

Catalyst

WOMEN 2022



Women of SA's Private Equity
and Venture Capital Markets



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Michael Avery

Editor

EDITOR'S NOTE

When I first started out as a financial journalist with David Gleason in the early 2000s, I remember walking into a boardroom at a large investment bank and sitting down to a meeting with the all-male team and doing a double-take.

What happens in corporate finance teams across the country is largely reflective of what happens in boardrooms in companies across the country more broadly.

The numbers in the PwC report on Executive directors: Practices and remuneration trends, released in January, revealed that 95% of all Chief Executive Officers on the JSE were male, 87.2% of the Chief Financial Officers were male and 91% of Executive Directors were male. A total of just 19 women held executive positions in listed companies on the JSE, and only 6% of the 329 CEOs are female.

With the research unambiguous on the business and economic value of diverse teams, it's time to find better answers.

Private equity general partners are going to have to rely increasingly on applying a broad array of skills to unlock value. Gone are the days of gearing the balance sheet and stripping out costs. And this is where diverse teams are going to rise to the top.

And while the rise of women in private equity is starting to take shape, particularly in our local industry, where there are some incredible women now holding very strong and visible roles (see the profiles in this feature), the evidence still suggests that much more intentional strategic work needs to be undertaken to further level the playing fields.

But I have been hugely encouraged by the momentum that is being built in private equity in particular, where I now see a career path for my daughters, aged 5 and 8, where I couldn't fifteen years ago.

And so, as a female founder whom I greatly admire related to me recently, notwithstanding any progress and gains made, it is incumbent on us, every one of us women and men, to make sure that rising generations of women in the private equity industry are seen, supported, cheered and enabled to reach their full potential, which, in turn, will allow the private equity industry to reach its full potential.



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MAHLAKO
BALANCING GROWTH

Makole Mupita

Executive Director, Mahlako Financial Services | Fund Principal, Mahlako Energy Fund

Q&A

Q Where did your journey begin and how did you end up where you are today?

A My journey began as a young girl learning and seeing my mother build up her business. I grew up knowing that I wanted to make my mother proud and worked hard at school and followed my dreams. I wanted to become an Accountant from a young age, then an entrepreneur but I knew I had to learn a lot and work hard to gain skills. I started my career at Investec Bank then began my journey as an equity analyst which opened my eyes and knowledge into what I do today, investments and funding. Prior to starting Mahlako, I was in Corporate Finance as Portfolio Manager for the Old Mutual Infrastructure Development and Environmental Asset ("IDEAS") Fund, a R2bn infrastructure Fund.

Q What, if any, hurdles did you have to face in an industry that has traditionally been male dominated?

A Some of the hurdles I have faced in my journey were more about people not fully believing in what I can achieve as a woman in the investment sector. I had to push and break barriers which helped me to build a business of my own with my sister.

Q Did you have a mentor and if so, tell us about that person and include the most valuable thing you learnt from them?

A I believe that my community has helped shaped me into becoming the woman I am today. My first informal mentor was my mother. Her strength, vision and determination are lessons I take and carry with me till today.

Q What is the biggest / most complex transaction you have worked on so far in your career?

A The Prieska Green Hydrogen project, which is one of the first to come on stream in the world.

Q Which deal challenged you the most and why?

A Our 75MW solar project in the Northern Cape. We were the minority shareholders and there was a lot of conflict which was difficult to manage.

Q What has been the Best and Worst day in your career so far?

A The best day and the worst day of my career was the day my sister and I started our business. I say the worst because we are now in charge of our own salaries but the best because we are able to help change the lives of others in an impactful way.

Q What advice would you give to other women thinking of entering the Private Equity industry?

A Capital raising remains one of the most arduous journeys in the PE space. Build a reputation and track record that people trust. There are no limits to what you can achieve.

Q Did the COVID-19 pandemic with the various lockdowns, changes in working habits etc bring about any major changes for you from a work / career perspective?

A We have a robust planning process at Mahlako, and a lot of what we put in place prepped us to face the COVID times. We started our Stanford Seed Journey just before lockdown and graduated virtually whilst still in lockdown. The period brought a great deal of focus and clarity and working from home and spending time with my kids, was a blessing.

Q What are three words you would use to describe yourself?

A Visionary, Goal-oriented and Excellence-driven.

Q What are three words your colleagues would use to describe you? Would you agree with them?

A Passionate, Visionary, Excellence-driven. Yes, I would agree with them.

Q What qualities would you say are essential for a woman to thrive in the PE industry?

A Having the ability to deploy our capital in projects that have a big impact on society, especially ones that impact women and youth.

Q Working within the PE/VC space, you meet many new entrepreneurs. Which women entrepreneurs stood out for you and why?

A The Founders of Wiphold: Gloria Serobe, Louisa Mojela, Wendy Luhabe. They set the tone and paved the way for those of us in the industry to dream bigger.

Q Who is your female role model and why?

A My mother, everything I know about business today, I learnt from her.

Q What is one goal you have set yourself for 2022 and are you on track to reach it?

A Closing our Mahlako Energy Fund and fulfilling our pipeline.

Q What is your favourite quote?

A "What you do makes a difference, and you have to decide what kind of difference you want to make." – Jane Goodall

Q If you could invite any 3 women (past or present) to dinner, who would they be and why?

A My late mother because she was an inspiration to me. Oprah Winfrey because she proved it all can be done and finally, the late Brenda Fassie because she defines my childhood, and her music makes me happy. 🎵



MAHLAKO
BALANCING GROWTH

Meta Mhlarhi

Executive Director, Mahlako Financial Services | Fund Principal, Mahlako Energy Fund

Q&A

Q Where did your journey begin and how did you end up where you are today?

A My educational journey began at St. Marks in Limpopo and went to Capricorn High School before heading to Wits. I studied at the University of Natal, passing as the top student for my Honours, and both my board exams in record time, to qualify as a Chartered Accountant. I started my career at Deloitte then to Investec Bank in corporate finance before joining my cousin on my first entrepreneurial stint. In 2008, I launched Mahlako a Phahla Group with my sister.

Q What, if any, hurdles did you have to face in an industry that has traditionally been male dominated?

A Some of the hurdles I have faced in my journey were more about people discriminating against and undermining me as a Black woman. Coming from a background of activism helped me stand up for my rights when I was treated unfairly and overcome discrimination in society.

Q Did you have a mentor and if so, tell us about that person and include the most valuable thing you learnt from them?

A I believe that I have been mentored by many people around me, including my mother who was my first mentor and my sister who I learn from daily. I also had a great mentor at Deloitte where I did my articles, under the mentorship of Deloitte's current chief executive, Lwazi Bam, who encouraged me to be the best I can be and not let anyone bring me down.

Q What is the biggest / most complex transaction you have worked on so far in your career?

A The Prieska Green Hydrogen project. It is a big project and a new industry.

Q Which deal challenged you the most and why?

A In round 2 on 75 MW Solar Project. Our investors pulled out last minute.

As a new mother then, the team also had to schedule meetings around my breastfeeding schedule. There was no Teams!

Q What has been the Best and Worst day in your career so far?

A The best day was when I started our business with my sister. My worst day was whilst working on Round 1 REIPPP to bid for a Wind Project. Three weeks before submission, our strategic equity partner announced a new CEO, who in turn announced a new strategy for the company, which included disinvestment from emerging markets. Our project became collateral. The impact of this was no Black women run, developed, funded, and led project - not only Round 1, but to date. This has been one of the driving reasons for the creation of BEPA.

Q What advice would you give to other women thinking of entering the Private Equity industry?

A I would advise other women to be fearless in their pursuit of their dreams. The space can be challenging, like any other but having a solid understanding of the industries one plans to operate in, networks, and being prepared to walk a long capital raising journey, prepares one well for the space.

Q What are three words you would use to describe yourself?

A Passionate, Excellence-Driven and Tenacious.

Q What are three words your colleagues would use to describe you? Would you agree with them?

A Passionate, Excellence-driven and Entrepreneurial. Yes, I would agree with them..

Q What qualities would you say are essential for a woman to thrive in the PE industry?

A I think it should be about qualities required for the PE space and they

do not apply to women only. Pioneering, entrepreneurial and the ability to make sense of the numbers and see shareholders as integral partners in the journey.

Q What in your opinion are the most exciting elements of working within the private equity space?

A We operate in the social infrastructure space, so our ability to use deploy capital for positive change and impact is what excites me most about the space.

Q Working within the PE/VC space, you meet many new entrepreneurs. Which women entrepreneurs stood out for you and why?

A Daphne Mashile-Nkosi. I like her courage, and tenacity. She never gives up.

Q What are the biggest changes you have seen in the industry during your career?

A Seeing more women in PE starting their own Funds and getting involved in big deals.

Q What is one goal you have set yourself for 2022 and are you on track to reach it?

A Driving the development of our Prieska Power Reserve Project, which will be a large contributor to South Africa's Green Hydrogen agenda.

Q Who is your female role model and why?

A My mother. All that I am as a mother, sister, friend, and in business, I learnt from her.

Q What is your favourite quote?

A My favourite quote is made up of two quotes which I like to put together: 'A hungry man is not a free man' – Adil Stevenson and 'Only a free man can negotiate.' – Nelson Mandela.