



# Corporate Profile

as of February 2018

## 1. What is the **Name and Legal Status** of the Fund?

- *Growth Grid Venture Capital Partners* (Pty) Ltd. ("GGVCP") (Registration No. 2015/315542/07) is a registered venture capital company (VCC) for purposes of section 12J of the Income Tax Act No. 58 of 1962
- GGVCP is a FSB licensed (No. 46977) VCC
- SARS Registration No. VCC-0037

## 2. What is the **Vision** of the Fund?

- Stimulate the SA economy through growing SMEs and in so doing support sustainable job creation, economic growth and black economic empowerment
- Provide ongoing tangible guidance and mentorship to high impact entrepreneurs
- Investors make available their commercial network and so hasten access to markets and resources
- Provide customized post investment assistance
- Hold significant minority equity / convertible loan stakes alongside vested management teams
- Offer 100% upfront tax deductibility of amount invested in the financial year in which the investment is made
- Do Good by Doing Well

### 3. Who is in the **Management Team** of the Fund?

- The management team, Robert Ferguson – MD (Identity No. 5309045090081), Roy Fine – Executive (Identity No. 5703125157085) and Adam Greenblo – Operations Manager (Identity No. 8009235063081) are actively supported by *Mazars* (Tax and Auditing), *ENSafrica* (Legal), Du Preez & Associates (Independent Accounting Services) and CompliServe (External Governance & Compliance Services)
- The founders of GGVCPC hold 2.5% of the equity of *GGVCPC VC Fund through Angel Funder (Pty) Ltd*
- Management has proven VC expertise, owner-managed experience and are capable of building privately owned companies.

### 4. What are the **Total Funds Raised** by the Fund?

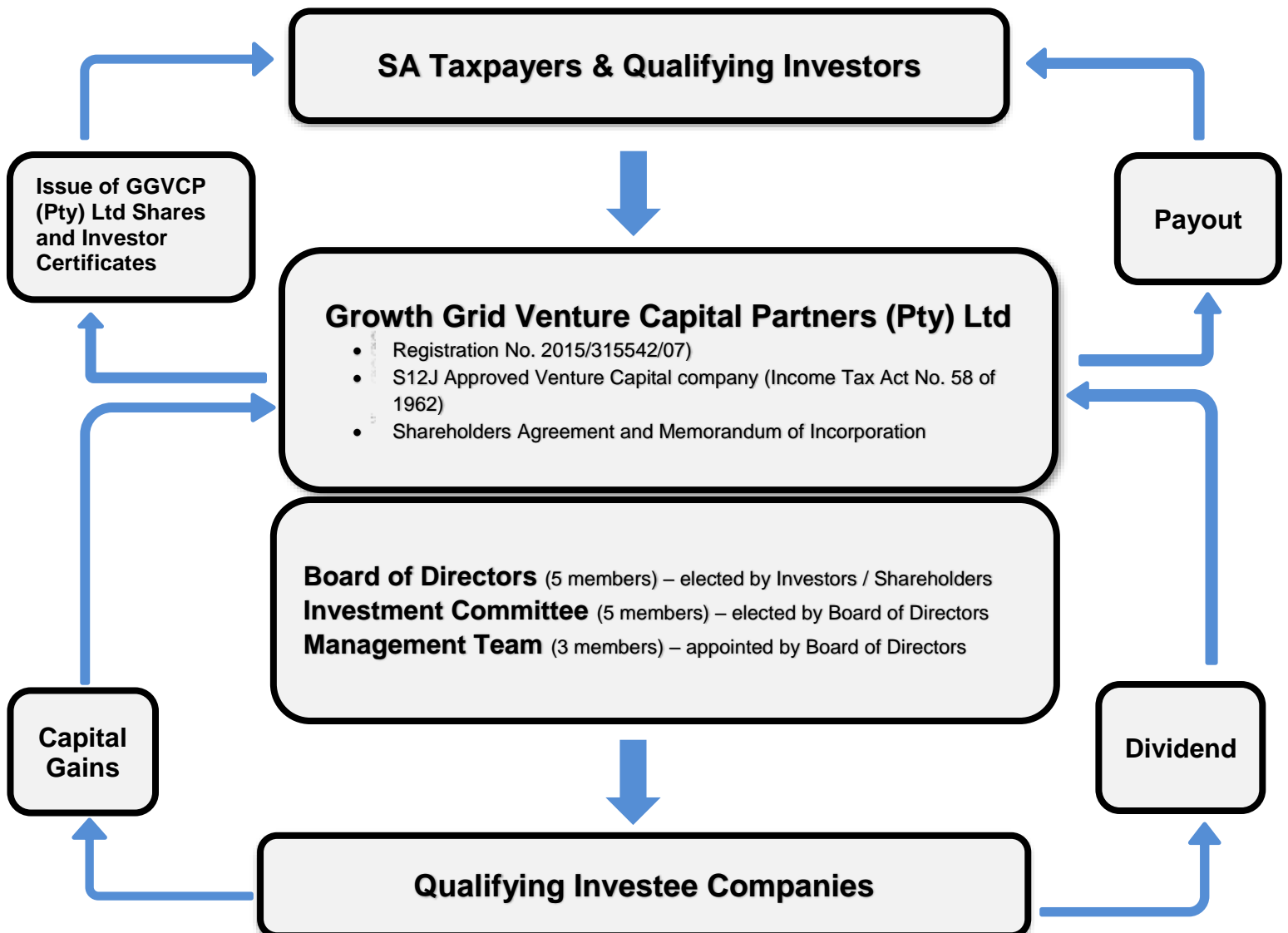
February 2019 Funds Under Management (Projected)	R50 million +
Anticipated Investment Size per Investee Company	R3 million - R8 million
Target Investment Term	5 years
Minimum Investor Investment	R500 000 per tranche
Portfolio Valuation of Qualifying Investee Companies	Determined annually by the auditors
Investor Statement of Investment Performance	Determined Quarterly (end January/April/July/October – unaudited); Annually (End April – audited)

### 5. What are the **Fees** charged to the VC Fund?

- Capital Raising Fee: Zero up to R50 million
- Management Fees: Zero
- Board approved Operating Revenues Minus Operating Costs – less than 2,5% p.a. of total funds projected.
- Performance Fee: Management carry 20% above a trigger of 10% p.a. compounded on liquidation of GGVCPC

## 6. What is the **Structure** of the Fund?

- GGVC is a s12J Venture Capital Co. and in terms of the FAIS Act (Financial Advisory and Intermediary Services Act) is FSB - (Financial Services Board) and SARS-accredited and compliant
- The FAIS Act together with the FSB prescribes a professional code of conduct with specific enforcement measures
- S12J offers investors 100% upfront tax deductibility of the amount invested in the financial year in which the investment is made
- The management of GGVC are governed in terms of standard good corporate governance, by a Board of Directors of 5 members nominated by the investors who are in turn also the underlying shareholders of GGVC (Chairman of the Board: Neil Lazarus SC)
- The Investment Committee is made up of 5 members – appointed by the Board (Chairman of the Investment Committee: Larry Sive)



## 7. How Will the Fund Make **Investment Decisions**?

- The Fund will facilitate an Application Process with a structured set of requirements for potential investees – This would include an Executive Summary, Business Plan and Financials
- The investee company will be informed whether the investment is a potential fit for GGVC
- GGVC management will then engage with the investee company through a series of meetings and additional questions to review information provided
- Parties agree their commitment, undertaking and intent to progress the investment process
- Term Sheet finalised
- Conduct detailed Due Diligence and appoint specialist professional advisers if required
- Investment Committee recommends to Board
- Board approves investment
- Prepare and sign formal Legal Investment Agreements
- Investment pay away

## 8. Which **Investee Companies** will be targeted?

- Co. Incorporated in South Africa
- Post revenue owner managed
- Have a strong competitive position in their target market and/or address problems with innovative technology
- Have differential/first of a kind registered intellectual property
- Strong management team with clear focus on execution, human capital and governance
- Scalable business model with the ability to generate strong sustainable cash flows
- Deal Flow Channels: Board & Shareholders extensive networks, Incubators & Accelerators, Universities, Professional Firms, Investment & Commercial Banks, other VC Funds looking for co-investment

## 9. What is the **BBBEE Status** of the Fund?

GGVC is committed to a policy of Broad-Based Black Economic Empowerment (BBBEE)

### Targets:

- Increase black shareholder/investor base to 25% of total equity within 3 years
- Management Committee of GGVC to have at least 25% black representation
- At least 50% of the investee companies be black-owned within 3 years

# Investments



RecoMed is South Africa's **largest online healthcare marketplace**. RecoMed enables consumers to easily book appointments with a diverse group of healthcare providers 24/7, who in turn benefit from increased patient traffic and practice efficiencies. The company's online booking platform ([www.recomed.co.za](http://www.recomed.co.za)) is its core product, and it has developed white-labelled solutions for, amongst others, Discovery Wellness Clinics, Medicross (owned by Netcare), Clicks, Biokinetics Association of SA, and several other leading national healthcare players.

RecoMed will use the funds raised towards increasing product traction and marketing its products and services. The short-term objectives are to complete several new integrations with leading industry healthcare software systems while steadily growing its current clientele base of 1,400 health providers, and increasing bookings from 30,000 to 45,000 per month.

Website: [www.recomed.co.za](http://www.recomed.co.za)



Digital Cabinet is a South African software house which focusses on three main areas:

- 1) Digital Post – Provider of electronic boxes for access to documents.
- 2) Digital Forms and Document Management – Creates digital forms and work flows resulting in improved efficiencies for customers
- 3) Digital scanning – Paper-based documentation scanned for storage in line with company law requirements.

Their corporate IP is mostly embodied in their propriety software platform, which is highly customisable and robust. They have been operating for 6 years and in that time, have built up a substantial client base. Currently that have more than 120 companies on their books many of whom also use their digital statement platform. Their recent joint ventures in the digital post space will see them enter major international markets and accelerate their growth & trajectory.

Website: [www.digitalcabinet.co.za](http://www.digitalcabinet.co.za)

# Partnerships



# Corporate Information

<b><u>Board:</u></b>	Neil Lazarus SC (Chairman) Rob Ferguson Prof Haroon Bhorat Greg Flash Larry Sive Roy Fine (Alternate)	<b><u>Tax Advisors:</u></b>	Mazars Mazars House, Rialto Rd Century City Cape Town 7441
<b><u>Investment Committee:</u></b>	Glen Heneck (Chairman) Jonathan Ackerman Larry Sive Raoul Miller Greg Flash	<b><u>Bankers:</u></b>	Nedbank 135 Rivonia Rd Sandown Sandton 2196
<b><u>Registered Auditors:</u></b>	Mazars Mazars House, Rialto Rd Century City Cape Town 7441	<b><u>Legal Advisors:</u></b>	ENS Africa 1 North Wharf Square Loop Street Foreshore Cape Town 8001
<b><u>Company Secretary:</u></b>	Michael Berman Mazars House, Rialto Rd Century City Cape Town 7441	<b><u>External Compliance Officer:</u></b>	CompliServe Debra Gill No 65 Second Ave Harfield Village Cape Town 7708
<b><u>Registered Office Of the Company:</u></b>	298 Main Rd Kenilworth Cape Town 7708	<b><u>Independent Accounting Services</u></b>	Du Preez & Associates Wicus Du Preez 81 Main Rd Paarl Cape Town 7646

## Disclaimer

The contents of this Brochure do not constitute and should not be construed as investment, tax, legal, accounting or other advice. For advice on these matters you should consult your own investment, tax, legal, accounting and other advisors about any material or information discussed in this brochure.

Venture capital investments are considered to be higher risk and generally more suitable for high net worth investors who are prepared to accept the risks inherent in investments of this nature.

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment or investment strategy, made reference to directly or indirectly in this Brochure will be profitable, equal any corresponding indicated historical performance level(s), or be suitable for your portfolio.

This Brochure does not purport to contain all the information that a qualifying investor in GGVCPC may require nor is it intended to replace any form of legal, financial or technical due diligence.

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The FSP has the necessary PI Cover as required by FAIS.

Finally, this Brochure is being furnished to a limited number of parties only.