Shaping a future-fit bioprospecting industry

FNB Business

3rd Biodiversity Economy Indaba

9 March 2018
BUILDING
THE NATION
ONE SME AT A TIME
Vumela was established in 2009 and is managed by Edge Growth.

While Vumela is an SME growth fund, it also functions as FirstRand’s primary Enterprise and Supplier Development vehicle, able to fulfil both SME funding and growth needs, and corporate ESD requirements. Vumela was capitalised by FirstRand in 2010.

Vumela is a Trust, with FirstRand being a 49% beneficiary, and the Shalamuka Foundation being a 51% beneficiary.

The first fund of its kind in South Africa, Vumela’s main goals are to help alleviate poverty in South Africa by creating jobs, and to generate a return for its beneficiaries: the Shalamuka Foundation and the FirstRand Group.
At Vumela, we think that helping SMEs grow is the single most powerful way to transform South Africa – through creating jobs and addressing poverty.

That’s why we provide growth capital funding, from R2 million up to R20 million, to South African SMEs who show potential to scale exponentially.

We also provide more than just funding:

- We offer **non-financial growth support** including participation in our 10X-e programme.
- We’re **majority black owned**, so any shareholding will be considered black equity.
- We provide **access to market** through our supplier development relationships.
Funding “the missing middle” giving SME’s access to necessary capital and growth support, as most potential funders view them as too early stage.

We invest in “scale-ups”
Established businesses that show untapped potential for growth and job creation, but requiring funding and support to get there.

Investing for between five and seven years
This means we’re in it for the long term through the good and the bad – so we’re your partners as well as your investors.

Funding businesses in many sectors
However, we don’t fund mining, property or businesses in the “sin” industries (like alcohol or gambling).

And investing in people
As impact investors, our focus is on finding inspiring people who have boundless potential, and who share our core values. We’re also looking for people who are willing to develop themselves and respond well to coaching and mentorship.
More than just a cheque in the bank
Besides funding growth, we also provide post-investment support to assist with:
- Business strategy
- Corporate governance and financial structures
- 10X-e programme to help scale your business

Learning from the experiences of other entrepreneurs.
Being an entrepreneur often means being so busy with the day-to-day running of a business that there is no time to reach out or learn from others. Our bootcamps, which feature successful entrepreneur “super coaches”, help learning from those with invaluable experience.

Access to a valuable network
We have a wide reaching networks into the FirstRand group, and have successfully incorporated our investments into the groups supply chain.

Additionally network with other like-minded entrepreneurs through the 10X-e programme and make beneficial new contacts

Business will be empowered.
Because we’re a majority black-owned investor, any shareholding we take in your business will translate as black ownership.
WHAT WE LOOK FOR

Proven Track Record
We’re looking for established businesses with a proven market

Potential For Social Impact
We want to fund SME’S able to scale and create jobs

Strong Leaders
We seek visionary entrepreneurs, with solid leadership skills, willing and able to build a growing team

Defendable Competitive Advantage
Proving you are truly the best at what you do

And finally…
Your company must be based in South Africa and because we’re all about keeping that money invested in your business, we don’t fund buy-outs.
OUR INVESTMENTS
VUMELA 1.0

FUND LAUNCH: 2010
FUND SIZE: R 161 000 000
INVESTMENTS MADE: 8
CAPITAL COMMITED: R 98m
JOBS CREATED: 250
VUMELA 2.0

FUND LAUNCH: 2015
FUND SIZE: R 227 000 000
INVESTMENTS MADE: 8
CAPITAL COMMITED: R 117m
JOBS CREATED: 1100
Non-Core capabilities: Agriculture

Facility: R100m funding
Deployed: R 46m
Bank offers: Admin & credit process

Facility: R120m guarantee
Deployed: Approaching R60m
Bank offers: Standard credit process

Facility: Grant funding for black farmers’ ownership, facilitated by Big4
Deployed: FNB has arranged
- 2 projects of R100m each
- R100m project in pipeline
Bank offers: Matched credit on commercial terms

Working on scale-up solutions:
Market sounding roadshow reveals appetite across 10 largest commercial farmers to support R600m new liquidity into > 50% BO land reform funding
In the context of Bioprospecting...

1. We are very excited to participate in the “biosprospecting” economy;

2. We are raising a further capital tranche of Vumela to focus on BEE SME’s operating within industry supply chains;

3. Of which we feel such supply chains may emerge/present themselves in the Bioprospecting Economy.

We are looking for investable and scalable business opportunities in Bioprospecting to ultimately create employment and economic growth in an environmentally-friendly way.
how can we help you?

Thank You.