

Heena Prag
Transactor: Corporate Solutions – Investment Banking



Investec

What led you to pursue a career in M&A | the Financial Markets?

A My interest in banking and the financial markets began when I was in high school. My dad was the person who steered me to pursue this path, as he was and still is in the banking sector. I initially decided to study a BCom Law degree and later changed to the accounting stream which, dare I say, was quite enjoyable at the time! I later completed my articles in the financial services sector at Deloitte, where I qualified as a CA(SA). With company culture being very important to me, I went through numerous rounds of interviews at many of the top investment banks. Ultimately, I found my calling at Investec, where I joined the Corporate and Institutional Banking division in the corporate credit function. During my tenure in this team, I built key relationships across the bank, and the credit team proved to be a solid foundation for me to grow my investment banking career. I later moved to a frontline role focused on investment grade lending, where I am currently.

What was the toughest deal | listing | issue etc you ever worked on and why?

A Each deal has its own level of complexities and challenges, whether it's a small or big transaction, acquisition financing or growth capital. One of the most challenging deals I've worked on was the recapitalisation of a company in the telecommunications sector. The transaction spanned several months, and each client and lender discussion led to nuances and complex legal, accounting, tax and structuring implications in an already complex industry. As a deal team, we needed to adhere to tight timelines with credit committee risk concerns,

as well as quickly upskill ourselves on the telecommunications sector. This proved to be a great learning experience that helped me to develop my relationships and knowledge.

What, in your opinion, is the hardest part of an M&A deal | financial market transaction?

A Negotiating commercial terms and legal agreements to strike a balance between a lender's risk concerns and the company's needs always requires your full attention. Another challenging area is determining the optimal capital structure, as well as meeting the company's financing requirements, as it requires insight into market dynamics, industry trends and the company's specific circumstances.

What is your favourite sector to do a deal in and why?

A The healthcare and retail sectors tend to attract my interest, particularly during the peak and then end of the COVID-19 pandemic. What was fascinating was how resilient these businesses are, and how strong their recovery was after the pandemic.

The M&A industry worldwide has been a rollercoaster for the last few years – where do you think M&A in South Africa is headed, given our current political, economic and social climate?

A I think that the macro environment is an extremely constrained one, given the abovementioned factors facing corporates at the moment. South Africa was affected by the COVID-19 pandemic during an already constrained environment. Many companies have been forced to assess their cost base and are operating on a lean basis, which has led to a survival of the fittest scenario. But South

African businesses are resilient; for example, several corporates are finding solutions to the power crisis by sourcing alternatives in order to continue operating at similar, if not the same, levels. However, companies have also found that they need to reassess their businesses, leading to corporate restructures to ensure that they are sustainable going forward. Herein lies opportunities for restructuring advisory and corporate lending, as companies look to consolidate as they see through what we hope is the bottom of the cycle.

If you could change one thing on your career path to date, what would it be and why?

A I recently received the title of mom, and balancing this huge and demanding role with my career has proven to be a new challenge for me. If I had to change one thing, it would probably be to not overthink how personal milestones may impact your career. I have grown up as a family-oriented young woman, and I am also career driven, so finding a balance between the two is crucial.

What piece of advice would you give a young woman working on her first deal | transaction?

A Don't be afraid to ask questions; there really is no such thing as a stupid question – chances are, if you're thinking about it, someone else is too. Always go the extra mile, be willing to learn, make an impression and put the hard work and hours in, as these do not go unnoticed. Trust your instinct and go with your gut – if something doesn't "feel" right on a deal, it probably isn't. Lastly, you don't always need to be the loudest person in the room to be heard. As a woman in a male-dominated industry, this has always been something that resonates with me. 