



# PRIVATE EQUITY



Clients comment that  
*"the CDH team are friendly,  
collegial, and a smart team  
of fund structuring lawyers."*

THE LEGAL 500 EMEA 2021

## LEGAL PARTNER FOR YOUR FUND

CDH is the legal partner for your fund across Africa. You need a team with experience and insight not only in all aspects of law, but in the private equity sector as a whole. We partner with private equity managers, investors, investee companies, management teams and funds of every size.

Our private equity experts can help you navigate the many opportunities and challenges in forming your fund and doing deals, including:

### To Form Your Fund

- tax-transparent fund vehicles that provide limited liability protection
- Choosing the most appropriate jurisdiction(s) for your fund and manager
- Permanent capital structures (listed or unlisted)
- Navigating the financial regulatory framework and changing laws
- Exchange control restrictions and prohibitions
- Carry participation structures
- BEE requirements for private equity funds and managers under the BEE codes

### To Acquire Your Portfolio Investments

- Legal and tax due diligence, and risk mitigation strategies
- Purchase mechanisms to optimise your bid
- Negotiating, concluding and closing the acquisition
- Schemes of arrangement for listed targets
- Debt push-down structuring to optimise the gearing
- Structuring black economic empowerment equity participation
- Aligning the management team
- Navigating the increased competition (anti-trust) regulation
- Building a platform investment

### To Sell Your Portfolio Investments

- Restructuring the portfolio company in preparation for an exit
- Achieving the right exit
- Strategies for auction processes
- Initial public offerings
- Warranty and indemnity insurance

*"A very capable team, able to draw on firm-wide expertise where needed. The team stands out for being commercial, practical and efficient, compared to other firms. They are also good at signaling timescales for delivery and then delivering when promised."*

THE LEGAL 500 EMEA 2023

*"The team has many years experience in Africa and internationally in funds and structures. They know our business very well and going way beyond what is expected. There is always someone available to help on very short notice."*

THE LEGAL 500 EMEA 2022


*"Cliffe Dekker Hofmeyr's lawyers provide an excellent service at a reasonable price. I believe they are the best value for money out of the large law firms in South Africa."*

*"The team is available and committed to keeping to the timelines."*

CHAMBERS GLOBAL 2024







*"The practice has a lot of depth and irrespective of the issue there is always someone internally who is a subject matter expert. They never miss a deadline and urgent matters are always prioritised to a point where one feels like they are the only client. The teams is solution orientated and thinks outside the box depending on the assignment."*

THE LEGAL 500 EMEA 2022

### Our Experience

Our immersive and longstanding association with the private equity sector means we have sound, practical knowledge and can offer a full range of services in a comprehensive way. Our team is commercial, solution oriented, responsive and dynamic, and includes leading professionals from our various practice areas.

Our fund formation team has advised and acted for local and international financial institutions, including banks, private equity and hedge fund managers, retirement funds, long term insurers and other investors seeking to invest in various types of investment funds. We are able to advise on fund and product structuring including all regulatory aspects from the Banks Act, the Collective Investment Schemes Control Act, the Financial Advisory and Intermediary Services Act, the Financial Sector Regulation Act, the Pension Funds Act, the Long-Term Insurance Act, the Financial Markets Act, the BEE Act and Codes and exchange control regulations.



## OUR AFRICA REACH

We can move quickly and seamlessly on transactions throughout the African continent and work across all major industries, including key sectors of interest for private equity investors.

We maintain relationships with the best law firms in the rest of Africa. We can coordinate all the legal services for each matter and serve as your single point of contact for all legal services.

## A Different Approach

You will always enjoy high partner visibility and involvement on your matter

We put lead partners, experienced in fund formation or portfolio transactions on every deal to ensure the correct strategic approach

The team will have in-depth private equity experience and knowledge of your industry with a unique blend of commercial, funding, competition and tax expertise

We work in partnership with you to develop commercial, pragmatic, constructive and timeous solutions

We tailor our approach to your specific needs and customise transaction documents to suit you

We offer flexible and innovative billing arrangements to suit your requirements

# RECENT, NOTABLE DEALS

## FUND FORMATION AND CO-INVESTMENTS

- 27Four Investment Managers for the establishment of the 27Four Black Business Growth Fund I (27four BBGF I), its successor fund 27four BBGF II (both private equity funds of funds) and 27four Kukhula Fund I (a black private equity fund)
- ASOC Fund 1 for the establishment of a distressed debt fund
- Capital Eye for its formation of Crossfin as a fintech investment fund
- Ethos Capital for its listing and private placement on the JSE
- Investec Bank Limited for investment in KLT Fund I and for establishment of an infrastructure private equity fund
- Mbuyu Capital Partners for investments by a UK pension fund in various investment funds and companies, including Phatisa Food Fund 2 LLC (Mauritius), ECP Africa Fund IV LLC (Mauritius), Verod Capital Growth Fund III (Mauritius), Tillage Africa Limited (Mauritius), Apis Growth Fund II L.P (UK), Africa Logistics Properties Holdings (Mauritius), and for establishment of EFAfrica Group Ltd
- Mergence Investment Managers for the establishment of Mergence Technology Fund I, a black private equity fund
- Novare Equity Partners for the establishment of a private equity property fund
- PAPE Fund Managers for the establishment of the PAPE Fund III private equity fund
- PIC for its investment in the Growthpoint African Real Estate Fund
- University of Cape Town for its participation in the University Technology Fund

## PORTFOLIO ACQUISITIONS AND EXITS

- Capitalworks for the acquisition of Petmin
- Capitalworks for its bid for Sovereign Foods (shortlisted for DealMakers 2017 Private Equity Deal of the Year)
- Bopa Moruo for the acquisition of an interest in Waco
- Bopa Moruo for the acquisition of an interest in DSD Shopfitters
- Brimstone for the acquisition of Lenco Packaging Group in collaboration with Actis
- Brimstone for the acquisition and subsequent listing of Sea Harvest
- Carlyle Group and Old Mutual Private Equity for the acquisition of TiAuto
- Carlyle Group for the acquisition of Global Credit Rating
- Disposal of Libstar by way of an IPO
- Ethos for the disposal of Holdsport by way of an IPO
- Ethos Mid-Market, RMB Corvest and RMB Ventures for the acquisition of Kevro
- Ethos Mid-Market for the acquisition of Gammatek

- Ethos Mid-Market for its acquisition of an interest in MTN Zakhele Futhi
- GW Capital and Oakmont Capital in respect of the acquisition of Twisp
- IEP Group for the acquisition of Investec's portfolio of private equity investments
- IEP Group for the formation of the Bud groups of companies
- IEP Group for the disposal of CMC Networks and Boxmore
- IEP Group for its investment in, and subsequent disposal of, Vumatel (disposal awarded DealMakers 2018 Private Equity Deal of the Year and The Banker magazine's 2018 Deal of the Year award in the High Yield and Leveraged Finance category for Africa)
- Investec for its acquisition of Itec and Branch Engineering
- Metier for the disposal of Elementum
- Metier for the acquisition of Harbour House
- Metier for the acquisition of Legit
- Metier for the disposal of Libstar
- Metier for the acquisition of Nature's Choice
- Metier for the disposal of South Point
- Old Mutual Private Equity for the acquisition of In2Food
- Old Mutual Private Equity for the acquisition of Footgear and Edgars Active
- Old Mutual Private Equity for the acquisition of Medhold
- Old Mutual Private Equity for the acquisition of Morecorp
- Old Mutual Private Equity for a BEE transaction for Brait and the merger between Pembani and Shanduka
- Pan African Private Equity for the acquisition of R&S Consulting
- Public Investment Corporation for the debt restructuring and investment in Edcon
- RMB Corvest and Agile Capital for their investment in the BBE Group
- RMB Corvest for the disposal of Kwikot
- RMB Corvest and Shalamuka Capital for the exit of their investment in MineRP
- RMB Corvest for the acquisition of Universal Industries
- RMB Corvest for the disposal of an interest in Respiratory Care Africa
- RMB Corvest and Shalamuka Capital for the disposal of Micros
- RMB Ventures for the disposal of Denny Mushrooms to Libstar
- RMB Ventures and Blackstar for the acquisition of an interest in Robor
- Stockdale Street, Bopa Morua and RMB Corvest for the disposal of Autotrader
- TPG Asia VI for the acquisition of a South African clinical research company



## RECENT, NOTABLE DEALS

### PE/VC INVESTMENTS AND CO-INVESTMENTS

- BasiGo Limited, an electric bus company with operations in Kenya and Rwanda, on an investment received from British International Investment Plc, the UK's development finance institution and impact investor.
- Creadev Africa Limited, a French private equity firm based in France, and Acumen Resilient Agriculture Fund LP, a VC fund designed to enhance the livelihood and climate resilience of people in Africa for their investment in Victory Farms, East Africa's fastest growing aquaculture venture.
- A non-profit impact investment fund that invests in social enterprises on its investment in a leading Kenya-based fish farming platform that infuses technology, farm management, and the use of high-quality feeds to improve the productivity of small-scale farmers.
- A non-profit impact investment fund that invests in social enterprises, on its investment in a Kenya-based company providing storage solutions in the agricultural sector, and a Kenya-based company providing digital solutions in the education sector.
- A leading Netherlands-based investment firm on its investment in a premium Rwanda-based horticulture production company.
- A leading Netherlands-based investment firm, on its investment through a pan-African investment firm in a leading producer of natural oils.
- Kuehne + Nagel Limited (KN Kenya) on its investment in Morgan Air and Sea Freight Logistics Kenya Limited a leading South African, UK, and Kenyan freight forwarder specialised in the transport and handling of perishable goods.
- AlphaMundi Group, a leading investment fund providing debt and equity financing to scalable Latin American and African impact ventures on its investment in Twiga Foods Limited, a technology-driven company offering access to fresh foods, products, and retail services in Africa.
- Alphajiri Investment Fund, a leading Mauritius investment fund, through its Kenyan subsidiary Alpha Mundi Investment Fund on an equity investment into Ampersand, a leading US-based integrated electric motorcycle and transport energy solution provider in Africa.
- A leading Mauritius investment fund, through its Kenyan subsidiary on an equity financing into a network of small healthcare providers of lifesaving and essential diagnostic tools to improve the quality of medical care in Sub-Saharan Africa.
- Further investment by a leading Netherlands-based investment firm on its equity financing into an Africa-focused e-commerce company, following a previous series B and C round of investment.

- Swedfund International AB in Apollo Agriculture Limited on its investment in a technology company that offers commercial farming solutions such as best-in-class inputs, financing, insurance, and training to small-scale farmers in Kenya and Zambia.
- Stichting DOB Equity (DOB), an organization that focuses on investing in innovative, scalable, and impactful companies in Eastern Africa, and Global Innovation Fund (GIF), a non-profit investment fund on an incoming significant investment from Alliance to End Plastic Waste (AEPW) in Mr. Green Trading Africa Kenya.
- Stichting DOB Equity (DOB), an organization that focuses on investing in innovative, scalable, and impactful companies in Eastern Africa in its additional investment into a company in the business of processing, selling, and distributing coconut products sourced from smallholder farmers.
- AgDevCo on their investment into Victory Farms, one of the largest aquaculture farms in Kenya. This transaction went on to win small-cap deal of the year at the East Africa Venture Capital Association Awards.

### PORTFOLIO ACQUISITIONS AND EXITS

- A leading France-based global utility company on its acquisition of a 100% stake in a Kenyan subsidiary of a Mauritius-based company involved in the generation of renewable energy.
- A leading South Africa-based integrated renewable energy IPP on its acquisition of a stake in a 60MW power plant in Kenya.

## MARKET RECOGNITION

Our private equity and investment fund teams are widely praised for their depth of resources, capabilities and experience.

**John Gillmer** is the Joint Head of our Private Equity sector, and a director in our Corporate & Commercial practice. *The Legal 500 EMEA 2019–2024* recommended John for investment funds. In 2018, he was recommended for commercial, corporate/M&A.

**David Pinnock** is the Joint Head of our Private Equity sector, and a director in our Corporate & Commercial practice. *Chambers Global 2017–2024* ranked David in Band 1 for private equity. *The Legal 500 EMEA 2020–2023* recommended him as a 'Leading Individual' for commercial, corporate/M&A. *The Legal 500 EMEA 2016–2019* recommended him for commercial, corporate/M&A. *IFLR1000 2018–2023* recommended David as a 'Notable Practitioner' in private equity, and M&A.

*Chambers Global 2024* ranked **Jerome Brink** as and 'Up & Coming' tax lawyer. *The Legal 500 EMEA 2023–2024* recommended Jerome as a 'Next Generation' lawyer for tax. *The Legal 500 EMEA 2022* recommended him for tax.

*The Legal 500 EMEA 2024* recommended **Martha Mbugua** for corporate/M&A. *The Legal 500 EMEA 2018* recommended her for corporate/M&A. *IFLR1000 2021–2023* ranked her as a highly regarded lawyer in Private Equity, and M&A. *IFLR1000 2017–2019* ranked her as a 'Rising Star' in Private Equity, and M&A. Martha was ranked by the *Business Daily* newspaper as one of the *Top 40 under 40 Women for 2017* and noted as one of the youngest female partners specialising in Private Equity, and M&A.

**Chris Charter** is the Practice Head of our Competition Law team. *Chambers Global 2018–2024* ranked him in Band 1 for competition/antitrust. *The Legal 500 EMEA 2017–2024* recommended Chris as a 'Leading Individual' for competition. *The Legal 500 EMEA 2012–2016* recommended him for competition. *IFLR1000 2019–2023* recommended him as a highly regarded lawyer. *IFLR1000 2011–2018* recommended Chris as a leading lawyer. *Global Competition Review 2020–2021* named Chris a highly recommended lawyer.

*Chambers Global 2014–2024* ranked **Willem Jacobs** in Band 2 for corporate/M&A and in 2022–2024 ranked him in Band 3 for private equity. *The Legal 500 EMEA 2024* recommended him in the 'Hall of Fame' for commercial, corporate/M&A. *The Legal 500 EMEA 2016–2023* recommended him as a 'Leading Individual' for commercial, corporate/M&A. Willem was also recommended in 2012–2016 for mining. *IFLR1000 2018–2023* recommended Willem as a highly regarded lawyer for M&A, and private equity.

*Chambers Global 2024* ranked **Njeri Wagacha** in Band 3 for FinTech. *The Legal 500 EMEA 2022–2024* recommended Njeri for employment. *The Legal 500 EMEA 2023–2024* recommends her for corporate, commercial/M&A.

*Chambers Global 2021–2024* ranked **Deon Wilken** in Band 3 for banking & finance. *The Legal 500 EMEA 2013–2023* recommended him for banking & finance. *IFLR1000 2018–2023* recommended Deon as a highly regarded lawyer for capital markets: debt, energy and infrastructure, and for project finance.





## OUR TEAM

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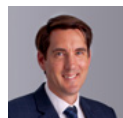
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**BBBEE STATUS: LEVEL ONE CONTRIBUTOR**

Our BBBEE verification is one of several components of our transformation strategy and we continue to seek ways of improving it in a meaningful manner.

**PLEASE NOTE**

This information is published for general information purposes and is not intended to constitute legal advice. Specialist legal advice should always be sought in relation to any particular situation. Cliffe Dekker Hofmeyr will accept no responsibility for any actions taken or not taken on the basis of this publication.

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