

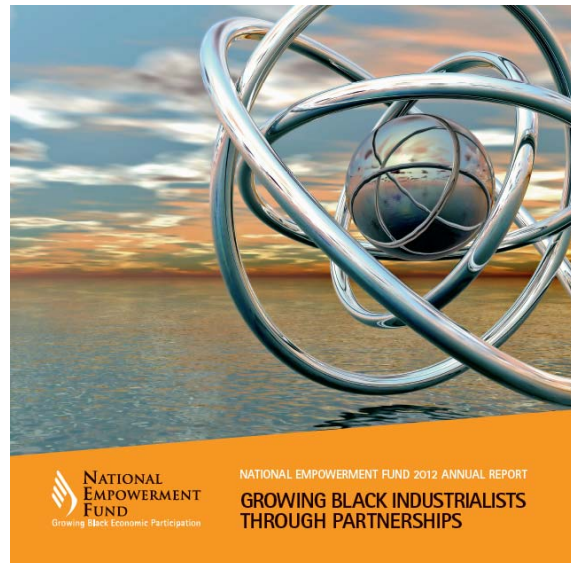


the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

Presentation to the Portfolio Committee on Trade & Industry

 **NATIONAL
EMPOWERMENT
FUND**
Growing Black Economic Participation



Presented by
Ms Philisiwe Buthelezi, CEO
19 September 2012

Presenters

1. Ms Philisiwe Buthelezi
Chief Executive Officer
 2. Ms Hlengiwe Makhathini
Divisional Executive: Venture
Capital & Corporate Finance
 3. Mr Setlakalane Molepo
Divisional Executive: SME &
Rural Development
 4. Mr Selvan Naicker
Acting Chief Financial Officer
-



Contents

Section	Slide
About the NEF	4
Performance Report as at 31 March 2012	20
Asset Management (savings & investments)	33
Strategic Projects Fund (early-stage projects)	39
Annual Financial Statements	47
Performance Report: Q1 – 31 August	54
Performance Against Targets	61
Investee Stories	69



1994
Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

About the NEF

 NATIONAL
EMPOWERMENT
FUND
Growing Black Economic Participation



NEF Mandate...



Established by the National Empowerment Fund Act No 105 of 1998, the NEF is a driver and a thought-leader in promoting and facilitating Black economic participation through the provision of financial and non-financial support to Black empowered businesses, as well as by promoting a culture of savings and investment among Black people



Unpacking the NEF Mandate ...



Financial & non-financial support

Fund Management

1. Fund black-empowered businesses
2. Business plan toolkit
3. Mentorship support
4. Early-stage investments

Culture of savings & investment

Asset Management

1. Investor Education
2. Public Share Offers
3. Enterprise Development
4. BEE Repository



Key Strategic Objectives...

- Promote and support business ventures pioneered and run by black people;
- Promote the understanding of equity ownership among black people;
- Provide black people with direct and indirect opportunities to acquire share interests in State Owned and private business enterprises;
- Encourage and promote investments, savings and meaningful economic participation among black people.



Historic Build Up...

PERIOD	PLANNING	ACHIEVEMENT
<p>↓</p> <p>Years ending 31 March 2003</p> <p>↓</p> <p>Year ending 31 March 2004</p> <p>↓</p> <p>30 May 2004</p> <p>↓</p> <p>Year ending 31 March 2005</p>	<p>Established under National Empowerment Fund Act 105 of 1998</p> <hr/> <p>Strategic Plan approved by Minister and the dti prior to launch</p> <hr/> <p>Strategic Plan approved by DG and DDG (dti) Business Plan approved by DG (dti)</p>	<p>Establishment of NEF Ventures Fund with IDC</p> <hr/> <p>Transfer of MTN and Uthingo share set asides</p> <hr/> <p>Launched current products R2 billion allocated by NT for capitalisation – 5yrs to 2009</p> <hr/> <p>First capital drawdown of cash of R150M First investments disbursed</p>



Historic Build Up cont...

PERIOD	PLANNING	ACHIEVEMENT
	<i>APPOINTMENT OF NEW EXECUTIVE MANAGEMENT AND BOARD OF TRUSTEES</i>	
<p style="text-align: center;">↓</p> <p>Year ending March 2006</p>	Rolling Strategic Plan 2005/8	Second capital drawdown of cash of R370 million NEF disburses in excess of R200 million Approval of 1 st retail issue



Report Card: 2006/2009...


PERIOD	PLANNING	ACHIEVEMENT
<p style="text-align: center;">↓</p> <p>31 March 2007</p>	<p>Rolling Strategic Plan 2006/9</p> <p>Business Plan 2006/7</p> <p>Conducted first BEE funding survey</p> <p>NEF Framework for the Transfer of State Allocated Investments</p> <p>Asonge Share Scheme Business Plan</p>	<p>Establishment of the Pre-Investment Support Unit</p> <p>Re-design of Performance Management System</p> <p>Establishment of Risk and Compliance Unit</p>
<p style="text-align: center;">↓</p> <p>31 March 2008</p>	<p>Rolling Strategic Plan 2007/10</p> <p>Business Plan 2007/8</p> <p>Conducted second BEE funding survey</p>	<p>Establishment of the Post Investment Support Unit</p> <p>Launch of Asonge Share Scheme</p> <p>Conceptualisation of Business Planning software</p> <p>Launch of first brand building and communications campaign</p> <p>Re-engineering of investment process, risk tolerance and risk management system</p> <p>Establishment of Strategic Projects Fund</p>



Report Card: 2006/2009 cont...

PERIOD	PLANNING	ACHIEVEMENT
<p style="text-align: center;">↓</p> <p style="text-align: center;">31 March 2009</p>	<p>Rolling Strategic Plan 2008/11</p> <p>Business Plan 2008/9</p> <p>Conducting third BEE funding survey, incorporating case studies</p>	<p>Conception of mentorship programme</p> <p>Roll out of provincial round tables</p> <p>Launch of Project Siyasebenza (ERP)</p> <p>Developing treasury management policy and operations (in conjunction with NT)</p> <p><i>Reached milestone of R1 billion in approvals (September 2009)</i></p>
APPOINTMENT OF CURRENT BOARD OF TRUSTEES		
<p style="text-align: center;">↓</p> <p style="text-align: center;">31 March 2010</p>	<p>Rolling Strategic Plan 2008/11</p> <p>Business Plan 2010</p> <p>Conducting third BEE funding survey, incorporating case studies</p>	<p>Key milestones for 2010:</p> <ul style="list-style-type: none"> • Disbursements up 81% • Approvals up 38% by value and 85% by number • Invested portfolio is over R1,8bn • Business planner launch • Mentorship programme • SPF investments in feasibility studies • Launch of investor education • Award of Asonge Bonus shares

Report Card: 2006/2009 cont...

PERIOD	PLANNING	ACHIEVEMENT
 31 March 2011	Business Plan 2010/11 - 2013 Crafted Vision 2020 Statement	<ul style="list-style-type: none">• Exceeded R2 billion in funding approvals• Launched the NEF Enterprise Development Fund• Continuation of the Investor Education campaign• Opened three regional offices (Eastern Cape, KwaZulu Natal and Western Cape)

The Strategic Planning Framework...

Broad Based Black Economic Empowerment The Codes of Good Practice

NEF Act:
Objectives

The dti
Objectives

Sectors

NEF

- BPOs; Tourism; Biofuels; Construction; Agri-processing; Transport; ICT & Media; Mining services; Franchising

Industrial Policy Action Plan:

- Automotives, components, medium and heavy commercial vehicles
- Plastics, pharmaceuticals and chemicals
- Clothing, textiles, footwear and leather
- Biofuels
- Forestry, paper, pulp and furniture
- Strengthening linkages between cultural industries and tourism
- Business process servicing

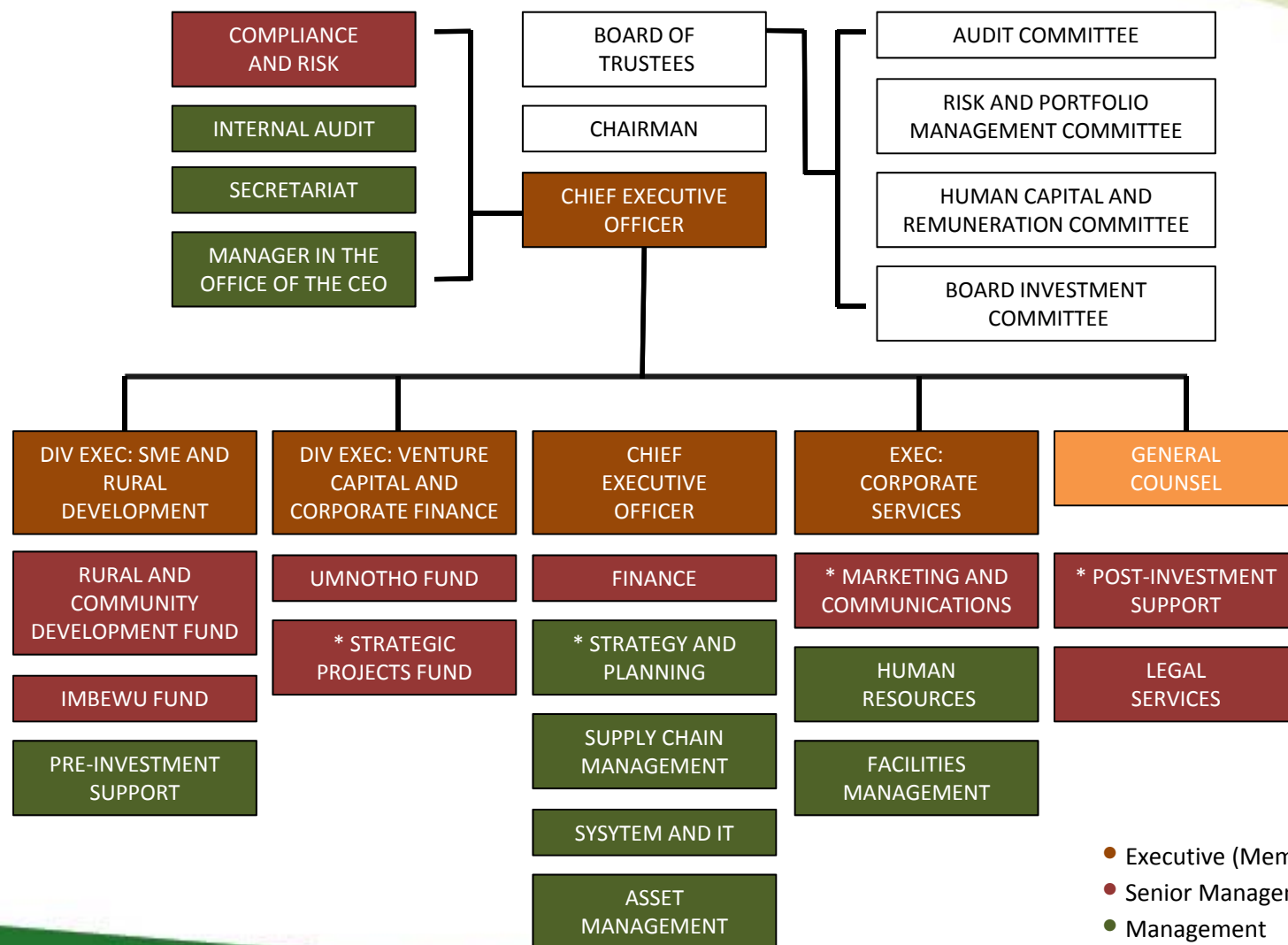
Government Priorities:

- 1) Acceleration of economic growth and transformation, creating decent work and sustainable livelihoods;
- 2) Infrastructure development to achieve social and economic goals and rural development;
- 3) Skills and human resource development;
- 4) Build a developmental state and improve public service.

NEF Sectors in line with national industrial objectives



Organisational Structure



- Executive (Member of Exco)
- Senior Management
- Management
- * New Report lines

Key Positioning Objectives of the NEF ...

- To focus exclusively on providing investment funding to black businesses and wealth creating investment opportunities for black individuals;
- To be experts in investment and funding structures for black empowered businesses and black individuals in direct support of black empowerment policy;
- To stimulate sector targeted economic growth, job and wealth creation as a direct product of investment and funding activities; We will demonstrate how we have aligned the NEF's sectoral focus with other initiatives in government.
- To act as a warehousing conduit for the transfer of valuable equity allocations and investments to the black public;
- To ensure broad-based and sustainable empowerment;
- To maximize the empowerment dividend in lieu of the financial dividend;
- To create a prudently and effectively managed fund with a time horizon of at least 10 years;
- To maintain and grow the capital base of the NEF and provide funding to create a self sustainable real return to stakeholders;
- To differentiate against existing business funding offerings by other operating Development Finance Institutions (DFIs);
- To work in partnership with both public and private sectors to leverage additional funding from commercial banks and other DFI's.



Additional Key Positioning Objectives ...

- To evaluate the effectiveness of black empowerment policy and the development thereof;
- To capitalise on the status of being the only gazetted “BEE Facilitator”:
 - Full black ownership status in the case of equity warehousing;
 - Providing a BEE recognised fund allowing for full recognition for Enterprise Development scores for contributing companies;
 - Effectively investing Enterprise Development contributions into mandated and recognised activities;
 - Focusing on Enterprise Development contributions as a key source of additional capital for the NEF.



NEF's Performance and Investment Criteria...

“The Empowerment Dividend”

The assessment of impact is not driven only by financial returns but by measurement in terms of “The Empowerment Dividend” made up as follows:

- Broad Based Black Economic Empowerment Ownership, management control, employment equity etc.
- Black Women Empowerment
- Job Creation
- Growth Sectors
- Geographic Spread
- Investment Return

NEF Funding Criteria

Each application is assessed in terms of the following criteria:

- minimum percentage of black ownership or interest,
- black women empowerment,
- black managerial and operational involvement,
- commercial viability of the business,
- job creation,
- specific product criteria,
- geographic location of the business (rural/urban/disadvantaged areas),
- community involvement,
- compliance with all the relevant laws and regulations,
- return on investment, and
- the possibility of co-funding with another public or private sector institution.



NEF Positioning as a BEE Funder...



“The NEF provides the funding solutions for the implementation of the BB BEE Codes of Good Practice.”

CODE OF GOOD PRACTICE	NEF FUNDING PRODUCT	OTHER DFI's & BANKS
Ownership <i>Weighting 20%</i>	Acquisition Finance Capital Markets Fund Liquidity and Warehousing Fund Strategic Projects Fund Indirect: Start up; Expansion Capital	IDC – Higher value threshold Sefa – Lower value threshold DBSA – Infrastructure focused Land Bank – Agri focused Banks – Security focused
Management Control <i>Weighting 10%</i>	Acquisition Finance Indirect: Capital Markets; Start up; Expansion Capital	As above
Employment Equity <i>Weighting 15%</i>	Indirect: All products via approval process	Department of Labour
Skills Development <i>Weighting 15%</i>	Indirect: All products via approval process	SETA's
Preferential Procurement <i>Weighting 20%</i>	Start up and Expansion Capital: Procurement Contracts Funding	Sefa – Overlap R250k to R3mill
Enterprise Development <i>Weighting 15%</i>	Start up and Expansion Capital establishes “Beneficiary Entity”	Sefa – Overlap R250k to R3mill Other DFI's & banks as above
Socio-Economic Dev. <i>Weighting 5%</i>	Rural & Community Development Funding - “Contribution Beneficiaries”	SEDA to provide NFS to co-ops Land Bank – Agri focused

NEF Funding Products in detail

On average, the NEF's business loans are repayable over 4 to 7 years, and up to 10 years where marked with an asterisk (*) below:

Product / Fund	Description	Funding amounts
Entrepreneurship Finance	For starting a new business	R250 000 – R10 million
Procurement Finance	For tenders and contracts	R250 000 – R10 million
Franchise Finance	For pre-approved franchise licenses	R250 000 – R10 million
Acquisition Finance	For black investors acquiring a stake in medium to large companies	R2 million – R75 million
Expansion Capital	For growing an existing business	R250 000 – R75 million
*New Ventures Finance	Participation in green-field projects	R5 million – R75 million
Capital Markets	Listing on the JSE or its junior AltX markets	R2 million – R75 million
Liquidity and Warehousing	The NEF has Black Facilitator status, which can help black shareholders and companies wishing to sell a stake while keeping the shareholding black	R2 million – R75 million
*Rural and Community Development Fund	for agri-processing, tourism, mining & beneficiation, manufacturing etc	R1 million – R50 million
*Strategic Projects Fund	Venture-capital fund investing in early-stage projects for the purpose of developing strategic industrial capacity in poverty nodes, in renewable energy, business process outsourcing, tourism, manufacturing, mining and mineral beneficiation etc.	R1 million – R75 million



the dti
Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

Performance Report as at 31 March 2012

 **NATIONAL
EMPOWERMENT
FUND**
Growing Black Economic Participation

Performance Highlights – 31 March 2012 (1)

Outputs	Highlights
Funding Approvals	To date, approved 384 black-empowered businesses to the value of R3.716 billion During the financial year, approved 98 deals worth R1.16 billion (2011: 62 deals worth R749 million).
Creating Jobs	From inception to date, the NEF has supported more than 29 000 jobs, including more than 12 800 new jobs which it has created. The NEF supported 3 124 jobs for the 2011/12 financial year, of which 2 367 were new jobs created.
Strategic Projects Fund (SPF)	Established to increase the participation of black people in early stage projects that are aligned to national Government policy targeted sectors. 14 projects were approved, together amounting to a pipeline of approximately R30 billion, with an employment-creation potential of between 150 000 and 200 000 new jobs over the next 1 to 3 years.
Fund a Woman, Fund a Nation	From inception to date, 21,5% of the NEF's funded portfolio has comprised businesses that are owned and managed by black women.
Socio-Economic Development	Mandated to facilitate proper establishment of Workers' Trusts, Community Trusts and Co-operatives.



Performance Highlights – 31 March 2012 (2)

Outputs	Highlights
National Footprint	Opened six regional offices in Eastern Cape, KwaZulu-Natal, Mpumalanga, Limpopo, Free State and the Western Cape. The Northern Cape and the North West offices will open in the next financial year.
Investor Education / NEF Imbizo Campaign	Visited all nine provinces over the past two years, reaching more than 17 000 people who attended the various seminars. They were educated in how to save and invest, personal financial discipline, shares, dividends, bonds and the property and money markets.
Enterprise Development Fund	An MOU with UK Trade and Investment where a partnership is being developed to target UK-owned subsidiaries in South Africa to develop, new black-owned enterprises that are able to become new South African suppliers in the value chains of these multinationals.



Performance Highlights – 31 March 2012 (3)

Outputs

Highlights

Mentorship Support

Now 5 years old, Post Investment department:

- Tabled 679 formal investee progress reports,
- Conducted 1 319 site visits over this period,
- Spend a massive R14.7m in mentorship support to investees,
- Facilitated 12 exits totalling R147 162 330 on the investment portfolio.

Entrepreneurship Development

- 39 entrepreneurs with Shanduka incubator programme.
- 13 delegates with the Endeavour Boot Camp.
- Running Business Today - business training delivered in two regions per province to SMEs.

Financial Sustainability

The NEF has maintained financial discipline and prudence with a further unqualified audit opinion on its financial reporting for the year. Financial sustainability has also been upheld, with the NEF being able to report an overall annual portfolio return of 3% after impairment provisioning and write-offs.



Investment Performance: Approved deals

Period	NEF APPROVED DEALS					
	Value Approved in Period	Target Value of Approvals for Period	Cumulative Value Approved as at relevant date	Number Approved	Target number of Approvals for period	Cumulative Number Approved as at relevant date
March 2004	R 5 million	-	R 5 million	1	-	1
March 2005	R 30 million	-	R 35 million	16	-	17
March 2006	R 357 million	-	R 393 million	54	-	71
March 2007	R 205 million	-	R 598 million	23	-	94
March 2008	R 128 million	R 587 million	R 726 million	23	75	117
March 2009	R 329 million	R 687 million	R 1,055 billion	46	74	163
March 2010	R 749 million	R1,020 billion	R 1,804 billion	61	77	224
March 2011	R749 million	R835 million	R2,553 billion	62	70	286
March 2012	R1,162 million	R897 million	R3,716 billion	98	115	384



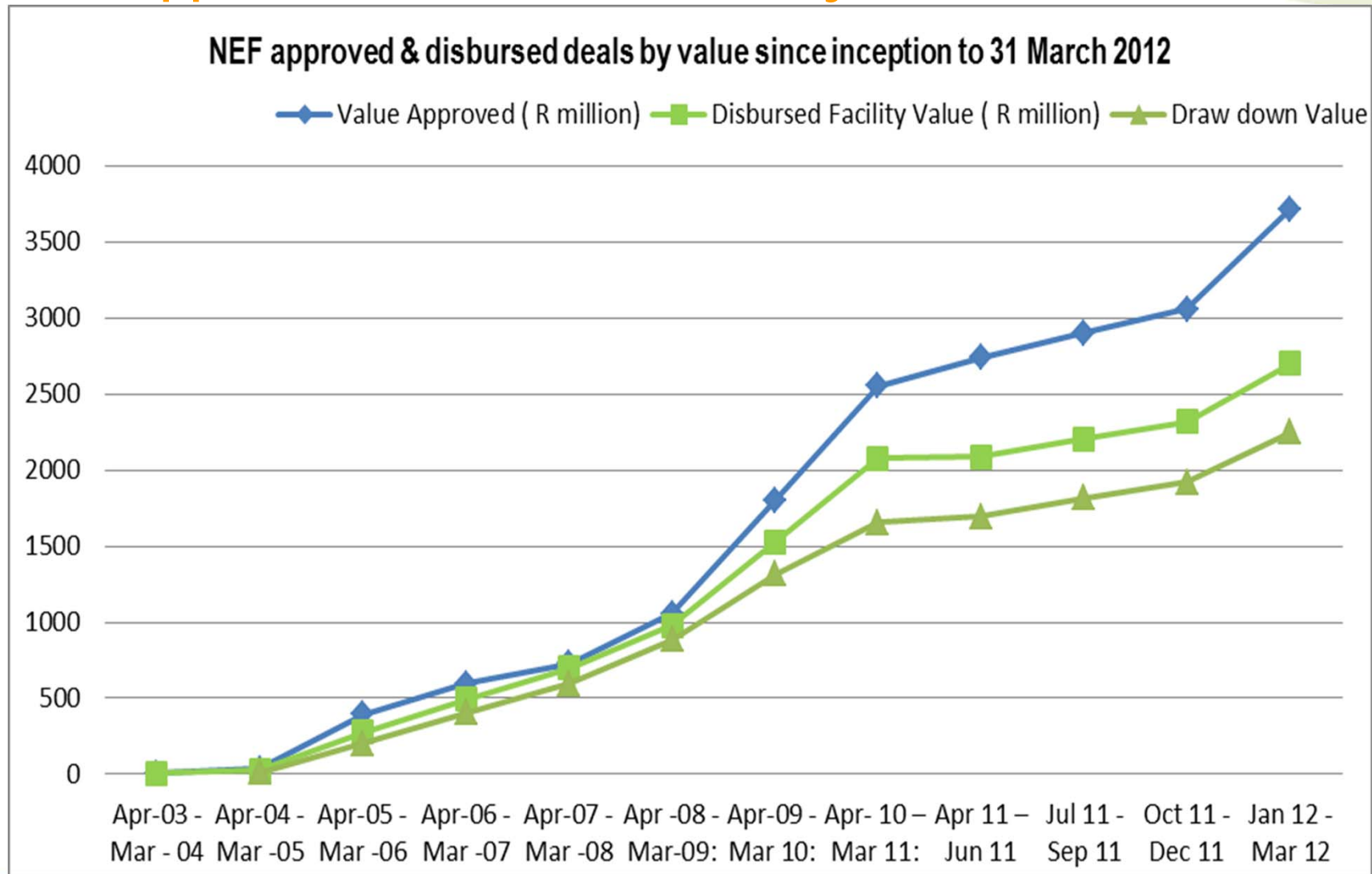
Investment Performance: Disbursed deals

Period	NEF DISBURSEMENT FACILITIES					
	Value Disbursed in Period	Target Value of Disbursed for Period	Cumulative Value Disbursed as at relevant date	Number Disbursed	Target number of Disbursed for period	Cumulative Number Disbursed as at relevant date
March 2004	R 5 million	-	R 5 million	1	-	1
March 2005	R 20 million	-	R 25 million	10	-	11
March 2006	R 251 million	-	R 276 million	52	-	63
March 2007	R 219 million	-	R 495 million	23	-	86
March 2008	R 203 million	R 450 million	R 698 million	31	60	117
March 2009	R 279 million	R 525 million	R 977 million	43	69	160
March 2010	R 549 million	R 950 million	R 1,526 billion	48	67	208
March 2011	R552 million	R 710 million	R 2,078 billion	49	62	257
March 2012	R620 million	R750 million	R2,698 billion	73	95	330

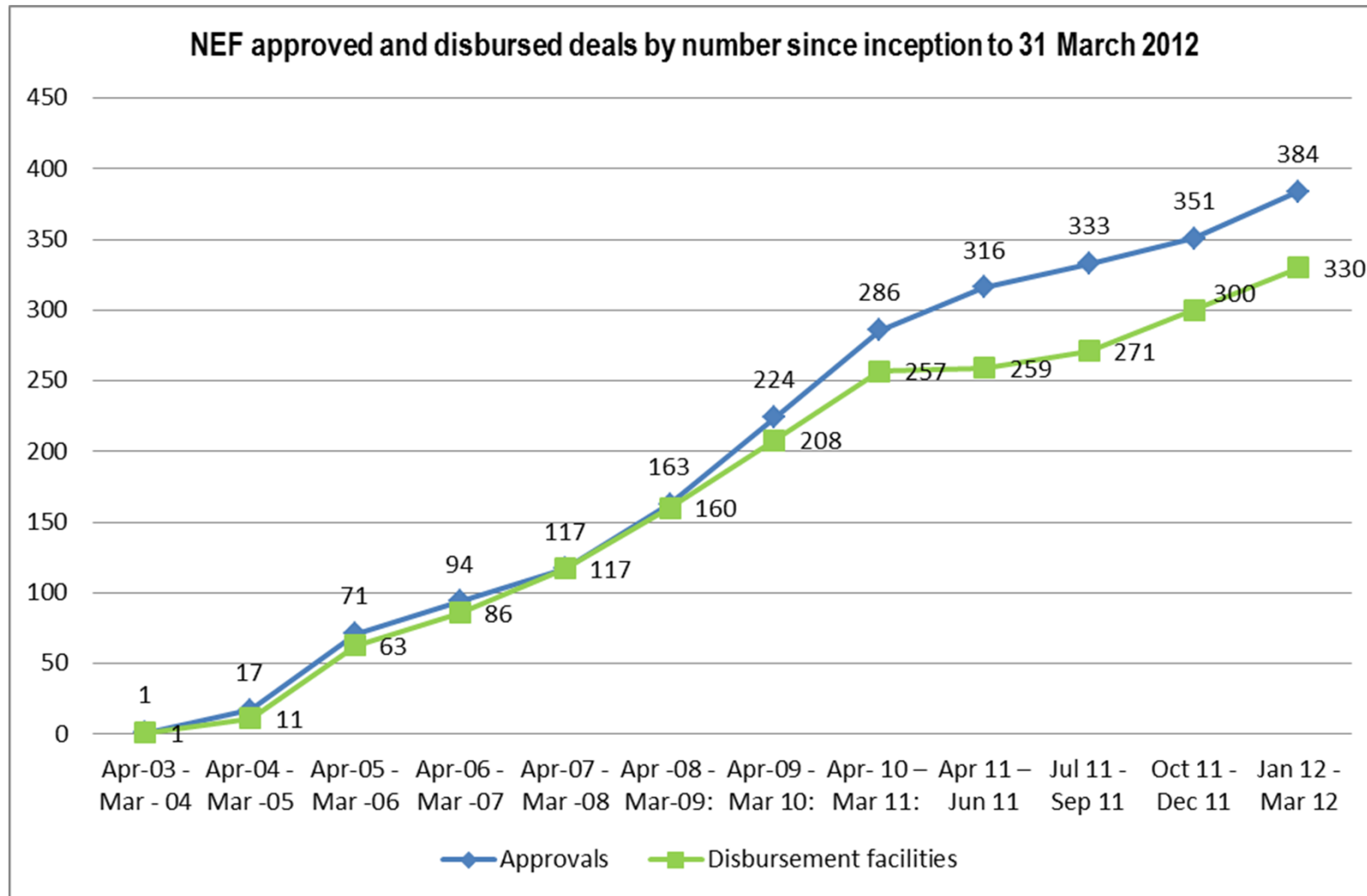
Please note: The disbursement values listed here are the disbursement facilities during each financial period. This will differ from the actual advances made against disbursement facilities.



NEF Approvals & Disbursements by Value

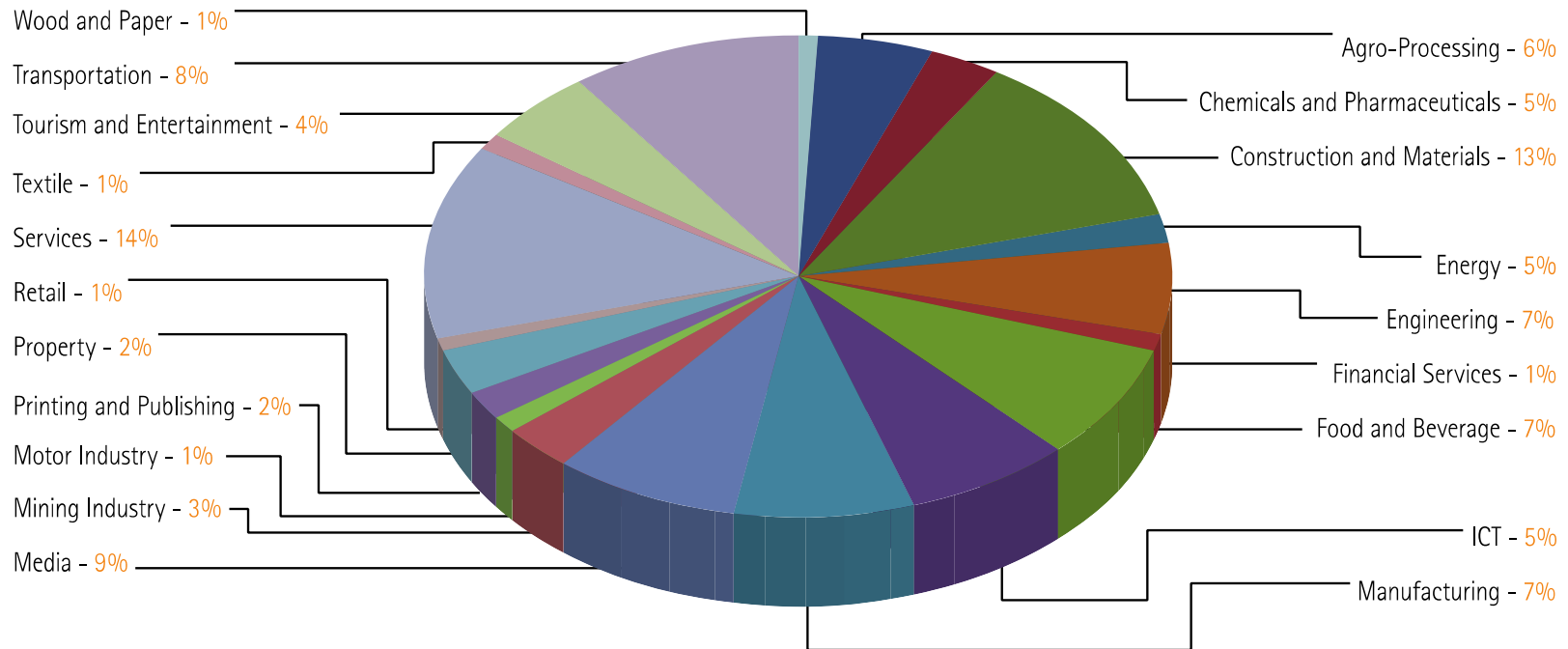


NEF Approvals & Disbursements by Value



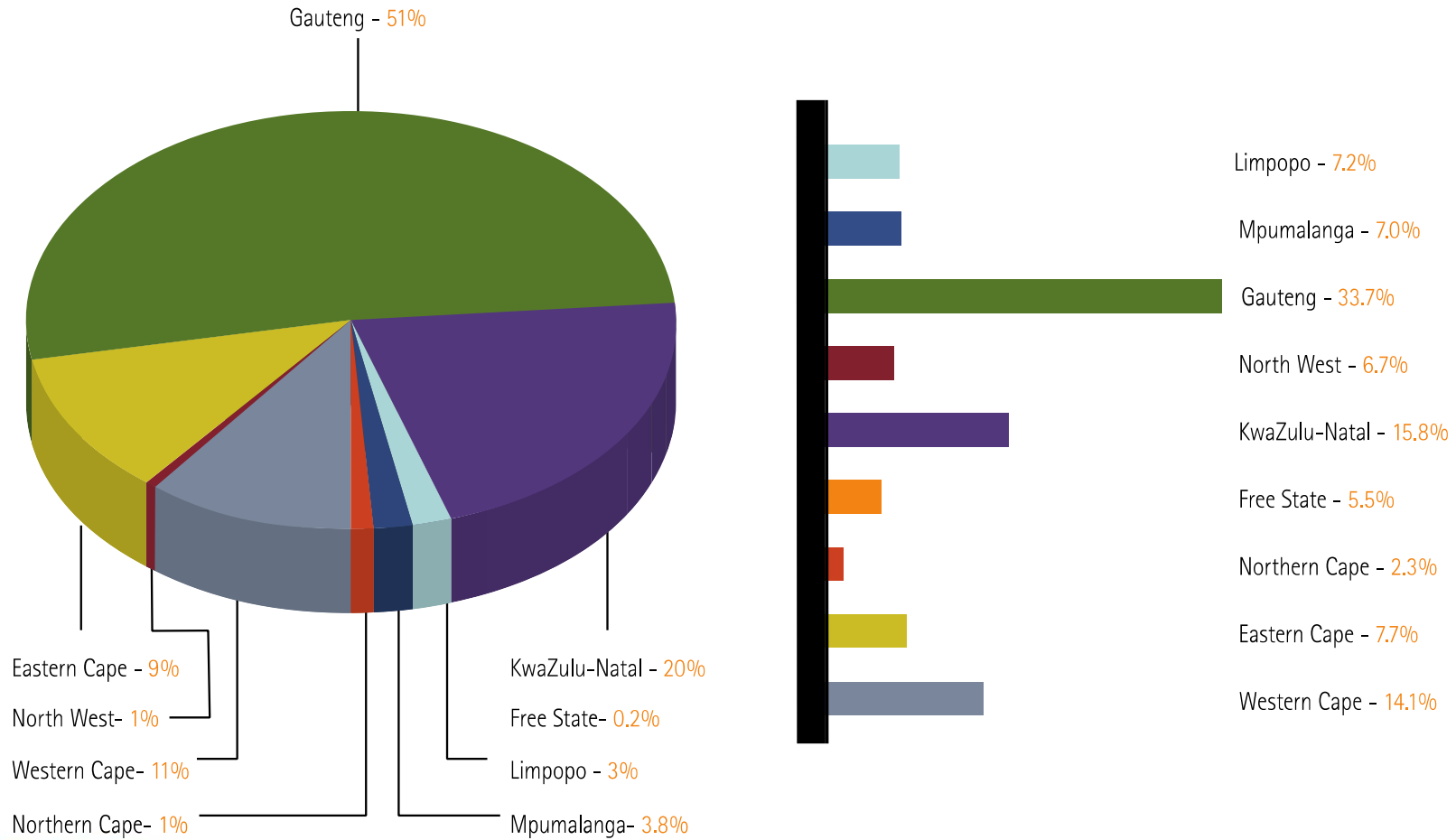
NEF Investment by Sector

As at 31 March 2012

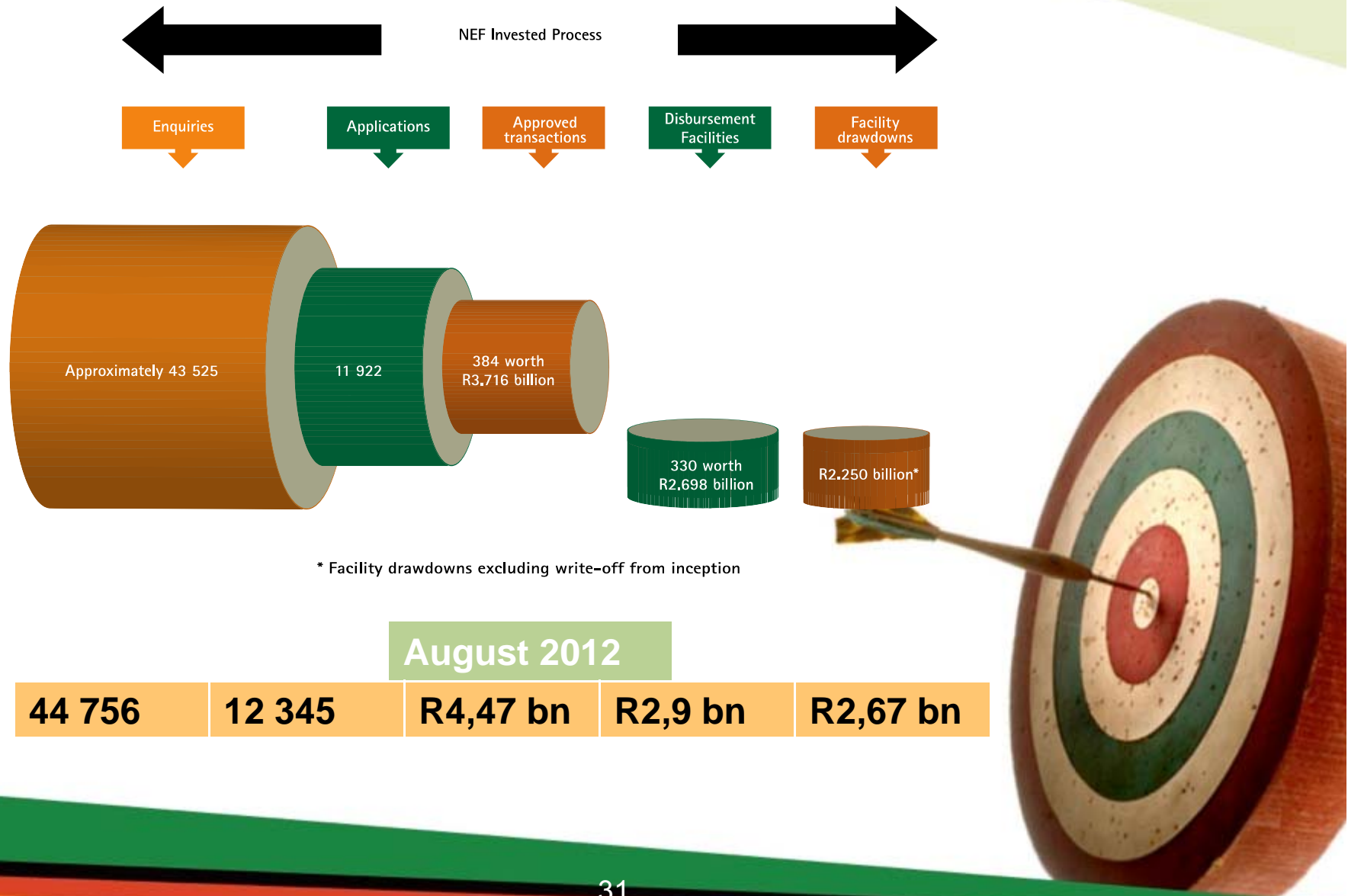


NEF investment by Province

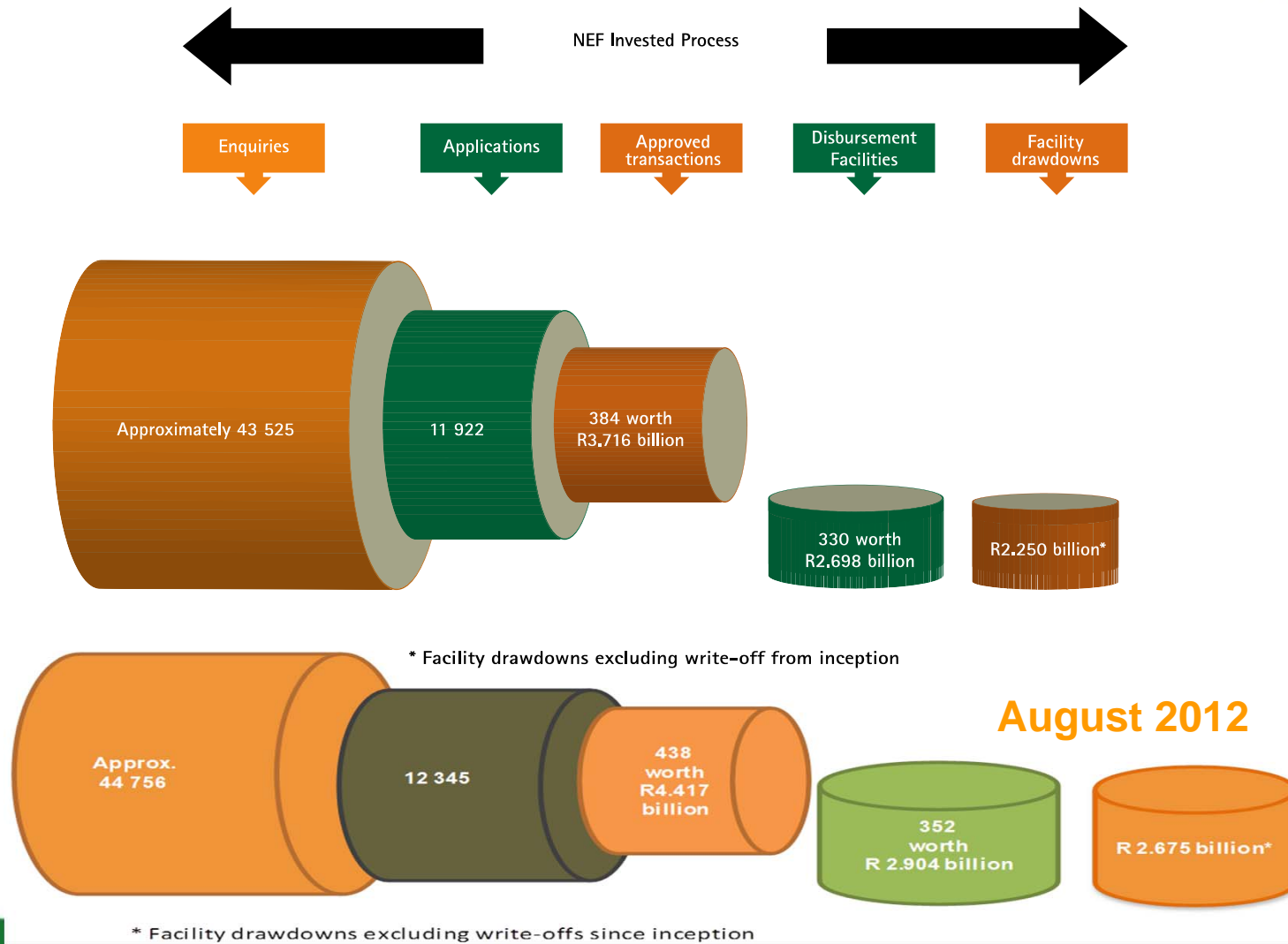
GDP Contribution by Province as at 31 March 2012



NEF Invested Process since the inception to 31 March 2012



NEF Invested Process since the inception to 31 March 2012



Women Empowerment

Key Performance Area

- Contribute to the participation of black women in the economy

Annual Targets/Outputs to be achieved by 31 March 2012

- Maximise women's participation in transactions to at least 40%.

Comments

- NEF continues to vigorously target women in its campaigns:

31 March 2009	31 March 2010	31 March 2011	31 March 2012	31 Aug 2012
31%	41%	47%	21,5%	29%



Fund a Woman, Fund a Nation

Investors	86 000
Amount	R1,3 billion
Women by number	49%
Women by value	43%



Job Creation



31 March 2011

25 500 jobs



31 March 2012

29 000 jobs



31 August 2012

30 000 jobs

PROJECTIONS

150 000 – 200 000

Over the next one to three years

Industrial projects valued at R30 billion



the dti
Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

Strategic Projects Fund: Early-Stage Projects



NATIONAL
EMPOWERMENT
FUND

Growing Black Economic Participation



Strategic Projects Fund

A unit of the NEF established with a mandate to increase the participation of black people in early-stage projects

Aligned to national Government policy.

Seeks competitive opportunity for the South African economy and the inclusion of black participation in opportunities at the outset of projects, as opposed to doing so during equity closure



Strategic Projects Fund - Development and Economic Impact

- Creation of new manufacturing and industrial capacity
- Creation of new jobs as opposed replacement capital finance
- Investment of new fixed capital into economically depressed areas or poverty nodes
- Creation of an inclusive economy by increasing South African participation
- Increase RSA export earning potential and reduce import dependency
- Increase co-investment and linkage with foreign direct investment



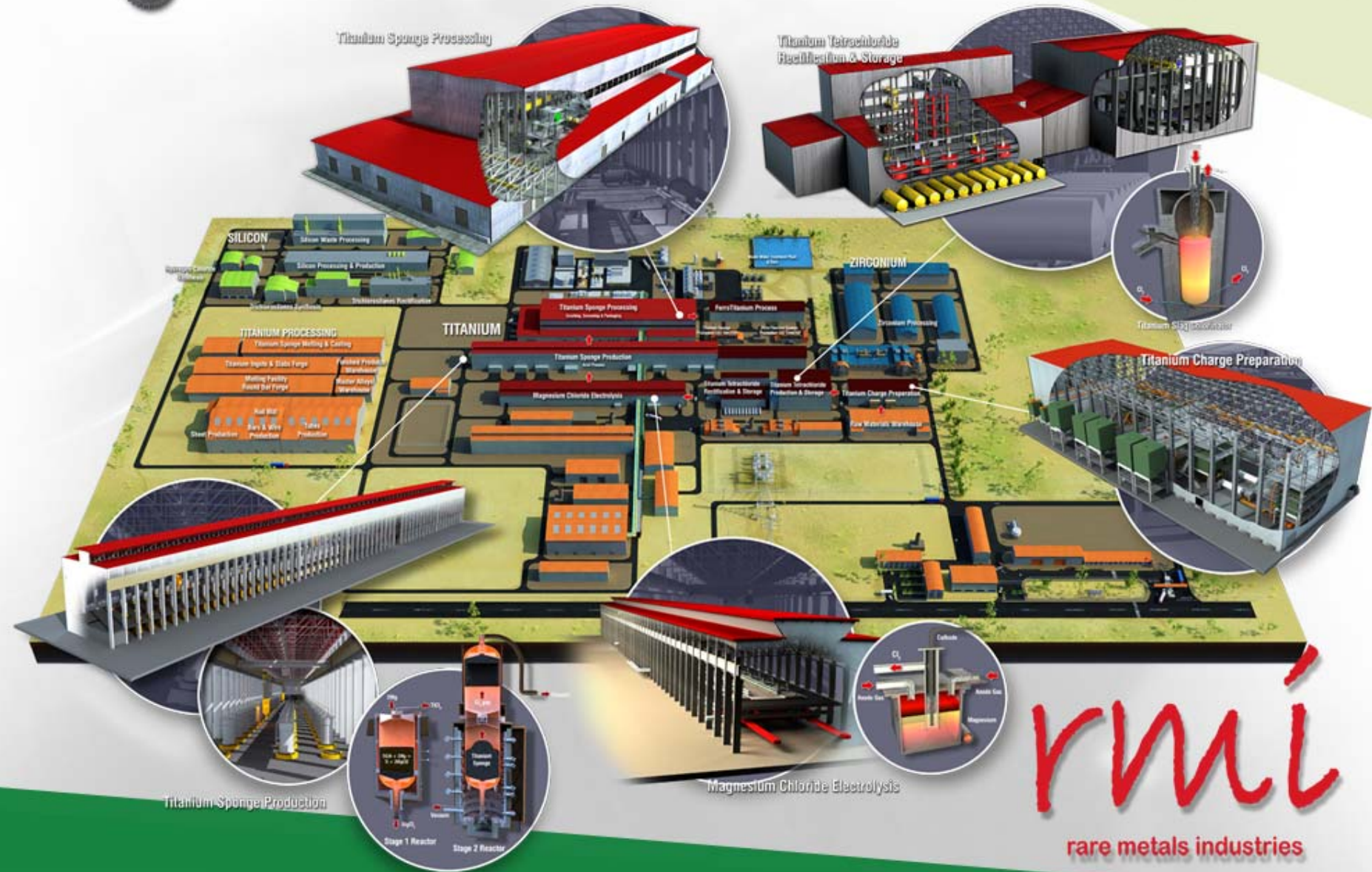
Strategic Projects Fund

RENEWABLE ENERGY	MINERAL BENEFICIATION	AGRO-PROCESSING	BUSINESS PROCESS OUTSOURCING	INFRASTRUCTURE	TOURISM
Biofuels Biomass Biogas Solar Wind Hydro	Exploration Mining Beneficiation	Chemicals Food Sector Textiles Manufacturing	Call Centres	Telecoms Roads Airports Dam and Bridges Sewer and Services Stadiums	SkyTowers



South Africa's
re [INDUSTRIALISATION]

**NATIONAL
EMPOWERMENT
FUND**
Growing Black Economic Participation





Rare Metal Industries

Mineral (Beneficiation)



Core Business:

Integrated Metals Refining Plant - Producing pure Titanium (Ti), Zirconium (Zr), Hafnium (Hf) and PV grade Silicon (Si)

Location:

Saldana, Western Cape (South Africa)

Competitive Advantage:

World's largest $ZrSiO_3$ & TiO_2 mineral sands

Strategic Drivers:

- Secured processing technology (Kroll Process) from Russia
- Identical processing technology & equipment for Ti and Zr production
- Increasing demand for specialty metals in aerospace, defense, medical, nuclear power & offshore oil rigging

Investment Opportunity:

ZAR15bn (\$2.1bn or €1.5bn)

Job Creation:

+7,000 (2,800 direct)



Rare Metals Industries Mineral [Beneficiation]

Products and Annual Capacities

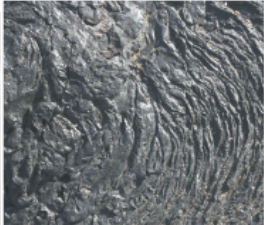





Production	Output Range	Quantity [tpa]
Titanium	Titanium Sponge Ferrotitanium	15 000 2 400
Zirconium	Zirconium Dioxide Silicon Dioxide Hafnium-free Metallic Zirconium	10 000 5 000 2 000
Magnesium	Refined Magnesium	25 000
Polycrystalline Silicon	Polycrystalline Silicon	3 000
Titanium goods production Zirconium goods production	Titanium finished goods Zirconium finished goods	12 000 1 000
Chlorine production Chlorinated Paraffin production	Chlorine Chlorinated Paraffin	46 500 14 600





Rare Metals Industries Mineral [Beneficiation]

Titanium Beneficiation: Value Add per Process

CADEX: T/O Ratio 2:1.25

Titania Slag	Titanium Sponge	Hot Rolled Coil	Plate and Sheet	Pipe, Wire and Powder	Ti Master Alloys
\$440/t	\$8k/t	\$15k/t	\$30k/t	\$50k/t	\$100k/t
					

CADEX: T/O Ratio 1:2

Boiler Tubes Heat Exchangers	Aircraft and Engine Components
\$500k/t	\$1m/t
	



Rare Metals Industries Mineral [Beneficiation]

Prefeasibility Study -Key Performance Indicators

Overall Capital Cost	2.1 Billion USD
Estimated Annual Turnover	1.8 Billion USD
Direct Employment Opportunities	2800 Permanent jobs
Indicative IRR [USD]	21.4%
Payback Period	4.7 years [from production]
Land Required	170ha
Power Requirements	150MW
Finished Product Outputs	65 000 tons p.a. Containerised
Raw Feedstock	150 000 tons p.a.
Estimated cost for BFS and FEED	R350 million



i3 - Africa Infrastructure [Broadband]

Core Business:

Deployment of 'last mile broadband fibre network'

Location:

National [South Africa]

Competitive Advantage:

Fibre deployment technology using sewers and existing services

Strategic Drivers:

- Fibre deployment 50% cheaper and 4x faster
- Increasing broadband demand due to increasing communications access
- SA with 1st world backbone infrastructure
- Liberalisation of the telecommunications industry and move to ECA

Investment Opportunity: \$128m [ZAR900m or €90m]

Job Creation: +200 jobs [50 direct]





BUSA Holdings Infrastructure [Healthcare]

Core Business:

More than 500 beds Private Hospital group for the mid-high end care market with specialist core services central to each hospital

Location:

Greenstone [Gauteng - 250 beds], Strand [Western Cape - 100 beds], Bloemfontein and Harrismith [Free State - 230 beds]

Strategic Drivers:

- Increasing pressure for beds on private health and public hospitals
- Increasing affordability of quality health care and NHI potential impact
- Medical technology advancement and efficiency in health care deployment
- Increasing ailments with an aging population

Investment Opportunity: \$168m [ZAR1.2bn or €123m]

Job Creation: 1200 jobs [Nursing Aides, Dr's...]





SA Metals Equity Metals [Beneficiation]

Core Business:

Production of 500ktpa Pig iron [95-97% Fe Content] from calcine tailings

Location:

Brits, North West Province [South Africa]

Competitive Advantage:

Secured a submerged arc furnace lance technology with capability of reducing Fe₂O₃ in the presence of TiO₂

Strategic Drivers:

- Secured 30 million tons of calcine from SA's mineral processing legacy
- Iron ore contracts re-structuring between miners and steel makers
- Environmental remediation supported by economic metals recovery

Investment Opportunity: \$250m [ZAR1.8bn or €180m]

Job Creation: +450 jobs





Thin Film Solar Technology Renewable [Energy]

Core Business:

40MWp Thin Film Solar Panel Manufacturing Plant

Location:

Paarl, Western Cape [South Africa]

Strategic Drivers:

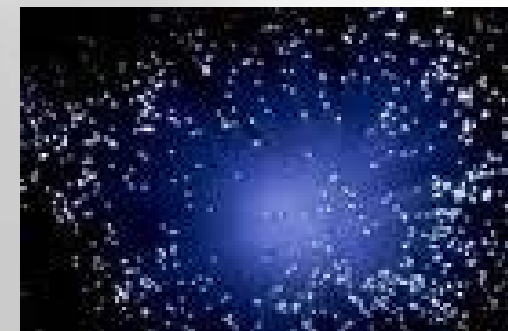
- Technology efficiency greater than 14% on solar cell module
- Composite materials CU, In, Ga, Se and S cheaper per watt developed
- SA driving to diversify energy mix to increase cleaner energy sources

Investment Opportunity:

\$150m [ZAR1.1bn or €110m]

Job Creation:

+250 jobs [150 direct]





NEF Renewable Energy Project Portfolio

Project	Source	Capacity	Jobs	Stage	Tot. Cost (US\$ mn)	Invested (US\$ mn)	Investment Opportunity (US\$ mn)
Karbochem Cogeneration	CHP plant	60 tph 6MW	50	FC	20	20	30 (future expansion)
Hluhluwe Wind Farm	Wind	40MWp	20	BFS	19.5	0.73	18.8
MSW to Bioethanol	Cellulosic Waste		430	PFS	350	1.3	348.7
Coega Biodiesel	Waste Vegetable Oil	175 mn liters p.a.	80	BFS	46	1.3	44.7
Thin Film Solar Technology	Solar	40MWp	250	FC	150		



Current SPF Deal Allocation

Project	Sector	Current NEF Equity	Total Invested	Total Project Size	NEF Future Equity Rights
RMI	Mineral Beneficiation	30%	13 500 000	15 000 000 000	2 250 000 000
SA Metals	Mineral Beneficiation	29%	40 000 000	1 950 000 000	282 750 000
Coking Coal	Mineral Beneficiation	85%	3 000 000	500 000 000	122 500 000
Silica	Mineral Beneficiation	49%	7 000 000	1 500 000 000	367 500 000
Coconut Water	Agro-Processing	49%	5 000 000	50 000 000	12 250 000
Busa Hospitals	Infrastructure	49%	110 000 000	1 600 000 000	392 000 000
Hluhluwe Wind Farm	Renewable Energy	30%	62 700 000	1 240 000 000	60 500 000
Milk 4 Life	Agro-Processing	49%	2 000 000	50 000 000	12 250 000
Maluti Trans Frontier Tourism Route	Tourism	45%	3 000 000	350 000 000	85 750 000
i3 Africa	Infrastructure	30%	150 000 000	900 000 000	135 000 000
Radisson Blu Kruger resort	Infrastructure	60%	10 000 000	260 700 000	93 852 000
Waste Plastics to energy	Renewable Energy	20%	4 000 000	60 000 000	6 000 000
TFST	Renewable Energy	8%	37 000 000	2 300 000 000	92 000 000
MSW to Bioethanol	Renewable Energy	49%	10 000 000	800 000 000	196 000 000
Waste Tyre recycling	Renewable Energy	49%	8 000 000	50 000 000	12 250 000
Renu	Renewable Energy	55%	36 000 000	-	-
Karbochem	Renewable Energy	40%	48 000 000	150 000 000	48 000 000
Tyre Manufacturing Research	Manufacturing	60%	12 500 000	55 000 000 000	13 475 000 000
FIS Biofuels	Renewable Energy	30%	10 000 000	600 000 000	90 000 000
Underground Property Ventures	Infrastructure	50%	3 500 000	50 000 000	12 500 000
MiBT	Manufacturing	20%	10 000 000	50 000 000	5 000 000
Paediatric Dental Facility	Infrastructure	49%	600 000	100 000 000	24 500 000
Pre-Paid Fuel Budgeting Solutions	Infrastructure	40%	1 000 000	100 000 000	20 000 000
Richards Bay Wind Farm	Renewable Energy	17%	69 500 000	1 700 000 000	69 500 000
Auto Disable Syringes	Manufacturing	49%	9 200 000	200 000 000	49 000 000
Iburst	Infrastructure	6%	50 000 000	820 000 000	82 000 000
Mzansi Washing Powder	Manufacturing	45%	10 500 000	50 000 000	11 250 000
Totals			726 000 000	85 430 700 000	18 007 352 000

SME Market Failures

The NEF seeks to address the following market failures:

- Lack of access to finance
- Lack of access to markets
- Lack of specific industry-knowledge and/or management experience
- Limited or no equity contribution
- SMEs have low bargaining power with suppliers and customers (they are price-takers)
- SMEs compete with well-established businesses
- They are often undercapitalized and have low asset base
- SMEs are characterised by lack of accurate and reliable information, and lack of business-planning skills
- Lack of management depth – small and multifunctional, and often lack a range of business-management skills



NEF Funding Products in detail

On average, the NEF's business loans are repayable over 4 to 7 years, and up to 10 years where marked with an asterisk (*) below:

Product / Fund	Description	Funding amounts
Entrepreneurship Finance	For starting a new business	R250 000 – R10 million
Procurement Finance	For tenders and contracts	R250 000 – R10 million
Franchise Finance	For pre-approved franchise licenses	R250 000 – R10 million
Acquisition Finance	For black investors acquiring a stake in medium to large companies	R2 million – R75 million
Expansion Capital	For growing an existing business	R250 000 – R75 million
New Ventures Finance	Participation in green-field projects	R5 million – R75 million
Capital Markets	Listing on the JSE or its junior AltX markets	R2 million – R75 million
Liquidity and Warehousing	The NEF has Black Facilitator status, which can help black shareholders and companies wishing to sell a stake while keeping the shareholding black	R2 million – R75 million
*Rural and Community Development Fund	for agri-processing, tourism, mining & beneficiation, manufacturing etc	R1 million – R50 million
*Strategic Projects Fund	Venture-capital fund investing in early-stage projects for the purpose of developing strategic industrial capacity in poverty nodes, in renewable energy, business process outsourcing, tourism, manufacturing, mining and mineral beneficiation etc.	R1 million – R75 million

NEF Funding Criteria

Each application is assessed in terms of the following criteria:

- minimum percentage of black ownership or interest,
- black women empowerment,
- black managerial and operational involvement,
- commercial viability of the business,
- job creation,
- specific product criteria,
- geographic location of the business (rural/urban/disadvantaged areas),
- community involvement,
- compliance with all the relevant laws and regulations,
- return on investment, and
- the possibility of co-funding with another public or private sector institution.



Business Planning?

www.nefbusinessplanner.co.za



- Simple to use
- Free to the public
- Step by step question & answer process
- Helps with financial projections
- Formats into a Word document
- Confidential (password-protected)
- Download and print
- Submit to any funder



Mentorship

Ongoing mentorship support across the country

- Globally, 30% of start-ups fail in the first 2 years,
- Less than 50% survive beyond 4 years
- Mentors across the country to help businesses
- Expert advice on strategy and operations
- Improve the chances of the business succeeding
- Provided for free to NEF investees



Investee Stories

Some of the Franchises Funded to date



Rural and Community Development Fund

Rationale

1. Investing in the upliftment and empowerment of South Africa's black rural and community groups.
2. To secure the participation of rural black South Africans in viable community owned enterprises.

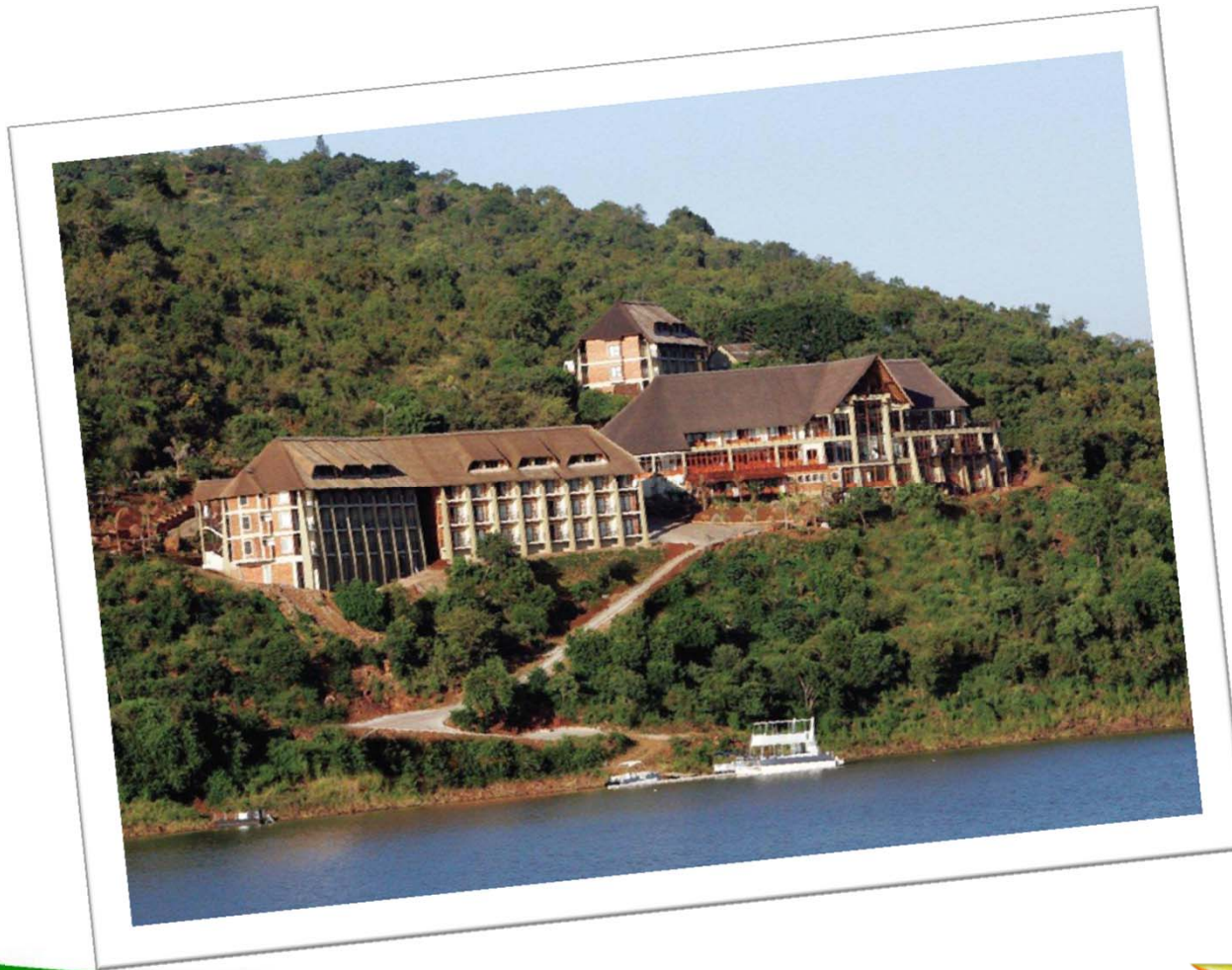
Objective

1. Unlock the full entrepreneurial capability & potential of black people in rural economy.
2. Facilitate structural changes in rural economic activities & inclusive rural development activities
3. Increase the extent of participation in rural enterprises-communities, workers & co-ops
4. Provide project funding & encourage Broad Based Black participation in support of communities
5. Assist with skills development and social planning
6. Make in roads into the poverty nodes or outlying provinces



Turning Villagers into Shareholders

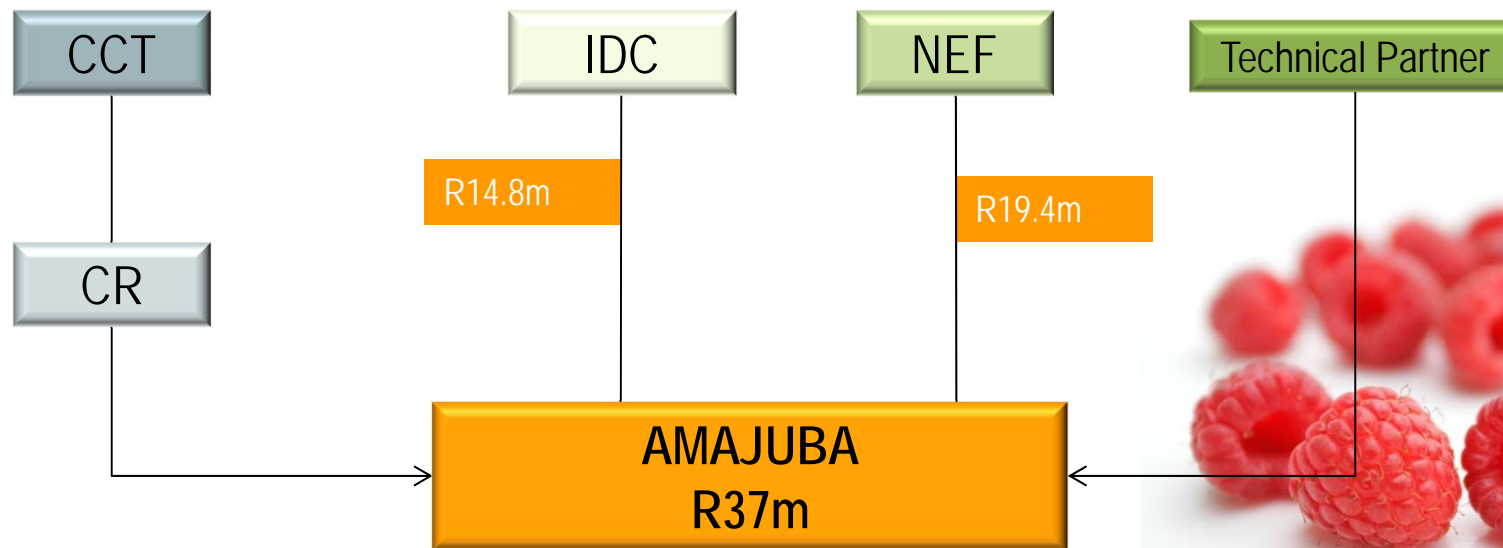
The community owns this 4-Star hotel!



- This is a R50 million project
- The NEF invested R28,3 million
- The Trust represents 22000 beneficiaries in the Jozini area (Northern Kwa-Zulu Natal)
- Overlooks the third largest lake in South Africa
- The hotel has 60 rooms
- Accommodates 144 guests



A Sweet Deal for the People!



- 60 HA raspberry farm in Amajuba district, KZN
- Farm established on land secured through restitution process
- Supply local and export markets (70% of production)
- Tap into growing popularity of raspberries
- Supplies berries to Europe
- Supplies berries to Woolworths

Asset Management: Promoting a Culture of Savings & Investment

Enterprise Development Fund

Broad – Based Black Economic Empowerment Codes of Good Practice – Section 9(1) Series 600 provides that companies make monetary or non monetary contributions either recoverable or non recoverable for development, sustainability and financial and operational independence of beneficiaries.

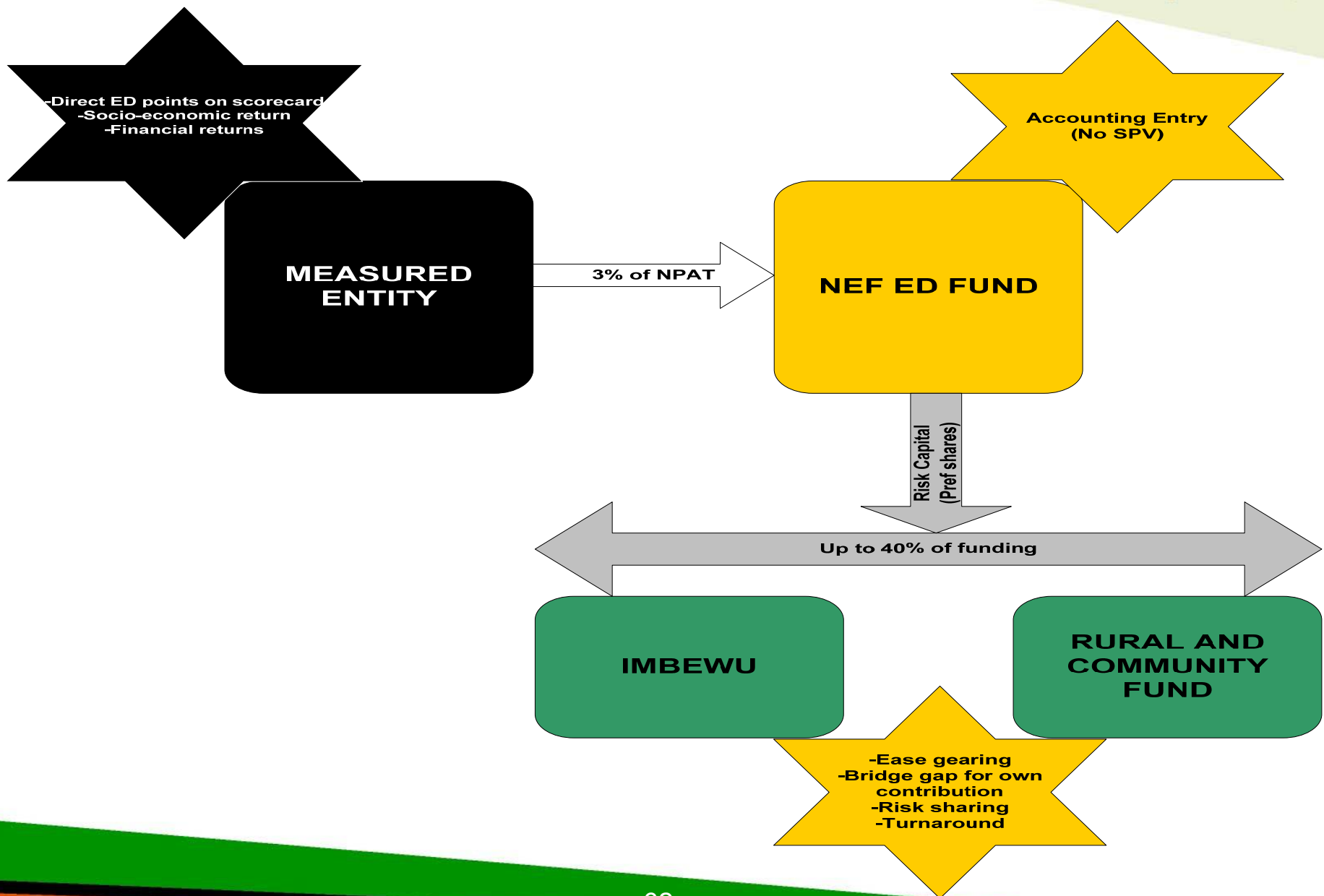


Why Enterprise Development?

- Limited management time to spend on non-core business
- Insufficient knowledge of BEE ED requirements
- Insufficient resources and skills to support BEE start-ups, which require significant skills injection to achieve economic viability
- Poor economies of scale achieved based on number of initiatives
- Lack of time and resources to identify sustainable Beneficiaries;
- Lack of a business model to maximise recognition of contribution;
- Lack of a process to monitor progress on projects and to introduce corrective measures, where necessary;
- Delaying implementation until the right partner comes along; and
- Reservation of spending lump sum due to fear that money will be wasted or misused.



Approach



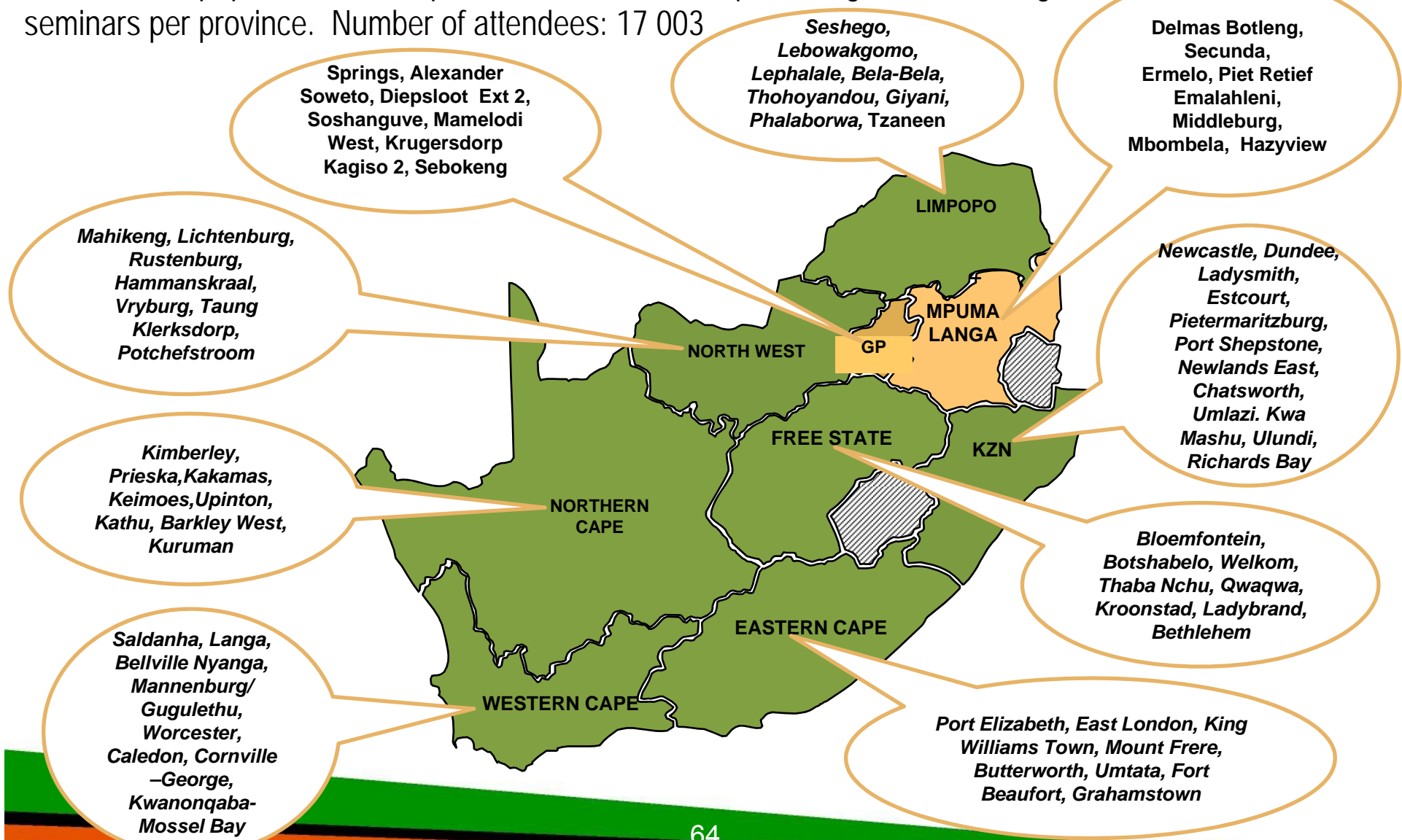
Investor Education Impact Analysis

- The Asset management division continued with the Investor Education Imbizo's across the remaining 4 provinces i.e. North West, KZN, Mpumalanga and Gauteng for the purpose of taking Investor Education to the people, as part of the mandate to promote a culture of savings and investment.
- This campaign enabled the NEF to bring more and more Black people, into the economic mainstream by encouraging them to save and invest in the various asset classes. This objective is part of the larger mandate of promoting and facilitating Black economic participation.
- In total, the division has facilitated 76 seminars across 9 provinces, mainly in rural towns, with 17 003 potential black investors having participated in this programme.
- In addition, the campaign raised the profile of the NEF throughout the nine (9) South Africa; 17 003 people are now aware of the NEF's products & services and the investor education information through this campaign.
- Facilitation in vernacular and translation of the booklets helped the delegates who were semi illiterate. The interaction for better understanding was useful.



Performance Highlights - Investor Education

Investor Education campaign was rolled out in the Eastern Cape, Northern Cape, Free State Province, Limpopo, Western Cape, North West, KZN, Mpumalanga and Gauteng with 8 seminars per province. Number of attendees: 17 003



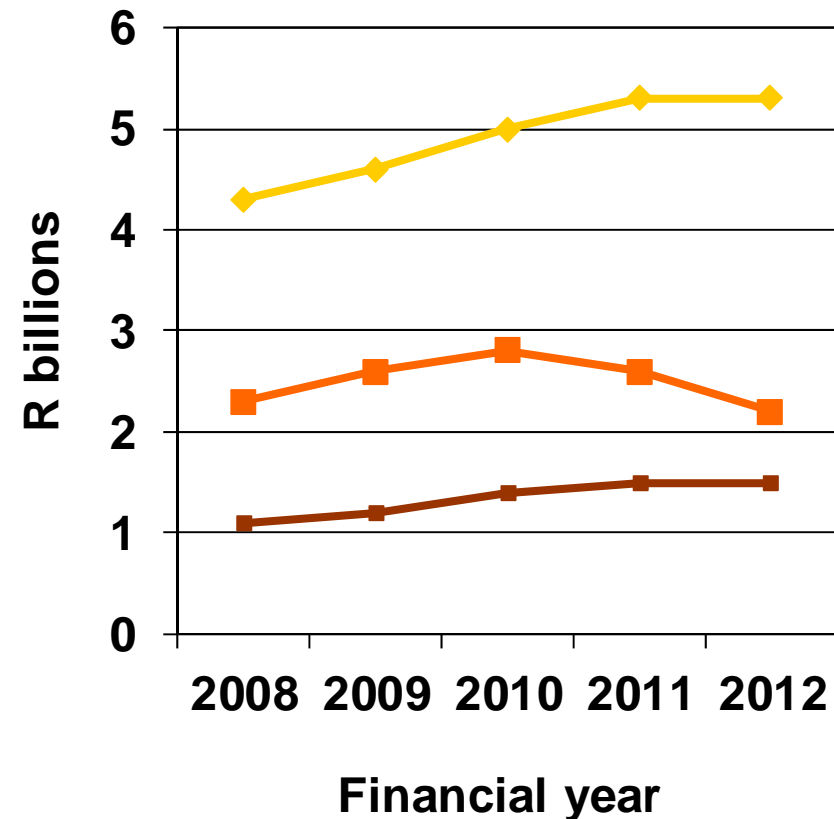
Annual Financial Statements

For the financial year ending 31 March 2012

Headline Financial Results:

For the year ending 31 March 2012

- Net asset value R5.3 billion
(2011: R5.3 billion; 2010: R5 billion)
- Cash balances R2.2 billion
(2011: R2.6 billion; 2010: R2.8 billion)
- Surplus for the year -R6 million
(2011: R75 million; 2010: R199 million)
- Accumulated surplus R1.5 billion
(2011: R1.5 billion; 2010: R1.4 billion)

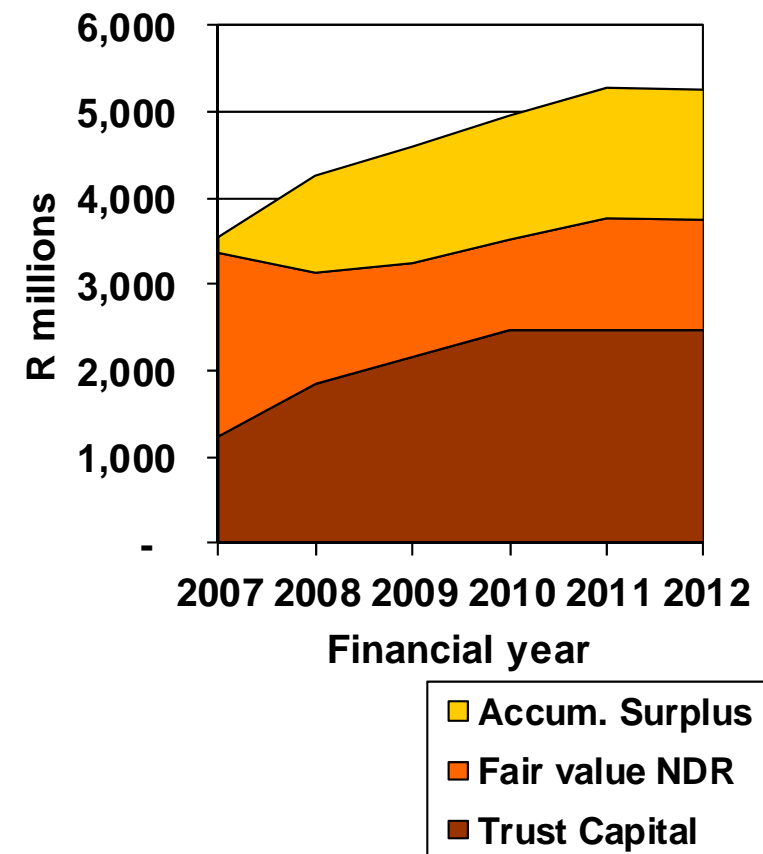


Headline Financial Results

for the year ending 31 March 2012:

Contribution to Net Asset Value

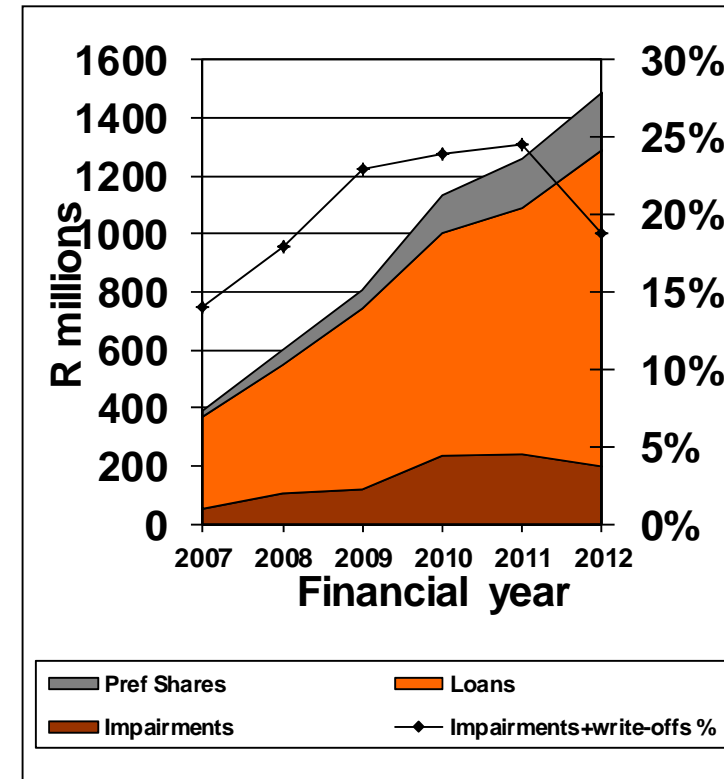
	<u>2012</u>	<u>2011</u>	<u>2010</u>
	R m's	R m's	R m's
Trust Capital	2 468	2 468	2 157
Fair value NDR	1 281	1 297	1 050
Accum. Surplus	1 509	1 515	1 440
- Operations	(187)	(153)	(20)
- Financing	230	181	244
- Equity	(49)	47	(25)
- Surplus b/f	1 515	1 440	1 241
NAV	5 258	5 280	4 647



Headline Financial Results for the year ending 31 March 2012

Loan/ Preference Share Impairments

- Loan draw downs: R429 million (2011: R194 million; 2010: R295 million)
- Preference share draw downs: R15 million (2011: R50 million; 2010: R68 million)
- Impairment provision increase: R80 million (2011: R103 million; 2010: R171 million)
- Write-offs: R119 million – 8% (2011: R94 million – 6.8%; 2010 R56 million – 4.7%)



Financial Results Against Budget

	Actuals	Budget
	For the year – March 2012	For the year – March 2012
Operations	R'000s	R,000s
Income – Operating/Investments	340,416	353,000
Operating Expenses	(179,457)	(188,492)
Other projects	(12,441)	(38,600)
Investment Impairments	(105,092)	(110,000)
Loss on Disposal of Investments	(15,055)	
Fair Value Adjustments	(34,354)	
Net (Deficit)/Surplus	(5,983)	15,908
Headcount – staff numbers	157	179
Facility Drawdown's	596,637	450,000



the dti
Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

Performance as at 31 August 2012



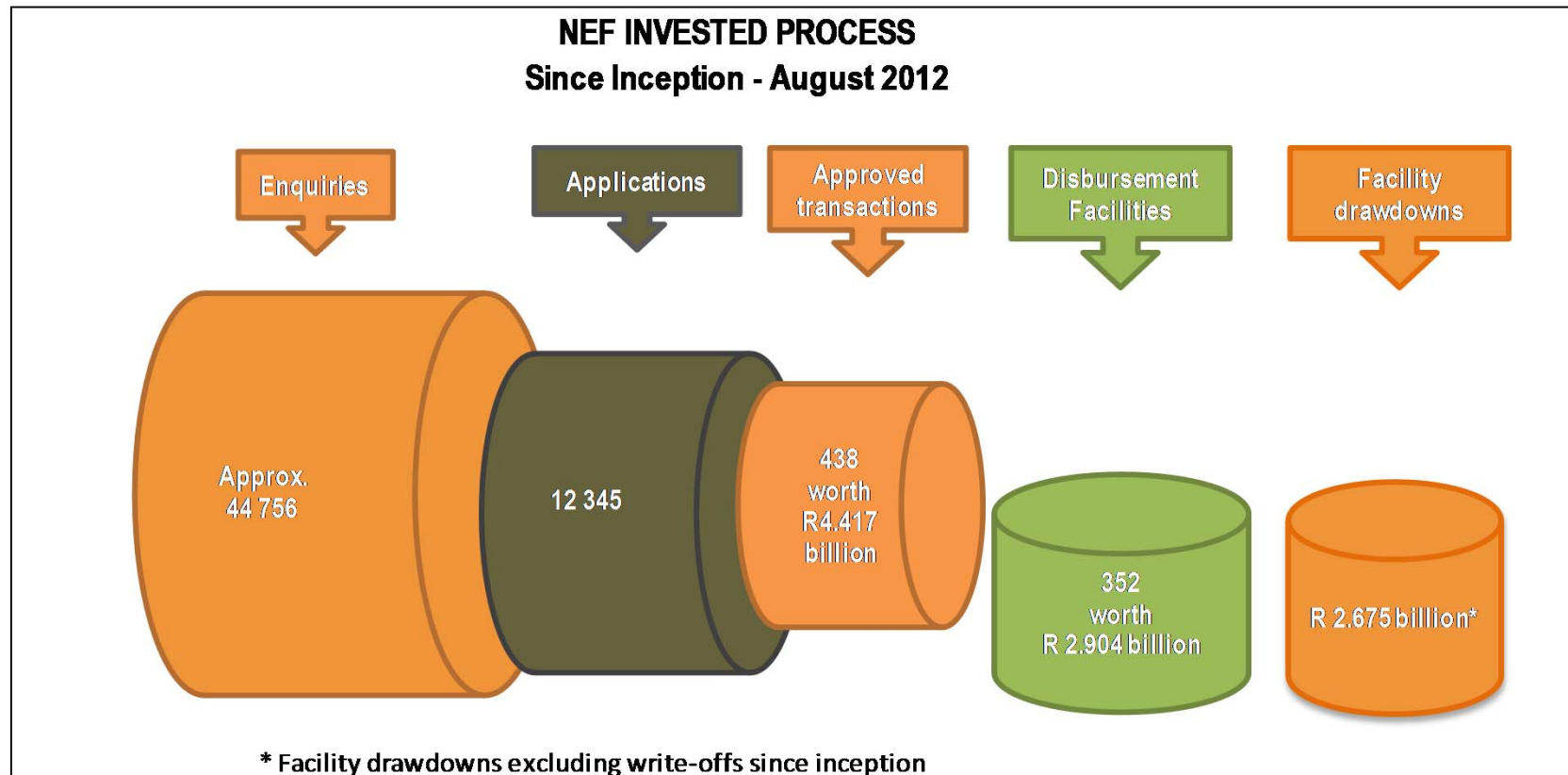
NATIONAL
EMPOWERMENT
FUND

Growing Black Economic Participation

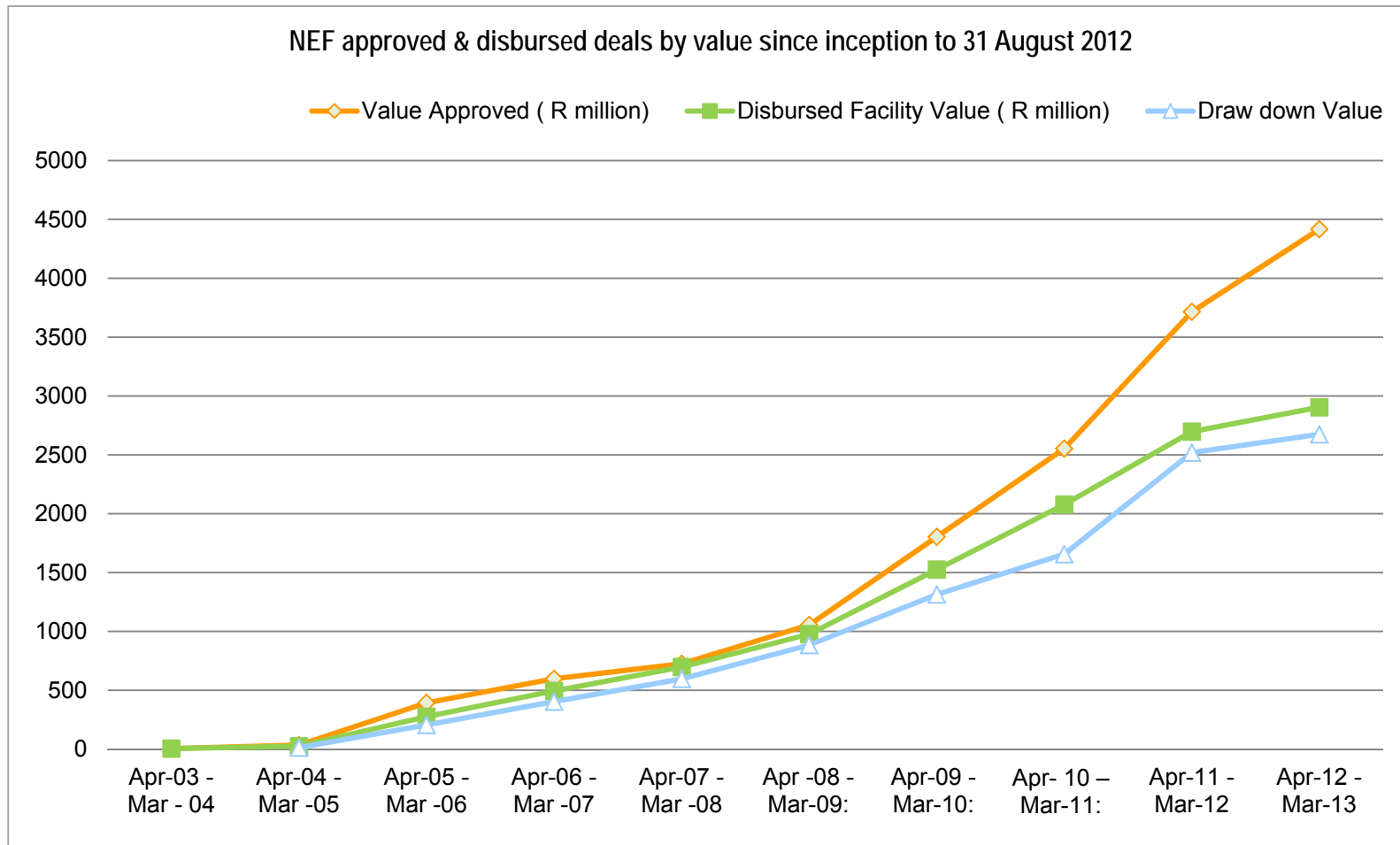
Highlights - YTD

- Focus on building the deal pipeline
- Approval of 54 deals worth R701.6 million vs. target of 123 approvals worth R1.116 billion
- Disbursed 22 transactions of facilities worth R206.2 million vs. target of 104 deals worth R 920 million
- Supported 1 789 new and existing jobs

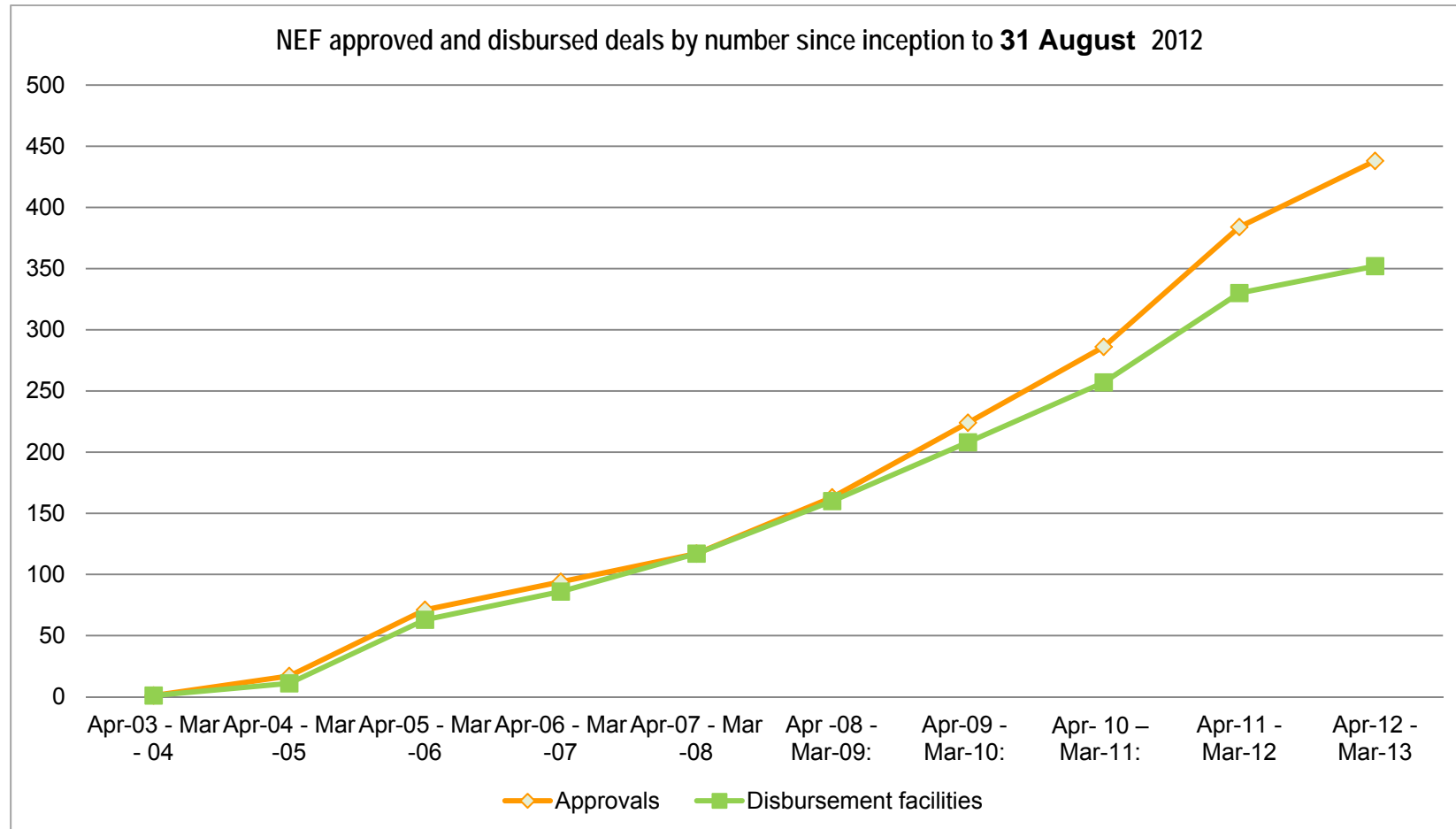
NEF Invested Process – YTD



NEF Approved and Disbursed Deals by value since inception to 31 August 2012



NEF Approved and Disbursed Deals by number since inception - YTD



NEF approvals by number and value

	Q1 TARGET	Q1 ACTUAL	ANNUAL TARGET	YTD ACHIEVEMENT
Number of deals approved				
Imbewu	11	13	79	36
Rural and Community	2	0	12	2
SPF	3	2	10	6
Umnotho	3	5	22	10
Total NEF	19	20	123	54
Total SME & Rural	13	13	91	38
Total VC & CF	6	7	32	16
Value of deals approved				
Imbewu	R 24,500,000.00	R 49,610,000.00	R 163,000,000.00	R 151,829,345.00
Rural and Community	R 25,500,000.00	R -	R 153,000,000.00	R 34,743,000.00
SPF	R 75,000,000.00	R 1,600,000.00	R 250,000,000.00	R 201,600,000.00
Umnotho	R 66,000,000.00	R 123,847,000.00	R 550,000,000.00	R 313,468,000.00
Total NEF	R 191,000,000.00	R 175,057,000.00	R 1,116,000,000.00	R 701,640,345.00
Total SME & Rural	R 50,000,000.00	R 49,610,000.00	R 316,000,000.00	R 186,572,345.00
Total VC & CF	R 141,000,000.00	R 125,447,000.00	R 800,000,000.00	R 515,068,000.00



NEF disbursements by number and value

	Q1 TARGET	Q1 ACTUAL	ANNUAL TARGET	YTD ACHIEVEMENT
Number of deals disbursed				
Imbewu	10	5	67	14
Rural and Community	1	1	9	2
SPF	3	0	10	1
Umnotho	3	2	18	5
Total NEF	17	8	104	22
Total SME & Rural	11	6	76	16
Total VC & CF	6	2	28	6
Value of deals disbursed (R million)				
Imbewu	R 21,000,000.00	R 21,155,000.00	R 140,000,000.00	R 49,332,432.00
Rural and Community	R 20,000,000.00	R 7,450,000.00	R 130,000,000.00	R 21,153,000.00
SPF	R 60,000,000.00	R -	R 200,000,000.00	R 50,000,000.00
Umnotho	R 54,000,000.00	R 62,100,000.00	R 450,000,000.00	R 85,692,975.01
Total NEF	R 155,000,000.00	R 90,705,000.00	R 920,000,000.00	R 206,178,407.01
Total SME & Rural	R 41,000,000.00	R 28,605,000.00	R 270,000,000.00	R 70,485,432.00
Total VC & CF	R 114,000,000.00	R 62,100,000.00	R 650,000,000.00	R 135,692,975.01





Performance Against Targets: Empowerment Dividend

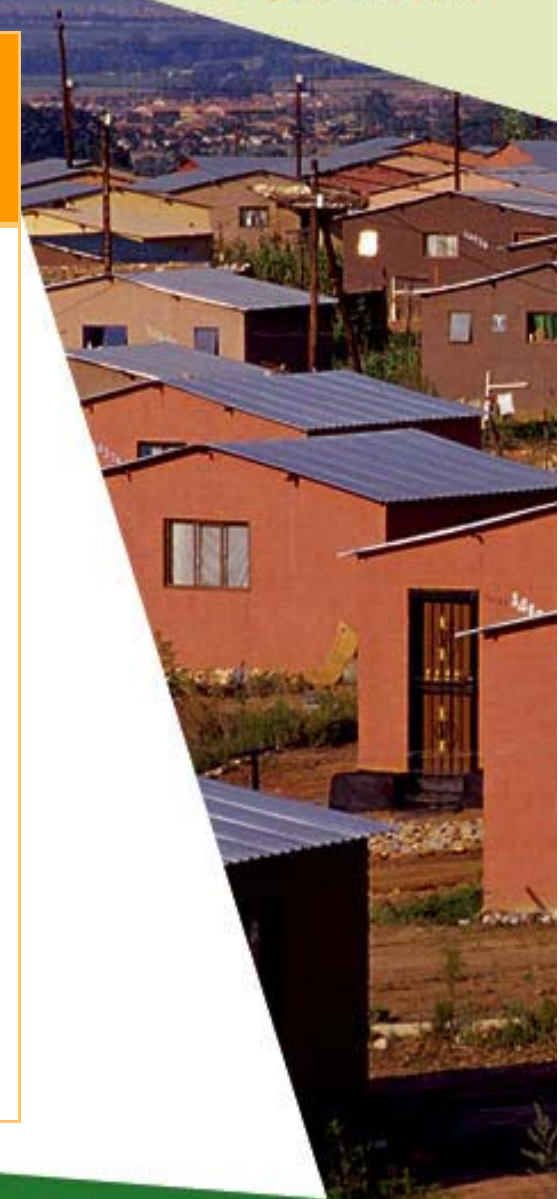
Empowerment Dividend

Key Performance Area	YTD Target	Performance for the Year to date
<ul style="list-style-type: none"> Contribute to the participation by black women in the economy. 	<ul style="list-style-type: none"> 40% of the BEE ownership level supported in each transaction 	<ul style="list-style-type: none"> As at Q1 estimated that women own approximately 29.3% of the invested portfolio for the year to date by value.
<ul style="list-style-type: none"> Contribute to the creation of employment opportunities for black people. 	<ul style="list-style-type: none"> Create 1867 jobs 	<ul style="list-style-type: none"> The total amount disbursed supported 1 789 (new and existing) jobs.



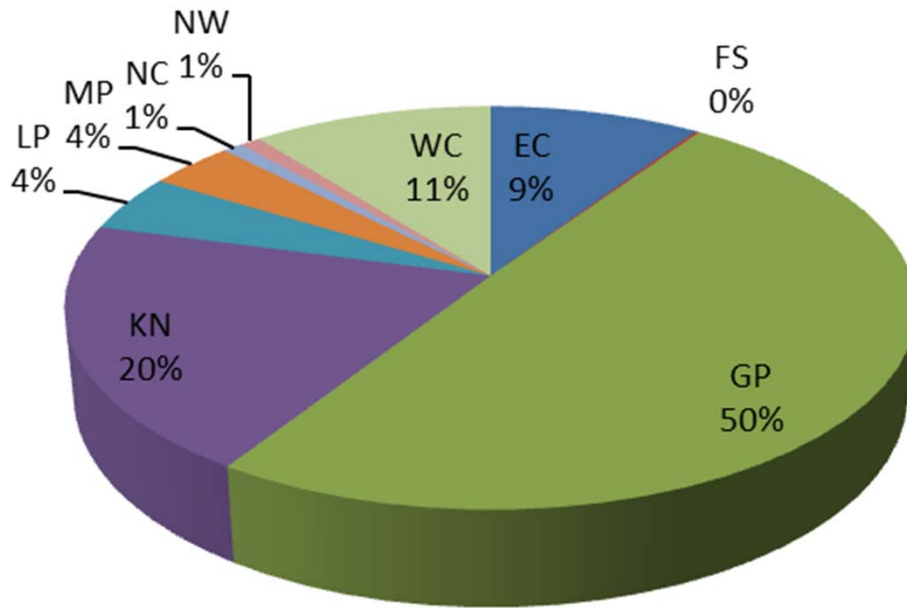
Empowerment Dividend

Key Performance Area	YTD Target	Performance for the Year to date
<ul style="list-style-type: none"> • Ensure geographic spread of investments across all provinces. 	<ul style="list-style-type: none"> • Geographic spread of investments and contribution towards increased economic activity in areas of regional economic disadvantage. Targets in terms of geographic spread are set to attempt to increase investment in areas of regional economic disadvantage. 	<ul style="list-style-type: none"> • Investment in regions of economic disadvantage are increasing, e.g. the portfolio by value in Limpopo has increased from 3% as at 31 March 2012 to 4% as at 30 June 2012. Consequently, the percentage of the portfolio invested in Gauteng has reduced from 51.4% in 2011/12 to 50% during the same period.

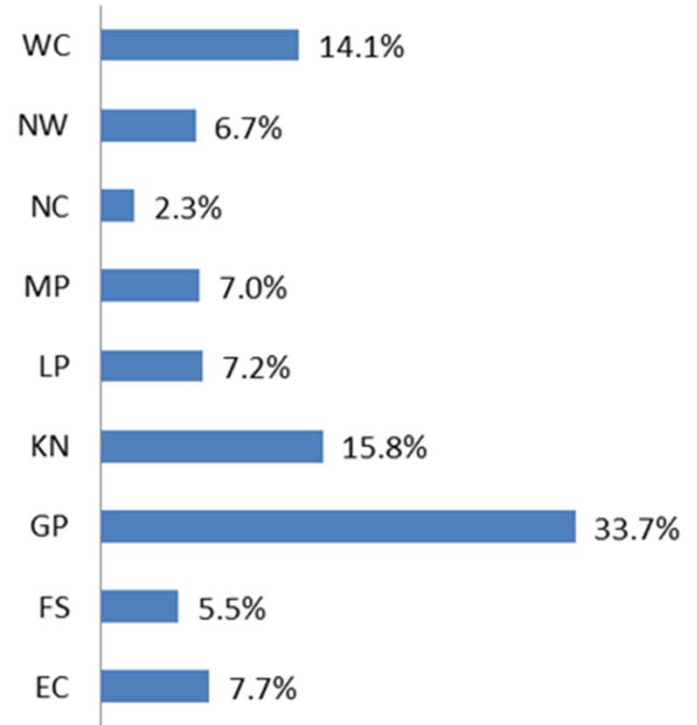


Geographic Activity

NEF Invested Portfolio by province by value for since inception



GDP contribution by province - 2010



Empowerment Dividend

Key Performance Area	YTD Target	Performance for Q1
Impairment loans	15%	12%
ROI (before impairments)	12% - 15%	12% on the loans portfolio and 16% on preference share portfolio
ROI (net of impairments)	7.3%	1.22%
Total Collections Ratio	70%	113%
Collections Ratio on Instalments raised		100%

Performance Highlights

6 (or 100%) training sessions held in rural towns in Western Cape, Limpopo, Free State, Mpumalanga, Eastern Cape and Northern Cape

232 delegates completed the 4-day training sessions



Performance Highlights

Operational key milestones and events for the NEF over the first quarter include:

- Screening 314 applications received and dealing with 1 231 enquiries;
- The NEF achieved an Advertising Value Equivalent (AVE) of media coverage in broadcast and print media of R10.3 million;
- The NEF has made 12 staff appointments, and concluded four exits. The total staff complement as at June 2012 equals 164.
- Entrepreneurial development initiatives are progressing well. Various interactions include:
 - Entrepreneurial Training: 6 training sessions were successfully concluded in rural towns. Out of 232 delegates who completed the 4-day training sessions, 75% were women and 51% were young entrepreneurs.
 - Shanduka Incubator Programme: Of the 19 emerging entrepreneurs who concluded the induction programme in the last quarter, 3 have completed the 1st quarter of the programme successfully.

Stakeholder engagements

The NEF participated in a total of 17 stakeholder engagements during the first quarter. This included presentations and/or exhibitions at the following events:

Small Business Finance & Investments Expo

- Rural Women Empowerment
- Durban Tourism Indaba
- Africa Dialogue The DTI Trade and Investments
- Mossel Bay SMME Conference
- Parliamentary Constituency Workshop
- The DTI outreach campaign
- ADM Investor Conference 2012
- Small Business Finance & Investments Expo
- Mpumalanga Provincial Office Launch
- Renewable Energy & Microfinance Conference
- Tshwane International Trade & Infrastructure Investment Conference
- The Inaugural ICT Indaba 2012
- Eastern Cape Provincial Office Launch
- Limpopo Provincial Office Launch
- NAFCOC Gauteng Youth Economic Summit
- Durban Chamber of Commerce Franchise Expo



the dti
Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

Investee Stories



**NATIONAL
EMPOWERMENT
FUND**

Growing Black Economic Participation

Investee Stories

Building the Economy, Sharing the Wealth



**Ahanang Hardware and
Construction (R8.75 million)**

Ahanang Hardware and Construction CC (Ahanang) was formed in 1998. It is 100% owned and managed by a black woman. Its core business is in construction, hardware, retail of building products and allied activities. Ahanang was appointed to execute critical construction services on the Kgalagadi Manganese Mine in Hotazel, Northern Cape. Although based in Gauteng, the logistics of the location require the sourcing of critical skills and labour in surrounding areas like Kuruman and Khathu, thus a great deal of skills transfer is being undertaken through the project. A total of 48 jobs will be created during this 12-month project (with scope for more work upon the satisfactory completion of this project). The iMbewu Fund was thus approached by the entrepreneur (a previous investee) for funding to bridge the capital demands of the project ramp-up. This deal represents the growing belief in the ability of NEF to fund sustainably, since Ahanang has grown from strength to strength since its first application for funding was approved in 2007 (fully re-paid), its revenue growth has shown that black women entrepreneurs can be successful in a whitemale dominated industry such as the construction industry.

Investee Stories

Building the Economy, Sharing the Wealth



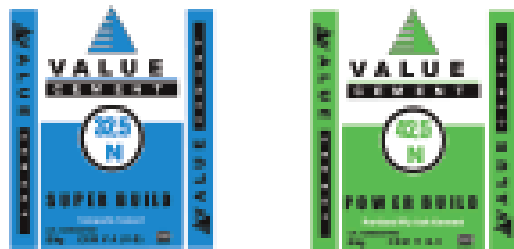
Long Walk To Freedom (R50 million)

Long Walk to Freedom (Pty) Ltd (LWTF) is a company incorporated for the production of a film based on President Nelson Mandela's autobiography, Long Walk to Freedom. In 1996, the coveted film rights were awarded to Anant Singh, a South African film producer who has a successful track record in the production of local and international films. The film will be a full-length epic motion picture, and it will be the only movie that will span President Mandela's life from childhood to his presidency. More than 12,000 jobs will be created over a 2-year period during production of the film, and skills will be transferred from international sources in all aspects of the film production process. The company will ensure that where possible, goods and service are procured from BEE companies

Investee Stories

Building the Economy, Sharing the Wealth

WHEN QUALITY MATTERS



Value Cement (R35 million)

The entity's core business is the blending of top quality cement that is supplied to the infrastructure development sector and others. The invested R35 million will enable the company to own the property, plant and equipment they are currently renting as well as create 50 fulltime jobs in the process. The company is black owned and blends, produces and sells cement to a wide range of customers across the country, and has a strong pipeline of customers interested in their products including in the SADC region.

Value Cement is a prime example of broad based black empowerment with a significant percentage of directors and management being female. Value Cement has the necessary muscle and ability to compete in a highly controlled, protected and competitive industry while further ensuring that the enterprise is sustainable and creates meaningful employment.

The funding of Value Cement was facilitated through Umnotho Fund, a funding vehicle within the organisation that is designed to increase access to BEE capital. Value Cement plant is one of the most modern blending plants in South Africa and has sufficient capacity to service most of the provinces as well as export markets. The plant is designed in such a way that the current capacity can be tripled without a large capital expenditure and is ready to supply the market with an excellent product for the next 20 to 30 years.

Investee Stories

Building the Economy, Sharing the Wealth



Comhealth (Pty) Ltd. (R5 million)

Comhealth develops healthcare infrastructure in black areas by offering comprehensive ambulatory healthcare. The company aims to deliver this service at affordable prices by deploying a lean service delivery model that emphasizes superior quality.

The first healthcare centre is in Chatsworth and it employs 12 support staff and partners 11 black healthcare providers from various disciplines, including general practitioners already practicing in the area. The Chatsworth centre has been renovated to Comhealth specifications and will be opened to the public officially from the 1st of June 2012

Investee Stories

Building the Economy, Sharing the Wealth



**Vigor Swift Connectors (Pty)
Ltd. (R400 000)**

The transaction was a culmination of the Enterprise Development (ED) Fund established by NEF to encourage large enterprises to find an innovative way through which to meet their B-BBEE targets.

The first transaction concluded through the ED Fund was in collaboration with Chrysler SA for Vigor Swift Connectors (Pty) Ltd, a 100% black owned company, to provide Customer Relations Management “CRM”, Warranty and Maintenance Adjudication Solutions and Roadside Assistance Services in the Automotive industry.

This transaction will also lead to the creation of five new jobs.

Investee Stories

Building the Economy, Sharing the Wealth



Sales Hire (R22.5 million)

Sales Hire (established in 1990) is a Cape Town-based company that specialises in the hire of building equipment and other related tools. The transaction was enterprising in that existing managers in the business (each with at least 5 years' experience) were selected to acquire and own the respective outlets that they managed.

The chosen outlets have previously been profitable and the NEF was, through the iMbewu investment team. Through the NEF's assistance nine managers were able to become owners through a franchising agreement with Sales Hire

Investee Stories

Building the Economy, Sharing the Wealth



The NEF through iMbewu Fund has allocated R50million in affordable loan facility towards Black entrepreneurs that are interested in acquiring an ENGEN retail service station throughout any of our 9 provinces. It is envisaged that this will lead to an increase in Black owned service stations from the current 39% to the targeted 45% Black ownership by 2016. Allowing for further penetration and increase in the provinces that are still lagging behind such as Mpumalanga, Limpopo and the Eastern Cape.

It is within the context of the Liquid Fuels Charter and the Petroleum Products Amendment Act (PPAA) which integrates into law the requirements of promoting BEE that the relationship between the NEF and ENGEN is founded. It is the common vision of promoting the advancement of Black South Africans in several tangible forms, including shareholdings of existing and future oil companies operating in South Africa, the need to gradually increase the allocation of procurement budgets to BEE suppliers as well as increasing Black owned and operated retail sites or dealerships in the country.

The first of the new 100 % black owned NEF-financed ENGEN franchises is now open in City Deep in Johannesburg. Black potential entrepreneurs are required to put up between 10% and 20% of the purchase price, and the NEF provides financing for the balance. ENGEN also stands surety for half of the average R5 million purchase price, and covers training, evaluation and business support costs. Commonly ENGEN requires that entrepreneurs put up 60% of the purchase price, however lowering the level of own contribution required for these deals is aimed at making service station ownership more accessible for black entrepreneurs.

Investee Stories

Building the Economy, Sharing the Wealth



Linen Tech (R10 million)

Linen Tech is a 100% black owned and managed company, which also has 34% black woman ownership. The company manufactures household linen and distributes towels for institutions and the hospitality industry. Linen Tech is based in Central Business District of Johannesburg. Due to a closure of local manufacturers of raw materials

Linen Tech was forced to source raw materials from Pakistan to maintain its competitiveness and process locally and add value. The NEF provided R10 million funding to Linen Tech and in the process 120 jobs were retained in a currently troubled textiles industry to assist in retaining manufacturing capabilities, skills and the know-how in the country through Linen Tech

Investee Stories

Building the Economy, Sharing the Wealth



**Colliery Dust Control (Pty)Ltd.
(R41 million)**

Colliery Dust Control (Pty) Ltd. develops and manufactures the components for integrated dust suppression systems used on continuous mining in underground coal mines. Colliery Dust Control is a South African based business and focuses on the design, manufacturing and supply of integrated dust-suppression systems for various underground mining applications.

The NEF provided funding to Business Venture Investment towards the full acquisition of the business. The main BEE partners are two black women, Ms Thembi Chagonda and Ms Babalwa Geza. Ms Chagonda is an HR specialist and her role is to drive CDC's Transformational Agenda, whilst Ms Geza has an engineering background and has taken over the role of Deputy Managing Director. The company supports 24 fulltime jobs

Investee Stories

Building the Economy, Sharing the Wealth



**Finishing Touch Trading (Pty) Ltd
t/a Wassa (R12.5 million)**

Wassa is a 100% women-owned business operating in the energy sector. The entrepreneurs are Ms Nokwanele Qonde, a 60% shareholder, and Ms Thandekile Sibisi who holds a 40% stake. The business has been operational since 2008 and is based in Kya-Sands, Randburg. The core business of Wassa is to wholesale liquid petroleum gas (LPG) to Industrial and Commercial retailers. The company buys directly from SASOL Oil, SASOL Nitro, BP and Petro SA. LPG is usually used for domestic, industrial and commercial cooking and heating purposes. The company currently supplies across Gauteng, and has a long-term goal to distribute to other provinces. The company supports a total of 14 fulltime jobs

Investee Stories

Building the Economy, Sharing the Wealth



Tawana Business Projects (R5 million)

Tawana Business Projects (Pty) Ltd is involved in the construction of low-cost residential houses. The company has two shareholders, Ms Malebo Magasa (90% interest) and Ms Martha Toloane holding minority interest of 10%. In 2007, Ms Martha Toloane joined the company as a shareholder and the company's Financial Director. Since then the company has tendered and completed the following projects, amongst others:

2007 – Paving project for Benoni Dog Unit for the Department of Public Works. The contract value was for R7 million

2008/2009 – Implementation of infrastructure development of 110 poultry units and 44 hydroponic units for different farmers in Gauteng. The contract value was R9,1 million

2008/2009 – Building of 50 RDP houses for the developer Fikile Construction (Pty) Ltd at Ivory Park in Tembisa at a sub-contract value of R1,25 million.

2010 – Construction of the Regional Community Centre, Freedom Park, for the Rustenburg Local Municipality. The contract value was R4,6 million.

2011 - Construction of 50 RDP houses for the Rustenburg Local Municipality in Rasimone Village in Rustenburg. The contract value was R3,6 million. The company supports 27 fulltime jobs

Investee Stories

Building the Economy, Sharing the Wealth



Gizilwa Trading (R3.3million)

Gizilwa Trading CC t/a Scotch Corner Randburg is a Service station which is 100% owned by a black woman, Ms Nontobeko Mkhize. Ms Mkhize boasts 7 years' experience in the petroleum industry in various positions as a business advisor and a territory Manager. She continues to display sound knowledge required to efficiently operate a filling station. She actively spends 10 hours per day and 7 days a week on site. The service station comprises a forecourt and a Shell Select Store. The company supports a total of 21 fulltime jobs

Investee Stories

Building the Economy, Sharing the Wealth



Doneveli General Services (R2.75million)

Donoveli General Services CC is an entity that was established by Mr Dovhani Dzivhani and Mrs Nonhlanhla Dzivhani in November 2007. The business only became fully operational after acquiring a BP filling station in Bryanston. The site had been operated by the previous owner for five years and was sold as business performance was deteriorating. The service station has two forecourts. The first forecourt is situated at the corners of William Nicol and Grosvenor Roads. The second forecourt is situated at the corners of Main and Grosvenor Roads. The first forecourt has a convenience store which is about 16 square metres in size and the latter has a convenient store which is about 28 square metres in size. The company supports a total of 40 full time jobs

Investee Stories

Building the Economy, Sharing the Wealth



Afripotego IT & Construction (Pty) Ltd
R2.75 million

Afripotego IT and Construction (Pty) Ltd. previously trading as Ekurhuleni Women and Youth Empowerment (Pty) Ltd. Is the brainchild of Ms Tsakani Mudau, and was established in 2004 to empower women in the IT and Construction industries.. She was invited on board by WDB Investment Holdings (WDBIH), which believes in investing in women for their self-sustainability. Afripotego IT and Construction (Pty) Ltd. is one of the eleven Regional Field Service Centres (RFSC's) servicing Gidani Lottery Machines. The company has supported TM Afrika Kopanang Business Enterprise since 2005 in supplying building material to Cashbuild clients, Women for Housing Project in Orange Farm, RDP houses in Bramfischer and Orlando East, as well as Hardware Stores in Soweto. In the process of supporting TM Afrika Kopanang, Afripotego IT and Construction (Pty) Ltd. also decided to diversify after seeing a gap or business opportunity in construction, transportation and the supply of building material, as a women organization. Afripotego IT and Construction (Pty) Ltd. and TM Afrika Kopanang work jointly in projects that need greater capacities especially in supplying building material, transportation and any other logistical opportunities. The company supports 37 fulltime jobs.

Investee Stories

Building the Economy, Sharing the Wealth



**Dlamini Incorporated
(R880 000)**

Dlamini Incorporated was established in June 2009 by Ms. Nthabiseng Dlamini. Dlamini Inc. is a Law Firm with its core areas of expertise focused on Project Finance, Corporate Finance and Structured Finance. The business has positioned itself to become the leading Africa-focused corporate law firm on the continent in the energy, finance, commercial and utilities space by providing an innovative and complete solution for all its clients. The law firm has a specific bias towards female associates and candidate attorneys. The law firm supports a total of 9 fulltime jobs

Investee Stories

Building the Economy, Sharing the Wealth



**Mohale Agricultural Cooperative
(R13.7 million)**

Mohale Agricultural Co-operative based in Limpopo has approached the NEF for funding assistance totalling R13.7 million for the purchase of Poultry and vegetable farm. The product line includes chickens, cabbages and maize. The identified farm is located in Soekmekaar, Limpopo Province. Supporting operationally involved entrepreneurship, the growth prospects of the land will yield 15 additional jobs, and saving 30 current permanent jobs, offering significant job creation prospects, the farm is based in Limpopo Province- one of the less economic active provinces

Investee Stories

Building the Economy, Sharing the Wealth



**Nyonende Poultry Cooperative t/a
Nyonende Investments (PTY) LTD
(R9.6 million)**

Nyonende Poultry Cooperative based in Kwa Zulu Natal is a 100% black owned and who's business is that of a Poultry Hatchery. The entity hatches eggs commercially for National Chicks, under a term contract, the facility was financed by the NEF for R9.6 million. The NEF came in to acquire the farm and its assets on behalf of the Cooperative. The project will save 18 existing jobs, create 17 new jobs directly and many more downstream, the NEF funding will assist in the transformation of an industry dominated by large, vertically integrated, white-controlled, listed groups and finally women empowerment will be achieved through an effective 40% black female shareholding

Investee Stories

Building the Economy, Sharing the Wealth



Molam's Farming (R13.2 million)

Molam's Farming based in Delpan North West is a 100% black owned start-up primary agriculture enterprise focusing on grain (maize and sunflower), groundnut and soybeans crop production. Lantek SA (precision farming experts) will provide technical assistance over a 3-year period. NWK (major grain and soybeans buyer) and The New Nut Company (the third largest groundnuts buyer in RSA) will uplift 100% of the produce based on contracts and a signed off-take agreement. Job creation: Total 95 jobs. 20 jobs during development, 15 full-time, 60 seasonal jobs (6-7 months), Resuscitation of restituted land and stimulation of the local economy

Investee Stories

Building the Economy, Sharing the Wealth



**Richmond Opkomende
Boere Co-operative (R3.6 million)**

Richmond Opkomende Boere Co-operative is a start-up primary agriculture entity based in the Northern Cape which will focus on free range merino sheep farming for the purposes of lamb and wool production.

The business is a start-up and will create 7 permanent jobs, and it is a co-operatives which consists of 48 members

Thank you

Contact Details

	WHERE	TELEPHONE
1	Head Office, Johannesburg	011 305 8000 or 0861843 633 / 0861 THE NEF
2	Eastern Cape	0861 633 327 / 0861 NEF ECP
3	Free State	0861 633 377 / 0861 NEF FSP
4	KwaZulu Natal	0861 633 596 / 0861 NEF KZN
5	Limpopo	0861 633 546 / 0861 NEF LIM
6	Mpumalanga	0861 633 678 / 0861 NEF MPU
7	Western Cape	0861 633 927 / 0861 NEF WCP
8	North West	0861 633 697 / 0861 NEF NWP
9	Northern Cape	0861 633 627 / 0861 NEF NCP

www.nefcorp.co.za