domestly, which started in June 2015, has seen its profits grow by over 1 900%.


Domestly is also a sound investment from the perspective of social responsibility – not only are previously disadvantaged individuals given employment, but also the chronically underemployed South African youth. Within its core staff, the average age of employees in Domestly is 28 years old, with a high number of employees being younger than that.

Having been called the ‘Uber’ of domestic workers’ service in terms of disruptive innovation, Domestly keeps operations very lean by running almost everything electronically, over the Domestly application and via the internet. After connecting domestic workers to close-by employment, the workers will use public transport to move around. As a result, the company is not asset-heavy. Its biggest overhead and expense is the rental of its head office in Cape Town, with assets limited only to the laptops and technical equipment the 10 core staff members use. Having fine-tuned the set-up process, Domestly “can be up and running in a city in about a month,” says CEO and co-founder Berno Potgieter. This makes the company attractive and very scalable to new areas, doubling appeal for investors.



Domestly Home Heroes going over their training manuals

Potgieter described the support Domestly has received from its investors as hands-on, practical and involved, adding that board meetings, which the investors are involved in, take place every month as opposed to the standard of every quarter.

According to Potgieter, Domestly's venture capital investors have helped its founders – 24 years old when the company started – in terms of learning how to govern and maintain a successful company. Under the guidance of venture capital investment, Domestly's number of core employees has also grown by 400 percent from two to 10 employees in 48 months. 

“ Our venture capital industry is still very young, but I think South Africa is a great place to test in preparation for expanding into other African countries. You need African companies to solve African problems. – **Berno Potgieter, CEO and Co-founder: Domestly** ”

THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

In just two years, Domestly has created more than 900 jobs for previously disadvantaged men and women in six different regions (Cape Town, Johannesburg CBD, Stellenbosch, Pretoria, Centurion and Midrand), which has resulted in a massive impact on the economy at grassroots level.

Moreover, in terms of skills development, domestic workers that Domestly helps to find employment for every month:

- are trained on financial literacy basics such as budgeting;
- learn to make use of technology such as cellphones and apps; and
- are encouraged to develop confidence in the workplace.

Being a cleaning company, Domestly is conscious of the environment and uses lean operations systems to ensure that less fossil fuels are used in transporting the cleaners (who use public transport) and less harmful chemicals are irresponsibly dumped into the environment.

The team is currently undergoing expansion in the Durban region, as well as other South African regions. Management has plans for Domestly to expand its offering internationally to Nigeria, Kenya and Uganda going forward.



Berno Potgieter (CEO) & Natasha Riley (Head of Marketing)



FlightScope X3 combining 3D Doppler tracking and image processing



KEY FACTS

Company: FlightScope

Investor: HBD Venture Capital (managed by Knife Capital)

Year of investment: 2006

Year of exit: 2016

Investor shareholding: 34%

Sector: Sports tracking systems

Type of investment: Venture capital

Turnover: > R100 million

Turnover growth: 30% growth over last 3 years (2014-2016)

EBITDA growth: 35% over last three years (2014-2016)

Employees: 135 (2017)

Employee growth: 12.5% per year since 2006

INVESTMENT IMPACT HIGHLIGHTS

- Changed business from debt-financed to equity-financed.
- Freed up funding for continued product development, international expansion, production enablement, sales and marketing activities and intellectual property protection.
- Created jobs by scaling up operations to achieve +300% increase.
- Venture capital partner inputs to strategy, planning and networking.
- Evolved into a sustainable, high-growth business.
- Sell-side due diligence positioning for exit.
- Enabled the entrepreneurs to buy-back their company from the venture capital investor.

COMPANY DESCRIPTION

FlightScope is a leading global developer of 3D Doppler ball-tracking radar for sports such as golf, tennis, cricket and baseball. This former product development company was originally founded by CEO and radar engineer Henri Johnson in 1989 to develop systems that measure projectiles for the defence industry, which subsequently led to measuring the ball speed in sports such as cricket, tennis, golf and baseball.

FlightScope's golf products provide 27 measurements of ball flight and club head parameters for golf instructors, club fitters, professionals and equipment manufacturers. The business also supplies event management and chair-umpire scoring systems for world tour tennis tournaments such as Wimbledon. Its technology offering also includes speed measurement, player tracking and line call adjudication. FlightScope is also a leading supplier for bowling speed

measurement systems for televised cricket games and provides systems for baseball coaching and scouting to measure ball pitches, and hit ball flight. The company has achieved notable success and growth, and currently sells its products in more than 64 countries.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

In 2005, FlightScope submitted an investment proposal to HBD Venture Capital requesting funding. FlightScope represented an attractive investment opportunity for HBD, given its proven track record versus greenfield businesses that presented a higher risk.

The incredible potential in applying world-class technology in the world of sports and the anticipated impact of these smart devices grabbed the Investors' attention. HBD has since reaped the rewards of this investment.

The capital injection from HBD was catalytic in assisting FlightScope with an aggressive strategy to launch and intensify international marketing and sales of its products and services, while protecting the company's intellectual property worldwide.

The investment led to job creation, with the company's staff complement growing from 35 employees pre-investment to 135 employees post-exit. FlightScope believes it has also created about 250-300 indirect employment opportunities through its extensive manufacturing sub-contracts in the Western Cape and Gauteng. The bulk of FlightScope's South African product manufacturing is carried out by level 3 BEE sub-contractors while several micro enterprises provide additional services.

Clawback option

A clawback provision allowed the entrepreneurs to buy back a percentage of shares from HBD over the first three years of the investment based on achieving certain performance milestones. This allowed FlightScope to overcome a gap in the valuation of the company between HBD and FlightScope at the time of the investment. HBD, at the time, had in excess of 40% in equity share within the business and on exiting FlightScope clawed back some shares, leaving HBD with a 34% stake in the business at the time of exit in 2016.

“The venture capital investment and partnership was a pivotal event that enabled the company to succeed in its technology development and enter the international marketplace. The inputs from HBD as part of the board and through periodic engagements and interactions helped make the journey successful and pleasant at the same time.

– **Tom Johnson, Chief Technical Officer: FlightScope**

THE IMPACT OF VENTURE CAPITAL PARTNERSHIP

The venture capital partnership with HBD played a crucial role in assisting FlightScope to transform its debt funding into equity funding. The venture capital fund manager partnered with the business to mitigate risk on equity, which enabled FlightScope to continue on its planned business growth path.


Both fund manager and investee company shared the same vision and aptitude for business, which fueled their business chemistry, even prior to the formalisation of the venture capital partnership.

In 2008, two years after HBD invested in the business, FlightScope relocated its headquarters from Stellenbosch, South Africa, to Orlando, Florida in the US. This is a key location for the thriving golf industry, which enabled FlightScope to get closer to its end customers and focus on business development. The golf industry, followed by tennis, currently dominates the market.

The successful fund manager-investee relationship lasted for ten years until HBD exited in 2016.

The shareholders agreement provided for the appointment of two directors by the fund manager to the FlightScope board. Monthly status update meetings helped the fund manager to better understand the business, although technical, and to assist in refining its business focus. The fund manager also provided additional support to the business through its networks.

By 2012, FlightScope had briefly considered international exit opportunities and attracted the attention of sports related parties in various industry verticals. In considering alternatives, the management team ultimately chose to follow a management buy-back at a sufficient venture capital return.

The company has since bought back all its equity shares from the VC fund manager and is now a privately-owned medium-sized business. However, in light of promoting good governance, the business decided to retain the Knife Capital partners, who had represented HBD, as independent non-executive directors. 



FlightScope Tennis



KEY FACTS

Company: Fundamo

Investor: HBD Venture Capital (managed by Knife Capital)

Year of investment: 2007

Year of exit: 2011

Investor shareholding: 27%

Sector: Mobile Financial services

Type of investment: Growth capital

Turnover growth: 89% Compound Annual Revenue Growth During HBD Investment Period

Employees: 30 (2007)

Employee growth: 200 (2011)

INVESTMENT IMPACT HIGHLIGHTS

- Venture capital co-investment with reputable investors Remgro and Sanlam.
- Funding for product deployment in emerging markets.
- Funding for business development initiatives.
- Job creation opportunities.
- Positive impact on governance elements.
- Positioned for exit and acquired by Visa for \$110 million.

COMPANY DESCRIPTION

Fundamo, now incorporated into financial services company Visa, is a specialist mobile financial services platform that provided a gateway for unbanked and underbanked communities within emerging economies to access banking services using their mobile phones.

The platform, first developed in 1999, was responsible for the introduction of mobile banking platforms for a number of banks and mobile network operators. It enabled mobile network subscribers to use their cellphones for person-to-person payments, wireless airtime top-up, ticketing and other bill payments.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

Trained nuclear scientist and founder of Fundamo, Hannes van Rensburg, developed the unique technology but needed seed capital to launch the product in the market. Sanlam initially backed Fundamo, and in 2004 Remgro's Venfin provided a further capital injection. But as a fast-growing business, Fundamo required additional growth capital, which was provided by HBD Venture Capital in 2007.

HBD was attracted to this investment opportunity by the Fundamo team's culture of execution, especially in the adoption of its aggressive growth strategy within various markets.

Van Rensburg's philosophy around intellectual property protection from the outset was that "until you've had the chance to build a competitive advantage, the only advantage is your idea". Despite operational challenges, the management team prioritised time to think about and plan the company's intellectual property strategy. Protecting and patenting the unique world-class technology of the Fundamo payment solution served as a good transaction motivation for HBD.

THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

The biggest challenge Fundamo faced as a fast-growing business was cash flow, which would serve as the life blood of the business in order to ensure its sustainability, as Fundamo "grew the business to death", says Van Rensburg. The capital injection from HBD came at a critical point and enabled Fundamo to not only sustain the business, but also to successfully expand into new emerging markets.

The platform at the time of the HBD exit to Visa in 2011 had grown from the initial ten clients at the time of investment to more than 50 active mobile financial services deployments in more than 34 countries across Africa, Asia, and the Middle East. Fundamo platforms were processing billions of transactions for tens of millions of account holders at that time.

Some Fundamo clients at the time of exit included Standard Bank, Pakistan's MCB Bank and Easypaisa Money Transfer facility, M-Pesa platforms in Lesotho, the Congo and Qatar, and African telecoms giant MTN's Mobile Money services.

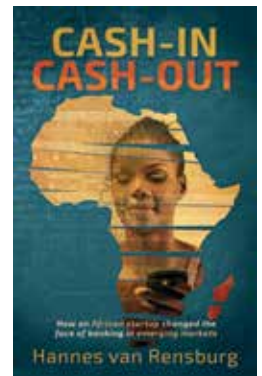
In terms of job creation, the initial 30 employees grew to more than 200 employees by the time of the HBD exit.

The VC firm says it was important that the investment team shared the same culture and values as the executive team as this makes for a more conducive business partnership environment. The VC partnership strengthened Fundamo's governance structures, and augmented the executive team's business skills while adding more credibility to the business.

The VC fund managers helped position Fundamo as a well-established business that was later acquired for \$110 million by Visa in June 2011.



Hannes van Rensburg



“There is a lot young entrepreneurs can learn from VC investors. I have seen many entrepreneurs accept the lessons and grow. On the other hand, I have also seen a lot of entrepreneurs get frustrated with what their VC investor asks of them, dismissing their guidance, which results in the demise of the business. In the long run entrepreneurs should take to heart what VC investors ask of them because it's their biggest contribution towards the growth of both the entrepreneur and the business.


– Hannes van Rensburg, Founder: Fundamo



Hannes at his Cash In, Cash Out book launch

When Visa performed the due diligence ahead of the Fundamo acquisition, they found a business with a seamless financing system and risk management procedures in place, which added to the attractiveness of the Visa deal.

At the time of the HBD exit, Fundamo had a base of more than 20 million registered subscribers. The combined Visa Fundamo platform added enhanced functionality and new services to existing mobile financial services subscribers for globally accepted payments solutions.

In 2016, Van Rensburg published his book *Cash In, Cash Out* where he recounts the challenges he faced in business. His book indicates that one does not have to be a super hero nor have special talents to become a successful entrepreneur, but simple diligence and hard work. 



Nigel Zhuwaki (transport planner) and Martin Mothe (business development) discuss flexible mobility with CEO Justin Coetzee at their Cape Town office.



KEY FACTS

Company: GoMetro

Investor: AngelHub Ventures, 4Decades Capital, Tritech Media

Year of investment: 2016

Investor shareholding: Significant minority

Sector: New mobility, mobility-as-a-service

Type of investment: Early stage venture capital

Enterprise value: R150 million

Turnover: R15 million for 2017 (has doubled year-on-year since inception four years ago)

Employees: 16



The GoMetro platform makes flexible and shared mobility possible

INVESTMENT IMPACT HIGHLIGHTS

- GoMetro started as a mobile app for Passenger Rail Agency of South Africa (PRASA) train schedules and real-time alerts and secured a contract with Naspers.
- Launched in seven cities in South Africa and achieved more than 2 million searches per month.
- Won the "Best Innovation in a Growth Market" at the San Francisco Global Mobile Forum in 2014.
- The company pioneered in-app data collection of minibus taxi operations in Cape Town in 2015. To date, GoMetro has collected data on 8 000 vehicles, 125 000km of routes and 147 000 passengers, sharing this data with both taxi owners/drivers and the City of Cape Town.
- Global finalist at the international 'Get In The Ring' competition, which included more than 2 000 participants and has been described as 'the Startup Olympics'.
- Recently won their first European contract with Société Nationale des Chemins de Fer (SNCF) at Gare D'est L'est Station in Paris after having launched an office in London this year. The project will see GoMetro spearhead and integrate collaboration of a project on the Paris Metro. It is expected to lead to expansion into the European mobility market, with discussions underway with multiple cities and regions in the UK and EU.

COMPANY DESCRIPTION

Flexible Mobility is a concept designed by founder and CEO Justin Coetzee, that enables affordable public transport solution reminiscent of Uber but “at a fraction of the price, and just as efficient and convenient” using the most appropriate transport. GoMetro is a “Flexible Mobility” technology platform that allows anyone to design and operate pop-up transit services. The technology consists of an application for passengers, a routing app for drivers and an analytics dashboard for transport managers.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

GoMetro is arguably Africa’s most successful transport-related startup, with presence on two continents and year-on-year enterprise value growth of 100% or more. The business was valued at R5 million at its inception four years ago and at just over R15 million a year later. Estimated enterprise value climbed to R50 million in September 2016 and is currently valued at R150 million based on current fund-raising plans.

Mobility is an attractive space, with automotive manufacturers, insurers, banks and technology companies all staking claims in this new industry. GoMetro has developed world-class technology, capability and reach to carve out a meaningful niche in this sector and could be a strong acquisition target in five to seven years’ time.

Coetzee is a self-proclaimed “engineer, not an entrepreneur”. The company has had invaluable skills development and advice from its venture capital investors. Tritech Media, led by renowned media magnate William Kirsh, invested in GoMetro in October 2016 and has provided international expansion expertise and scaling advice at a key point in the company’s transition into growth. Tritech Media has a network in USA, Israel, the United Kingdom and India, which GoMetro will be able to leverage.

Under the guidance of the three venture capital firms invested, GoMetro will be expanding its market reach significantly with a view to rolling out the company in other Sub-Saharan African metropolitan areas. GoMetro is currently in the process of rolling out services in Tyger Valley in Cape Town, and has plans for further roll-outs in Kigali, Addis Ababa and Gaborone going forward.



The GoMetro app is the biggest transport app in South Africa

“

Taking venture capital financing was the best move that the business could have made - they call it ‘smart money’ for a reason!

– Justin Coetzee, Founder & CEO: GoMetro

”

The next stop for GoMetro is the re-engineering of public transport in South African cities through the creation of ‘mass Ubers’ of public transport vehicles customised to GoMetro users’ areas, routes and transport routines. This will be accomplished with the use of analytics that GoMetro has been collecting for the last four years. Coetzee added that “due to our deep and unassailable data advantage we’re uniquely positioned to target mobility as a service in the post-Uber world.”

THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

Coetzee attributed GoMetro’s success at scaling up to working with the right investor at the right time of the business’ development. AngelHub Ventures (including Michael Jordaan, former CEO of FNB) and 4Decades Capital (consisting of former investment bankers Michael Pfaff and Derek Prout-Jones) were early-stage investors and provided valuable support and advisory in strategy, corporate governance and structuring that has provided the right framework for growth-stage success. Since 2014, Prout-Jones has steered the company as chairman of the board, with Brett Commaile representing AngelHub Ventures on GoMetro’s Board.

GoMetro is also investing in their own branded vehicles as a method of public transport, planning to have 30 in circulation in Cape Town by the end of the year.



The GoMetro app in action

GoMetro’s mandate remains to serve the people of South Africa and Africa with reliable public transport data. Coetzee had heard stories of “people being fired because their boss didn’t believe train delays were making them late for work”, so he included a “tell my boss I’m late” function on the app, which is now one of its most popular functionalities. 📱



orderTalk

KNIFE | CAPITAL



KEY FACTS

Company: orderTalk

Investor: HBD Venture Capital (managed by Knife Capital)

Year of investment: 2007/2008

Investor shareholding: 45%

Sector: E-commerce / Online Food Ordering

Type of Investment: Growth capital

Turnover Growth: 60x growth since investment

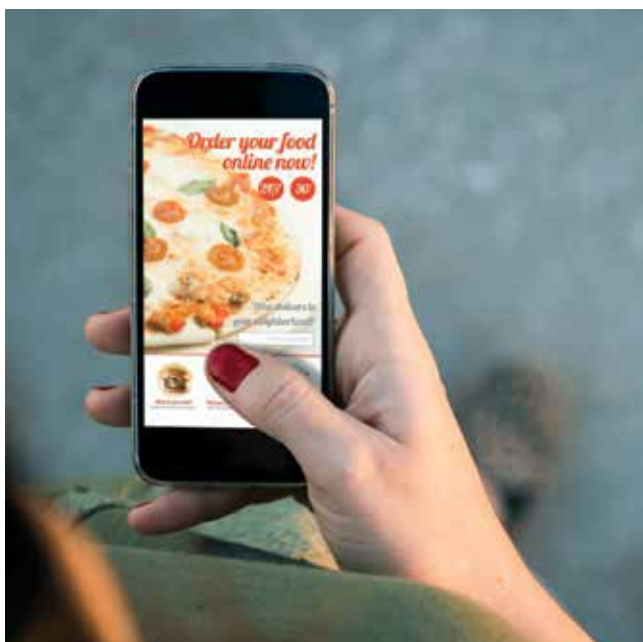
Profitability: Paying dividends twice per annum

Employees: Five (2007)

Employee growth: 27 (2017)

INVESTMENT IMPACT HIGHLIGHTS

- Provided funding for expansion in the US and UK.
- Technological enhancements and API integration.
- Venture Capital partner inputs to strategy and financials.
- Staff retention and incentives.
- Compliance and governance enhancements.
- Evolved into a sustainable, high-growth business.
- Positioned for exit-readiness and inbound interest from potential acquirers.
- Business has already repaid the initial VC investment in dividends.



Seamless online food ordering via mobile

COMPANY DESCRIPTION

Software services company orderTalk is a leading provider of hosted, white-labeled (business-to-business) online and digital ordering platforms for restaurant pick-up and delivery. This is enabled via a proprietary software solution that is fully integrated with the point of sale (POS) systems. The startup was co-founded by lawyer, Patrick Eldon, and software developer, Hilton Keats, in 2004 after Keats developed the software for restaurant chain Jason's Deli in the US in 1998.

A year later, orderTalk was launched in Cape Town, South Africa, but the client was UK-based. The company's online and mobile ordering platforms allow diners to order directly from 5 500 takeout restaurants in more than 2 100 cities in the US and UK with a focus on transforming the takeout experience through enhanced flexibility and great customer service.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

An increasing number of consumers in the US and UK prefer to exclusively order food over digital platforms versus telephonically. However, this was not the case over a decade ago when orderTalk first went to market. Launching an online food ordering software company at a time when non-food items dominated the online ordering platforms was somewhat risky.

In 2007, the entrepreneurs approached HBD Venture Capital with a request for capital to expand the business. While most VC investment opportunities come through an existing referral base, orderTalk was an email solicitation. The company was at a fairly early stage when it submitted its business plan to HBD, but the investment team immediately recognised that the business model is highly scalable internationally and was already generating a recurring monthly revenue. It was initially funded by a key client paying for the service upfront, which was a clear sign that there was a need for the product in the market.



Jason's Deli - One of orderTalk's longest standing clients

“Raising capital by way of the investment made by HBD provided enormous value, not only in tangible but also intangible terms. The strategic support, mentoring, advice and hands on assistance received from HBD and Knife Capital over the years of the investment have been invaluable.

– Patrick Eldon, CEO: orderTalk

Due diligence established the size of the total addressable market, and a decision was made to relocate the core team out of South Africa to the US to be closer to its future customer base. In 2010 the US business was registered as a subsidiary of the South African company. Today orderTalk is headquartered in Dallas, Texas.

The investment team found the orderTalk team to be dynamic and committed, with a quirky edge, which convinced them this would be a rewarding journey. In addition, they had an aligned vision for the growth of the business.

The R9 million (\$1.3 million) capital injection was mainly used to:

- increase server hosting capabilities;
- improve the technology and application programming interface (API) integrations; and
- fund sales capabilities to enhance market access.


THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

The VC partnership with HBD allowed orderTalk to move from an entrepreneurial startup in Cape Town to a global force. While orderTalk had the technical capabilities in Cape Town, their main client base in the US and UK started growing aggressively.

The investment team often travels to the US so that challenges and governance matters can be addressed as a team. The company has already been approached by credible investors and strategic acquirers. At this stage, it is still growing aggressively and generating sustainable cash flows.

The VC fund manager worked very closely with orderTalk on financial strategy. They brought in a complementary skill set, including the disciplines of budgeting and forecasting and creating the financial model and road map to achieve those.

orderTalk CEO Patrick Eldon says the business benefited from representatives from HBD and Knife Capital on the board as they provided them with best practice advice. The VC partnership helped grow the business by implementing processes, audits, financial controls and good corporate governance.

orderTalk expects to process over \$1billion worth of transactions in 2017. The startup's employee numbers has grown from five people in 2007 to 27 employees to date in Dallas, London and Cape Town. The company has already repaid the initial VC investment in dividends back to HBD, and continues to pay dividends twice a year. 



Keet van Zyl (Knife Capital) and Patrick Eldon (orderTalk) celebrating milestones in Dallas, Texas



Quicket provides ticketing solutions for a diverse range of events



KEY FACTS

Company: Quicket

Investor: KNF Ventures (managed by Knife Capital)

Year of investment: 2017

Investor shareholding: 26%

Sector: Online ticketing solutions

Type of investment: Growth capital

Turnover growth: +67% (Feb 2017 year-on-year)

Employees: 12 (2017)

Projected employee growth: +50% (2018 year-on-year)

COMPANY DESCRIPTION

Originally founded in 2011 as a simple, online system to enable the collection of money from multiple individuals, Quicket has evolved into a world-class, cloud-based ticketing solution that allows anyone to quickly start selling tickets online, while marketing and managing their own event. The business provides ticketing solutions to large events and festivals, but also caters for smaller event organisers who previously had limited feasible options when hosting events in Africa. Quicket has now set its sights on becoming the first Pan African ticketing company to integrate various payment systems in one platform – thereby offering an innovative solution to the challenge of distributing tickets on the continent.

INVESTMENT IMPACT HIGHLIGHTS

- Provided funding for expansion into key African markets and South African niche industry events.
- Broaden market access by leveraging established networks for client acquisition.
- Product enhancements and intellectual property protection.
- Job creation to scale business.
- Streamline governance and professionalise company.



THE COMPANY AS AN INVESTMENT OPPORTUNITY

This investment brings together various topical South African entrepreneurial ecosystem elements that include a scalable SME, business acceleration, venture capital and SARS section 12J investor tax incentives.

Quicket initially joined Knife Capital's accelerator programme and pipeline generator, Grindstone, in June 2016. The ticketing firm's initial success, strong company culture, steady growth path and potential for scalability – particularly in the challenging but underserved African market – made it an appealing investment opportunity.

Realising that an investment would allow the company to accelerate its growth path while international consolidation in the ticketing market also increased the probability of a successful exit in future, Knife Capital's approved section 12J Venture Capital Company, KNF Ventures, took a significant minority stake in the business in early 2017. An investment in a section 12J company by qualifying investors is fully tax deductible.

At the same time, the investment also brought an opportunity for significant skills transfer from the venture capital investor to the portfolio company.

The investment will facilitate meaningful job creation at Quicket – allowing it to attract top-end developers, marketers and sales and support staff to scale and grow the company in a highly competitive market in a relatively short timeframe. A number of interns have been appointed to work in its customer support division, which offers these interns exposure to event organising, customer relationship management systems and technology development.



“ It became evident that there was a lot of skills we didn't have as a team that we needed to scale the business. The KNF team has been around the block. They have been involved in a number of businesses, which have grown and which were ultimately sold, so they understood exactly how we needed to achieve what we wanted to do. The biggest value they bring to the table is experience, knowledge and their network. ”

– James Hedley, Director: Quicket


THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

The ticketing market in Africa is attractive but challenging – Internet access is largely provided through mobile devices and varying payment methods result in significant challenges when tickets are distributed. Quicket solves this problem through its in-house developed technology, which allows organisers to host seamless events from a ticketing perspective.

It expanded its footprint on the continent outside of South Africa in 2016 through a partnership with a local ticketing firm in Uganda and also successfully concluded events in Kenya. These ventures provided valuable insight into operational and technological requirements in these countries and the partnerships necessary to flourish.

A significant portion of KNF's investment will be used to refine Quicket's mobile ticketing solution and to develop a scalable mobile ticket kiosk to establish a physical distribution network in Africa. Funding will also be allocated towards unlocking opportunities to expand into specific related industry verticals in South Africa off the reputation and blue chip client base that Quicket already serves.

KNF's network of investors not only brings funding to the table but also provides strategic skills in the areas of marketing, brand positioning, business development, clients and market access, thereby offering new opportunities for expansion.

KNF assisted with the implementation of a more structured governance programme by introducing robust shareholder agreements, solidifying patents, assisting with cash management, refining contracts and client terms & conditions, thereby adding a layer of corporatisation that will stand the firm in good stead during its next accelerated growth phase. 



Knife Capital Investment Partner Bob Skinstad facilitating a KNF investor networking session with Quicket



Snapplify.com

ANGELHUB VENTURES

KEY FACTS

Company: Snapplify

Investor: AngelHub Ventures

Year of investment: 2014 (1st round);
2016 (2nd round)

Investor shareholding: ~32%

Sector: Edtech

Type of investment: Early stage (1st round);
growth (2nd round)

Enterprise value: R200 million to R300 million

Employees: 35

Employee growth: Five to 35 (2014-2017)

INVESTMENT IMPACT HIGHLIGHTS

- Investor's capital injection enabled Snapplify to participate in large-scale projects and expand internationally.
- Improved corporate governance led to greater operational efficiency and made the company more investor-friendly.
- Assistance in non-core areas, such as capital raising and tax, allowed management to focus on growing the company.

COMPANY DESCRIPTION

Cape Town-based Snapplify, founded in 2011, specialises in the distribution of digital publications, with a particular focus on the education sector. Snapplify provides a turnkey digital content platform for education providers. It has developed a solution for schools that enables students and teachers to access and read e-books which are hosted in the Snapplify

e-learning content cloud. Users can download textbooks from leading publishers – such as Macmillan, Pearson, Oxford and Cambridge – directly to their smartphones, tablets or desktop computers, and read it even without an internet connection. With the Snapplify e-reader, students can make notes, highlights and bookmarks for a more engaging and richer learning experience.

TRANSACTION MOTIVATION

In 2014, AngelHub Ventures made its first seed capital investment in Snapplify, and two years later also participated in a second round, along with two other investors. The VC fund manager believes Snapplify is in a prime position to benefit from technology-induced disruption in the publishing industry and a move towards e-learning.

Although there are a number of strong international operators in the digital publishing industry, Snapplify has the ability to customise its offering to the specific needs of the African countries where it operates. And while many companies deliver books digitally, few offer the Snapplify academic e-reader's interactive features that enable students to make notes. The company also has strong relationships with global publishers, and through its proprietary platform is able to supply international content to the local market.

The transaction was further motivated by Snapplify founder Wesley Lynch's deep knowledge of the publishing industry, along with his proficiency in both the technical and commercial aspects of the business.



The investment also permitted Snapplify's brisk international expansion. Africa's edtech industry is undergoing a "land grab" with numerous players aggressively vying for market share. Snapplify has already planted its flag in a number of countries, placing it in a favourable position to benefit from current and future growth opportunities. For instance, its Nairobi office has partnered with local software and



It is quite rare for a relatively young company such as ourselves to participate in large regional roll outs and international projects. Without the VC investment, we definitely wouldn't have been able to grow so quickly.

– Wesley Lynch, CEO: Snapplify



THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

Enhanced corporate governance

AngelHub assisted in implementing corporate governance structures that improved Snapplify's operations and enhanced its prospects for future investment. These measures included:

- regular board meetings;
- annual budgeting and approval processes;
- up-to-date record keeping by a competent company secretary; and
- appropriate employee contracts that protect the company's intellectual property.

In addition, AngelHub helped introduce an employee share scheme that serves as an incentive tool.

Capital to pursue ambitious opportunities

The financial backing from Snapplify's venture capital partners enabled it to put in place the necessary staff and other resources to pursue large-scale projects. The company recently participated in the roll out of digital learning materials to over 550 schools in South Africa. It is the largest such project on the continent and involves a number of stakeholders, including government, telecom operators and device manufacturers. In addition to supplying the learning content, Snapplify is involved in the continuous monitoring of textbook consumption, allowing schools to better manage future procurement.

hardware providers to assist the Kenyan Government in the establishment of an education cloud, which aims to increase access to digital learning material in schools throughout the country. It would have taken Snapplify significantly longer to launch a Kenyan office and participate in such a project if it had to rely on its own funding. [🔗](#)





KEY FACTS

Company: Spazapp Systems (Pty) Ltd

Investor: Kingson Capital

Year of investment: 2016

Investor shareholding: 25.1%

Sector: Information and communications technology (ICT)

Type of investment: Start-up

Turnover growth: 378% annualised year-to-date growth for financial year 2018 over 2017 (February year-end) – very early stage revenue generation and low base effect from last year

Employees: Eight full-time employees; 250 self-employed field agents (2017)

Employee growth: Two to eight full-time employees (2016 to 2017)

INVESTMENT IMPACT HIGHLIGHTS

- Investor providing consumer goods industry insights and network.
- Creation of hundreds of jobs by training young people as agents.
- Financial resources enabling growth throughout South Africa and rest of continent.
- Introduction of corporate governance to improve accountability.

COMPANY OVERVIEW

Spazapp Systems has developed a mobile app that enables informal convenience stores, or spaza shops, to order stock straight from big brands and suppliers. They benefit from lower bulk-buying prices and direct delivery, sparing them a trip to the wholesaler. The app also allows owners to earn additional income by selling products such as mobile airtime and data, life insurance policies and electricity, directly from their handsets. Shop owners can save up to R1 000 a month

because they no longer have to spend money on hired equipment to print vouchers.

To start buying and trading, shopkeepers need to register on the app and make a deposit into their automatically-created e-wallet. Spazapp takes a percentage of all sales processed through its system.

In addition to being an e-commerce channel, Spazapp is a platform for fast-moving consumer goods (FMCG) manufacturers to engage with informal shop owners and

their customers. Spazapp's BrandConnect product gives manufacturers the ability to work with shop owners to promote items in their stores as well as provide valuable consumer and pricing data. For instance, a brand launching a new product could request a special shelf display for that particular item. Once a shop owner has implemented the promotion, they send a confirmation picture to the manufacturer, and then receives a discount on future orders.

TRANSACTION MOTIVATION

Kingson Capital, a SARS approved Venture Capital Company, invests in technology-enabled companies with the potential to disrupt traditional sectors, believes Spazapp provides a much-needed solution. The investment partners have a deep knowledge of the consumer goods distribution industry, and are well aware of the challenges brands face when trying to connect with spaza shop owners and shoppers, along with the huge demand for informal retail data.

The investment was further motivated by the fact that Spazapp is a highly-scalable business addressing a large market, with South Africa alone having an estimated 160 000 informal retail outlets. Spazapp also has the potential to grow throughout Africa and other emerging economies. According to Kingson, it is "backing the jockeys" and confident that the Spazapp founders – Tim Strang (CEO) and Byron Verreyne (Chief Technical Officer) – who've already "put in thousands of hours of sweat capital to build the business into what it is today", have the skills and drive to gain significant traction in the market.

such as surveys.

Spazapp has joined forces with the likes of big corporates such as Microsoft, Hollard, Barloworld, and Coca-Cola in signing the Tshepo 1 Million pledge, led by Gauteng province premier David Makhura. The project aims to provide opportunities to one million young people through skills training, job placement and entrepreneurship by 2019.

Besides making a profit, it is Spazapp's mission to uplift thousands of families and youth by empowering those trading in the informal economy with free, smart technology.

Expansion in South Africa and beyond

Kingson's financial backing has allowed the company to grow throughout South Africa. Spazapp, which started as a pilot project in KwaZulu-Natal, has expanded to the Eastern Cape and Gauteng, and by the end of 2017 plans to be active across the country. It is also in advanced discussions with distribution firms to grow its footprint to African countries such as Nigeria, Ghana, Mauritius, Zambia, Malawi, Swaziland and Namibia.



Before Kingson became involved, we were running Spazapp as a 'side-hustle' with part-time employees. Their investment allowed us to really focus full time on perfecting and launching the platform. It has also enabled us to rapidly accelerate our growth.

– Tim Strang, CEO: Spazapp Systems



IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

Industry experience and contacts


Spazapp's investors play an active role in providing strategic advice and operational support. Kingson partner Ross Jenvey used to run a Unilever distribution business and has introduced Spazapp management to a number of South Africa's largest FMCG companies. Complementing him is Gavin Reardon, Kingson's principal partner, who previously held financial management and consultancy positions, and has considerable expertise in strategy and implementation, product innovation, process mapping and improvement, and management accounting.

Job creation for young people

The company has created hundreds of jobs by training agents, mostly young people known as Spazasparks, to sign up new stores to the platform and to provide support to spaza shop owners. Agents earn commission on all future sales of the spaza shops they've introduced to Spazapp. They can also boost their incomes through mobile trading (selling airtime and electricity) together with conducting incentivised tasks

Corporate governance improvements and introduction of black shareholding

Kingson's 25.1% shareholding affords it significant minority rights. It has introduced a number of corporate governance measures to structure operations and improve accountability, including monthly shareholder meetings and financial reporting processes. Spazapp's management team have benefited immensely from having these structures in place.

Kingson brings black ownership to the table as part of its shareholding, which means that Spazapp effectively has a 25% BEE shareholding. 



Spazapp Executive Directors Byron Verreyne (CTO) and Timothy Strang (CEO)



KEY FACTS

Company: SweepSouth

Investor: Edge Growth (through the Vumela Enterprise Development Fund)

Year of investment: November 2015

Investor shareholding: 12%

Sector: Services

Type of investment: Growth

Employees: 20 full-time staff; approximately 3 800 registered cleaners

Employee growth: Five to 20 full-time staff; 400 to 3 800 registered cleaners (November 2015 to July 2017)

INVESTMENT IMPACT HIGHLIGHTS

- Creation of employment opportunities for hundreds of predominantly low-skilled black women.
- Participation in Edge Growth's 10X-e acceleration programme helped management address the challenges associated with scaling a business.
- Growth capital allowed SweepSouth to invest in human resources, marketing and technology.
- Introduction of a capable board of directors led to improved corporate governance.

COMPANY OVERVIEW

SweepSouth, launched in June 2014, is an on-demand online platform for booking home cleaning services. The idea for the company came to husband-and-wife team Alen Ribic and Aisha Pandor when they struggled to find a part-time domestic cleaner over the holidays. The platform connects its customers with cleaners who are background-checked, fully-insured and rated by users. SweepSouth charges an

hourly rate, and can also provide its own cleaning products for an additional fee.

The company has seen exponential growth, has attracted seed and Series A investment and has won numerous awards, including participation in the "500 Startups" accelerator programme in Silicon Valley. Series A financing is the first round of financing given to a new business once seed capital has already been provided.

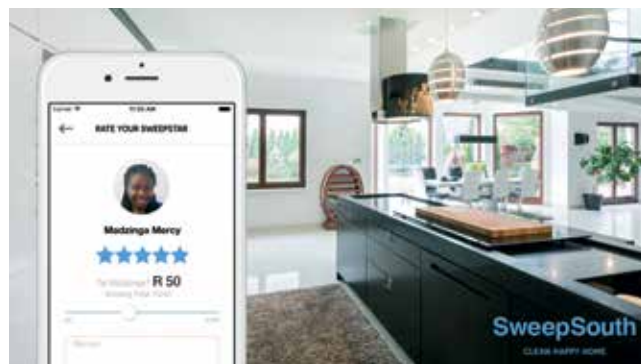
TRANSACTION MOTIVATION

The investment by the Vumela Enterprise Development Fund, which is managed by Edge Growth, was partly motivated by SweepSouth's focus on generating employment and boosting the incomes of domestic workers. The R388-million Vumela fund functions as financial services group FirstRand's primary Enterprise and Supplier Development (ESD) vehicle, providing high-calibre SMEs with financial and business development support. The ESD requirements of the Broad-Based Black Economic Empowerment (B-BBEE) codes of good practice incentivises South African companies to invest in the development of black-owned small businesses and job creation.

Edge Growth was further encouraged by the SweepSouth founders' complementary skill sets – Pandor has a strong commercial background, while Ribic is a software engineer. The company could provide investors with a decent return on investment due to the fact that it was addressing a large potential market, had a first-mover advantage, and was already growing at a rapid rate.

Growth capital to scale operations

Edge Growth's capital investment has allowed SweepSouth to scale its operations through the appointment of new employees, marketing the business, and further developing its technology. The funding has also contributed to geographic expansion – SweepSouth currently operates in most areas of Cape Town, Johannesburg, Durban, Centurion and Pretoria and is considering expansion to other African countries.



“ Although we are a for-profit business with the aim to increase value for shareholders, part of our mission is also to create jobs and increase the incomes of domestic cleaners. Because Edge Growth, through the Vumela fund, also has social development goals, there is perfect alignment. They understand the social aspect of our business.

– Aisha Pandor, Co-founder and CEO: SweepSouth

IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

Job creation

Finding a competent and trusted domestic cleaner is a time-consuming exercise, with many employers having to rely on personal referrals. At the same time, it is challenging for cleaners to connect with potential clients. And even if they do, the times that they are available for work are often not when they are needed by the client. SweepSouth solves these challenges and, in the process, has contributed significantly to job creation. It currently has approximately 3 800 registered domestic workers – predominantly low-skilled black women – on its platform, and prides itself on the fact that they are paid punctually. SweepSouth charges an hourly rate of R38, which ensures cleaners take home a fair wage.

Enrolment in acceleration programme

As part of the investment, SweepSouth participated in Edge Growth's 10X-e in-house acceleration programme, which is specifically aimed at growth businesses. It is based on the premise that the skills and knowledge needed to scale from 10 to 100 staff, are very different to the requirements for growing from one to 10 team members. Participants in the accelerator are trained in a variety of disciplines, including building a first-rate team, crafting a winning strategy, developing a culture and systems for high performance at scale, and tight financial management.

Establishment of a capable board of directors

Edge Growth assisted in establishing robust corporate governance structures, especially the building of a capable board to hold the company's CEO and management to account. It appointed a board representative with a strong technology background and also helped recruit a qualified chairman. Furthermore, Edge Growth facilitated the first board meeting, ensured minutes were recorded, and introduced board pack templates. These and other general governance measures – such as ensuring all shareholder agreements and other corporate documents are up to date – have streamlined SweepSouth's operations and improved the quality of decision making. 🔄





Aerial film and videography using the DJI Inspire 1 model



KEY FACTS

Company: UAV Industries

Investor: Glenheim Venture Capital Company

Year of investment: 2017

Sector: Aviation/drone services

Type of investment: Early-stage

Enterprise value: R35-million

Employees: 35

INVESTMENT IMPACT HIGHLIGHTS

- Investor's capital injection allowed UAV Industries (UAVI) to pursue growth opportunities throughout Africa.
- New clients and business connections due to Glenheim's considerable corporate network.
- Access to highly-skilled financial professionals and superior accounting software.

COMPANY OVERVIEW

Cape Town-based UAVI's vision is, "To become the standard for safe and legal drone operations in Africa." The company has two distinct sides to the business:

- 1) operating drones for commercial clients, and
- 2) drone pilot training.

On the drone operating side, UAVI services a wide range of industries requiring commercial drone use, from a production house shooting a film to a mining company geo-mapping a

mountain. UAVI provides its clients with trained pilots who fly under the company's Remote Operating Certificate (ROC). By law, it is illegal to fly a drone commercially without a licence.

UAVI also offers a variety of Adult Competency courses, which cater for a broad clientele, from hobbyists to aspiring professional drone pilots; the Remote Pilot Licence (RPL) and Instructor Pilot Licence (IPL) are certified by the South African Civil Aviation Authority.

TRANSACTION MOTIVATION

The commercial use of drones is an exciting industry experiencing rapid growth, which aligns with Glenheim Venture Capital Company's investment criteria. Although drones are already widely used for filming, the technology is increasingly being embraced by industrial customers in sectors such as oil and gas, mining, security and construction. In many instances, drones are significantly more cost effective than using aeroplanes or helicopters.

Glenheim was also impressed by UAVI's management team that has built the company into a multi-million-rand operation in less than three years. UAVI founder and chairman Peter Venn is an accomplished business leader, having been involved with large-scale renewable energy developments and holding a master's degree in corporate governance. His commercial savvy, combined with the other managers' extensive aviation experience, has allowed the company to take advantage of the opportunities offered by this new industry.



Real estate shoot

“ This is a hyper-growth industry, seeing anywhere between 500% and 5 000% growth a year. It is therefore important to have an investment partner that one can engage with on a daily basis. The strategy today is not necessarily the strategy in a week's time, and you need a partner that can understand that. – **Peter Venn, Chairman: UAV Industries** ”

THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP Capital to maintain rapid growth rate

Glenheim's financial support provides UAVI with the means to access the staff and other resources required to pursue its growth plans. It is the company's ambition to become the largest drone operator on the African continent. In addition to South Africa, it is already active in numerous countries, including Nigeria, Kenya and Tanzania. To some extent, the opportunities in the rest of the continent are even greater than in South Africa, due to the fact that traditional transport infrastructure is less developed.

Venn says it is encouraging to know that if a big project that requires additional capital comes UAVI's way, it can count on Glenheim to help facilitate funding.

Access to Glenheim's corporate network

UAVI benefits from the Glenheim partners' considerable corporate network. The company has already signed new business following introductions from its investment partners.

Glenheim's managing director, Garreth Bloor, has a thick contact book of investors and business people. Similarly, Richard von Seidel, head of the Glenheim's investment committee is a well-known businessman and a previous managing director at Deutsche Bank, where he spearheaded financial structuring in strategic equity transactions in emerging markets.

Glenheim is also a founding member of the InvestAfrica chapter in South Africa. InvestAfrica, based in London, is a platform for business leaders, investors, and entrepreneurs to gain insight and exposure to information and opportunities from Africa. This network is opening up many doors for UAVI as it expands into the rest of the continent.

First-rate financial management and expertise

With decades of financial and business experience, the Glenheim team has helped UAVI to refine its strategy and look at opportunities in new ways. Two of Glenheim's partners, Louw Barnardt and Dana Pretorius, are also directors at financial consultancy Outsourced CFO, of which UAVI is a client. Outsourced CFO is responsible for managing UAVI's entire financial function, which includes cash flow budgeting, financial decision-making, business analysis and cost structuring, investment and funding readiness implementation, and strategy formulation UAVI also has access to Outsourced CFO's full staff complement for expert assistance in specialist areas, such as international tax and fundraising.

Because of the Outsourced CFO partnership, UAVI is also using the latest cloud accounting technology. This access to live financial information from any device with an internet connection enables management to make more informed decisions. [🔗](#)



Remotely Piloted Aircraft System (RPAS) Pilot setting up



Food writer and TV show host Sarah Graham is one of the chefs who design boxes of hand-selected, fresh ingredients and compile step-by-step recipes for UCOOK

U C O O K

— COOKING MADE EASY



KEY FACTS

Company: UCOOK

Investor: Silvertree Internet Holdings

Year of investment: 2016

Sector: Ecommerce – meal kits (delivery of ingredients and recipes)

Type of investment: Early stage

Employees: 16 full-time and 40 part-time employees (2017)

Employee growth: +120% (2017 year-on-year)

Number of orders: ± 2 000 deliveries weekly (end 2017)

Number of meals: 40 000 to 50 000 monthly (as at 2017)

Break-even point from point of investment: 1.5 years

COMPANY DESCRIPTION

From modest beginnings in the co-founder's home in 2015, dinner kit delivery company UCOOK has grown significantly, distributing up to 1 200 orders a week to clients in Johannesburg, Cape Town, Durban and Port Elizabeth. Up-and-coming South African chefs – including food writer and TV show host Sarah Graham – design boxes of hand-selected, fresh ingredients and compile step-by-step recipes for customers to prepare themselves. Menus are revised weekly to suit health and time conscious consumers as well

INVESTMENT IMPACT HIGHLIGHTS:

- Funding supports short-term growth cycle, scalability of business and improved EBITmargin.
- Underpins direct and indirect job creation, including new management resources.
- Product development and service innovation.
- Strategic direction, guidance and general management oversight.
- Improve governance and professionalise the business.

as vegetarians. All meats are free-range, pasture-reared and grass-fed. The company sources organic products where possible.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

Meal kits have shown significant promise in international markets, with some US firms recently going public. Aided by its strategic brand positioning, product diversification and the rise of an aspiring foodie culture in South Africa, UCOOK

looks set to lead the charge in the local market with its fresh offering, strong chef representation and focus on quality.

Silvertree invested during the course of 2016 and provided strategic guidance and management oversight. This allowed the firm to transition from a start-up business to a robust, scalable small business. Various expansion plans – particularly in and around Johannesburg – are in the pipeline.

THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

The investment supported the company during a meaningful growth phase, allowing it to significantly expand its staff, facilities and freezing space. Due to the perishable nature of meal kits, the sector is very capital intensive, but the additional funding enabled UCOOK to comfortably scale the business to deliver up to 1 200 orders a week.

The increased capital expenditure for its operation in Johannesburg will allow the business to improve its EBIT margin.

A substantial portion of the investment was allocated to internal operations and processes to ensure that the necessary quality control processes were in place to maintain the delivery of a consistent product as orders grew. In an effort to improve the online customer order and support experience and to ensure that it could build a sustainable business on top of its current platform, a considerable investment was made in technology.

By professionalising the business and putting additional business policies in place, the venture capital firm ensured that the portfolio company did not simply focus on its day-to-day operations, but that it also kept its long-term strategic direction and opportunities for expansion in mind. 



Silvertree has definitely been a massive help to ensure that we can scale the business relatively comfortably. It is always difficult when you have 1 000% growth to maintain everything, but they have played a massive role to ensure that we can grow the business, have the necessary funds to do so and to provide oversight.

– Daniel Blignaut, Managing Director: UCOOK

The investment allowed the business to more than double its staff complement to 16 individuals, by creating several direct jobs in its packaging and management divisions over the past year. The expansion of its management team empowered the business to source better quality produce from new suppliers. Indirect jobs were created at UCOOK's courier company, which had to appoint additional drivers to support its growth. Scaling the business required sourcing extra products from new entrants in the small-scale agricultural community – including rural and urban farming projects – supporting further indirect job creation as well as ethical and sustainable farming and production standards. Brand partnerships, strong social and referral-based marketing and the negotiation of mutually beneficial partnerships have contributed to its early success.

Silvertree provided strategic direction, guidance and general management oversight by identifying and refining priority areas that required management's attention. Regular management meetings were introduced and appropriate reporting structures for the firm's key performance indicators and departments were put in place, allowing for the early identification of challenges and new opportunities.





The Wellness Warehouse flagship store on Kloof Street in Cape Town, South Africa



KEY FACTS

Company: Wellness Warehouse

Investor: Infinitus Holdings (formerly Leaf Capital)

Year of investment: 2016

Investor shareholding: Significant minority

Sector: Health & wellness

Type of investment: Later stage venture capital investment

Turnover growth: In excess of 30% from year one of venture capital partnership

Employees: 200+ [as at June 2017]

INVESTMENT IMPACT HIGHLIGHTS

- The opening of 10 Wellness Warehouse stores, as well as the refurbishing of four existing stores, under the venture capital investor's guidance since Infinitus Holdings came on board in July 2016.
- Expansion into the e-commerce space as well as expanded presence in Johannesburg, Pretoria and Cape Town.
- Establishing a future franchising plan for the business.
- Implementing sound governance principles since Infinitus Holdings' involvement, such as reporting frameworks and operational controls.

COMPANY DESCRIPTION

Since its beginnings in 2007, Wellness Warehouse has fast become a thought leader in natural, preventative health and wellness products in South Africa. The Wellness Warehouse brand has grown from a single store on Kloof Street in Cape Town to 28 bricks-and-mortar stores in two provinces and an online retail powerhouse via an attractive e-commerce offering.

Since Infinitus Holdings came on board, Wellness Warehouse has put in place an acting CEO with corporate management experience and is pursuing a bullish roll-out strategy of 60 or more stores. This has been made possible through active engagement and regular meetings with Infinitus.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

According to Infinitus Holdings' Simon Alston, the investor had very exacting standards which Wellness Warehouse both met and surpassed in terms of a scalable, defensible business backed by a strong core management team.

In spite of continuing economic pressure on the consumer, the organic health and wellness space has proven a resilient market with loyal customers, and Wellness Warehouse has enjoyed ever-appreciating revenue success year-on-year since its inception 10 years ago. Due to its commercial prospects, Wellness Warehouse and Infinitus Holdings are in the process of rolling-out more than 60 Wellness Warehouse stores together, across the country.

THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

As a retailer of organic, preventative health items, Wellness Warehouse is committed to selling locally and ethically sourced produce as much as possible, supporting South African producers wherever they can. Wellness Warehouse has also been pro-active in terms of job creation – more than 200 people are now employed at Wellness Warehouse stores in various locations – and the company is committed to growing the business within South Africa, for South Africa.



“

We looked around for the best fit in terms of venture capital investment, and found Infinitus Holdings very well-networked and culturally they understood us. When your business reaches a certain size, you need to de-risk, and Infinitus Holdings has given us lots of support while still letting us maintain the Wellness Warehouse identity.


– Carlos Gomes, Chairman and Co-founder: Wellness Warehouse

”

In the nine years that Wellness Warehouse operated, before Infinitus Holdings invested, the company had opened 19 stores. Since Infinitus Holdings became an investor, the company has opened 10 more stores in just one year with a further three store openings planned for 2017 and has also developed into a highly successful e-commerce business. Infinitus Holdings leaves most operational matters in the care of the Wellness Warehouse team, but maintains involvement in each aspect of the business through informal meetings on a near-weekly basis. Under the guidance of Infinitus, Wellness Warehouse has put in place a robust approval process and sign-off procedure backed by metrics and key performance indicators, as well as being actively involved in any new appointments, new store openings and change in business direction and even using the Infinitus networks to negotiate favourable terms for new stores and funding.

Apart from participating in Wellness Warehouse's quarterly board meetings, Infinitus Holdings has invested in skills development within the Wellness Warehouse family on all matters of running a business. This includes extensive practical advice on corporate procedures of running a successful company, from financial analysis of the company's various expansion projects and guiding company expenses to model “financial discipline”, to educating Wellness Warehouse executives on what KPIs (key performance

indicators) should look like and compiling formal board packs for meetings.

Wellness Warehouse has now set its sights on the KwaZulu-Natal province, with several stores planned for the Durban region, under the guidance of Infinitus Holdings. The company is in the process of looking at shared service offerings with other companies within the Infinitus portfolio such as True Health Holdings. 



Wellness Warehouse café, situated within the Kloof Street store in Cape Town



Adderley station, part of Cape Town's MyCiTi bus service



KEY FACTS

Company: WhereIsMyTransport

Investor: Horizon Ventures

Year of investment: 2015, 2016, 2017

Sector: Transport, Big Data, Platform as a Service

Type of investment: Seed capital

Employees: 40 (2017)

Employee growth: 50 (2019 projection)

COMPANY DESCRIPTION

WhereIsMyTransport is a London and Cape Town-based public transport data and technology company, originally founded in 2008 by then-University of Cape Town students Devin de Vries, Dave New and Chris King in South Africa. In 2015, it evolved from being a transport app development company servicing the City of Cape Town's public transportation system in South Africa, to providing an open platform and data services from 21 cities across Africa and the Middle East. Over 500 web developers are currently signed-up to the open platform to design transport-related information services used by commuters at no cost. However, client projects based on the platforms enabling them to have access to tools or services powered by the platform, requires a formal agreement between WhereIsMyTransport and the client.

INVESTMENT IMPACT HIGHLIGHTS

- Assisting the portfolio company to position itself for entry into new markets and scaling up.
- WhereIsMyTransport offers public transport data from 21 cities in 10 countries across Africa and the Middle East.
- Over 500 developers are signed up to the WhereIsMyTransport platform to build information services.

WhereIsMyTransport's application programming interface (API) has been built on Microsoft's Azure cloud platform to leverage Microsoft's Platform-as-a-Service solutions, and combines data on formal and informal transportation. This means that data from any transportation mode can be collected, connected and analysed through the API - whether it's city buses, metro systems or privately-owned buses and minibus taxis.

The platform supports a range of data, from schedule information to route details, either collected by the company or, where already existing, connected to its platform. This enables clients to update commuters and provide simplified, multi-modal journey planning.

THE COMPANY AS AN INVESTMENT OPPORTUNITY

US-based angel investment firm Horizen Ventures discovered WhereIsMyTransport following a screening of around 150 start-ups in South Africa. Investing in this portfolio company places Horizen in a position to build some test cases as evidence to Silicon Valley investors that VC can work in South Africa.

Horizen Ventures says WhereIsMyTransport is solving a world-scale problem related to informally run public transport in emerging cities – the scale of which many people in Silicon Valley would not likely be aware of.

The WhereIsMyTransport platform enables services such as journey-planning, fare estimators, analytics for more informed infrastructure investment and city planning, and messaging capabilities. The business' data services enable knowledge-driven decision making in any organisation looking for unique insight into an emerging region's mobility networks.

Angel investment and/or seed investment would help the company to scale to its full potential of providing public transport information from millions to billions of users, something the partnership is hoping to achieve in the next few years.

Some of the criteria WhereIsMyTransport looks for in a VC partnership includes:

- an alignment of values and ambition;
- ability to aid the growth and reach of the portfolio company into new markets;
- the length of exit; and
- whether an initial investment would be followed by subsequent rounds of funding.

The portfolio company says it also considers the reputation of the fund manager within the industry and would conduct its own due diligence by speaking to investee companies that have received funding on how they benefited from the VC partnership.

The VC fund managers have offered mentorship capital to the WhereIsMyTransport team in order to foster growth and build capacity. One of WhereIsMyTransport's lead investors is an executive member of the start-up's board, and is fully engaged with the business operations. The portfolio company has increased its number of employees from 16 to 45.



Digitised information enables individuals and organisations to make knowledge-driven decisions and improves access to mobility for millions of people. WhereIsMyTransport began in South Africa, but our strategic focus is growing into new regions. Growing beyond South Africa has brought new expertise and points of view to our team, new market opportunities, and access to wider capital, laying the foundation for scaling the organisation.


– Devin de Vries, CEO: WhereIsMyTransport



THE IMPACT OF THE VENTURE CAPITAL PARTNERSHIP

The public transport data and technology company has received three rounds of funding from a number of VC investors. In July 2015, WhereIsMyTransport received an initial angel funding of £600,000 (R12 million) from a cohort including Horizen Ventures, and was legally incorporated as a business in the UK. This was followed by a seed funding, split into two rounds. The first round of £1.2 million (R19.8million) was in August 2016 by Silicon Valley-based fund Omidyar Network and Goodwell Investments. The second round saw Global Innovation Fund and Bombardier inject another £1.2 million (R19.8 million) in June 2017. Horizen Ventures participated in both tranches.

The first half of the seed funding was raised ahead of the company rebranding and launching its open platform. In late 2016 the platform was expanded from eight cities to 21 cities and signed up over 500 software development start-ups and companies to utilise the data.

WhereIsMyTransport has a South Africa BEE-empowered arm that is able to licence its technologies into the local ecosystem. The main future objective of WhereIsMyTransport is scaling its open platform and data services to impact emerging cities across Africa and beyond. 



Informally run public transport taxi rank in Cape Town

API	Application Programming Interface
B-BBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
Blockchain	A digital ledger in which transactions made in bitcoin or another cryptocurrency are recorded chronologically and publicly.
CBD	Central Business District
CEO	Chief Executive Officer
CFO	Chief Financial Officer
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ESD	Enterprise and Supplier Development
EU	European Union
FMCG	Fast Moving Consumer Goods
HBD	Here Be Dragons
ICO	An Initial Coin Offering or ICO is a form of crowdfunding, or crowd-sale, where a new set of crypto-tokens is created on a public blockchain and sold to early backers to raise capital for a technology project or startup. This capital can be used to develop products, bring products to market or enable operations to scale. Tokens give companies the unique ability to employ network effects and incentivise early users or customers to grow the network, benefiting both the user and the startup. <i>(Source: Newtown Partners)</i>
ICT	Information and Communications Technology
IDC	Industrial Development Corporation
IPL	Instructor Pilot Licence
KPI	Key Performance Indicators
MBA	Masters in Business Administration
POS	Point of Sale
PRASA	Passenger Rail Association of South Africa
R&D	Research and Development
ROC	Remote Operating Certificate
SA	South Africa
SARS	South African Revenue Services
SAVCA	South African Venture Capital and Private Equity Association
SME	Small and Medium-sized Enterprise
SNCF	Société Nationale des Chemins de Fer
UK	United Kingdom
USA/US	United States of America
VC	Venture Capital

“ Newtown Partners has effectively advised and assisted Augmentors through its initial R&D and staffing period. At times, the team at Newtown Partners were even willing to assist with day-to-day management. I am confident that their extensive marketing knowledge will drive a successful product launch. As advisors, Newtown Partners ensure that we remain focused and utilise our resources effectively.

– **Gert Kruger, CEO: Augmentors Game** ”

“ It has been an excellent partnership with Silvertree. It has allowed Fernando and I to focus on the business and cracking the market which is the most challenging and important part and what we are passionate about!

– **Michael Muller, Co-Founder and CEO: CarZar** ”

“ Our venture capital industry is still very young, but I think South Africa is a great place to test in preparation for expanding into other African countries. You need African companies to solve African problems.

– **Berno Potgieter, CEO and Co-founder: Domestly** ”

“ Taking venture capital financing was the best move that the business could have made - they call it ‘smart money’ for a reason!

– **Justin Coetzee, Founder & CEO: GoMetro** ”

“ It is quite rare for a relatively young company such as ourselves to participate in large regional roll outs and international projects. Without the VC investment, we definitely wouldn't have been able to grow so quickly.

– **Wesley Lynch, CEO: Snappify** ”

“ The venture capital investment and partnership was a pivotal event that enabled the company to succeed in its technology development and enter the international marketplace. The inputs from HBD as part of the board and through periodic engagements and interactions helped make the journey successful and pleasant at the same time.

– **Tom Johnson, Chief Technical Officer: FlightScope** ”

“ There is a lot young entrepreneurs can learn from VC investors. I have seen many entrepreneurs accept the lessons and grow. On the other hand, I have also seen a lot of entrepreneurs get frustrated with what their VC investor asks of them, dismissing their guidance, which results in the demise of the business. In the long run entrepreneurs should take to heart what VC investors ask of them because it's their biggest contribution towards the growth of both the entrepreneur and the business.

– **Hannes van Rensburg, Founder: Fumdamo** ”

“ Raising capital by way of the investment made by HBD provided enormous value, not only in tangible but also intangible terms. The strategic support, mentoring, advice and hands on assistance received from HBD and Knife Capital over the years of the investment have been invaluable.

– **Patrick Eldon, CEO: orderTalk** ”

“ Before Kingson became involved, we were running Spazapp as a ‘side-hustle’ with part-time employees. Their investment allowed us to really focus full time on perfecting and launching the platform. It has also enabled us to rapidly accelerate our growth.

– **Tim Strang, CEO: Spazapp Systems** ”

“ Although we are a for-profit business with the aim to increase value for shareholders, part of our mission is also to create jobs and increase the incomes of domestic cleaners. Because Edge Growth, through the Vumela fund, also has social development goals, there is perfect alignment. They understand the social aspect of our business.

– **Aisha Pandor, Co-founder and CEO: SweepSouth** ”

“ It became evident that there was a lot of skills we didn't have as a team that we needed to scale the business. The KNF team has been around the block. They have been involved in a number of businesses, which have grown and which were ultimately sold, so they understood exactly how we needed to achieve what we wanted to do. The biggest value they bring to the table is experience, knowledge and their network.

– **James Hedley, Director: Quicket** ”

“ We looked around for the best fit in terms of venture capital investment, and found Infinitus Holdings very well-networked and culturally they understood us. When your business reaches a certain size, you need to de-risk, and Infinitus Holdings has given us lots of support while still letting us maintain the Wellness Warehouse identity.

– **Carlos Gomes, Chairman and Co-founder: Wellness Warehouse** ”

“ This is a hyper-growth industry, seeing anywhere between 500% and 5 000% growth a year. It is therefore important to have an investment partner that one can engage with on a daily basis. The strategy today is not necessarily the strategy in a week's time, and you need a partner that can understand that.

– **Peter Venn, Chairman: UAV Industries** ”

“ Silvertree has definitely been a massive help to ensure that we can scale the business relatively comfortably. It is always difficult when you have 1 000% growth to maintain everything, but they have played a massive role to ensure that we can grow the business, have the necessary funds to do so and to provide oversight.

– **Daniel Blignaut, Managing Director: UCOOK** ”

“ Digitised information enables individuals and organisations to make knowledge-driven decisions and improves access to mobility for millions of people. WhereIsMyTransport began in South Africa, but our strategic focus is growing into new regions. Growing beyond South Africa has brought new expertise and points of view to our team, new market opportunities, and access to wider capital, laying the foundation for scaling the organisation.

– **Devin de Vries, CEO: WhereIsMyTransport** ”

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