

Mukana Global: An Overview

A next-generation partnership of African companies.

Contents

Mission Statement	2
Introduction	2
Our History	2
The Companies	3
Mukana Green	3
Mukana Growth Pty Ltd.....	3
Mukana Imobiliara, Limitada.....	5
The Values.....	5
The Team.....	6

1 Mission Statement

We make targeted investments to establish and grow high-potential, entrepreneurial companies in strategic industries across Southern Africa.

2 Introduction

Mukana Global is building world-class businesses in a diversified and sustainable fashion – all from African soil. We are motivated by the premise that, for too long, stakeholders of various shapes and sizes have not fully participated in our planet's rapid progress. The world of the private equity dealmaker and that of the social entrepreneur often do not mix. There is still a massive disconnect between the importance of women in the traditional labor force and their underrepresentation in commercial ventures. As we face the challenges of our time, all of this can change. With a clear vision, we have drawn from the best elements of investment practice, entrepreneurship, and progressive governance to bring you something truly different.

Armed with a unique cultural fluency, Mukana is creating strong, lasting enterprises in the world's few remaining “emerging markets.” This is not just another investment idea from Wall Street. Nor is it another local venture with questionable practices. We have serious homegrown talent, building serious homegrown companies that understand how to combine best practices with doing business in Africa.

Reconciling the two is not easy. But we are trying.

Mukana is young, dynamic, and very different. We are trying to fix complex problems and generate profit in the process. You will see this reflected in our business models. Mukana companies tackle difficult projects, including those that no one has touched before. The team's diversity of origins, ages, and professional backgrounds is a formidable asset. To date, we have not met another group operating in Africa with quite the same breadth of resources.

We could use your help.

If you are looking for the last pockets of growth on Earth, if you have something to contribute, or if you simply want to make a difference, please connect with us. We have not turned down a meeting yet.

3 Our History

Mukana Global was born out of a shared vision for next-generation investments in Africa. Its affiliate, The Vavaki Group started as a private equity-style management vehicle operating in Zimbabwe and the Southern African region. There was a quick realization, however, that if you want to do something right, you need to do it yourself. This is just as true in Africa as elsewhere on the planet.

Rather than invest in existing businesses (which Vavaki still does), Mukana's aim was to tackle specific opportunities by building teams from scratch, from the ground up. This is almost never done in Africa and rarely done in private equity. It therefore required a whole new approach. Seed-financed by FPXA Holdings AG and drawing upon Vavaki's early experiences, the Mukana brand was created.

It means “chance” or “opportunity” in the Shona language.

The idea was to identify market dislocations or projects, for which we would be able to assemble a first-class team. The focus was never on the easiest or most obvious opportunities. Instead, Mukana gravitated towards macro-scalable projects, many of which happen to be uphill battles. These are challenging ventures but, if they work, truly ground-breaking.

After years of exploration, Mukana was fortunate enough to find a vast, diverse pool of talent to run its companies. In some cases, we met the people first, and they introduced us to an idea. In other cases, we identified a market opportunity first and then spent months assembling the right team. We are still unsure as to whether it was through hard work or luck that we stumbled upon so many remarkable individuals. It was clear,

however, that we could not let the talent go to waste.

It is a once-in-a-lifetime opportunity to make a difference on this scale. We chose to leave the confines of the status quo in order to invest in high-growth African ventures.

We are still on the look-out for new ideas and we are constantly looking to expand our team.

4 The Companies

Mukana Green is a diversified regional agriculture and trading platform. We are dedicated to building sustainable, long-term operations in strategic locations across Southern Africa. Mukana Green invests in traditional agricultural communities, politically-sensitive commercial farming, and regional trading transactions. Mukana typically operates in niche environments, with partners that cannot obtain capital through traditional channels. We rely on an entirely unique operating model and are highly effective at deploying our resources.

To date, no one has successfully cracked the formula to release the potential of African agriculture. For decades, this area was the preserve of NGOs, but their efforts have not always succeeded. It does not help matters that their talent comes across from ivory towers on the East Coast of the United States and leaves six months later. Corporates do not have the stamina to engage in these sorts of projects. We understand why: impassable geography, inexistent infrastructure, underfunded education systems. The list goes on. If Mukana Green's work succeeds, it will be a first.

We have a second-to-none team. We have the capital. We have the risk appetite.

Flexibility & Focus

Mukana invests in a diversified and innovative set of projects. Flexibility and efficiency are valued. Our core areas of focus include:

- Small-scale, community-based agriculture investments.

- Low-political-risk commercial farming.
- Local, regional, and global trading transactions.

How Do We Measure Success?

- Small-scale, community-based agriculture investments: measured over the course of years. The key word, in today's lingo, is "capacity-building." We want to improve our partners' agricultural production and yield factors. We want to find end-markets for their goods. If those two elements work, we will have made a meaningful impact on their standards of living. At the same time, we aim to make money on selling inputs, services, and trading the output. We strive to work with the greatest number of local farmers as possible.
- Low-political-risk commercial farming: measured from one growing cycle to the next. We need to lower input costs, increase yields, and find the best possible price for the output. We seek to improve our management capabilities. We need to expand our contractual-farming relationships.
- Local, regional, and global trading transactions: measured from month-to-month. We seek to maximise our return on deployed capital.

How Can You Get Involved?

There is a role for everyone to play: IRR-investors can deploy capital on trading transactions, governmental aid agencies can fund any number of community or rural schemes that we will protect, NGOs can introduce their programs in partnership with us on the ground.

Mukana Growth Pty Ltd is a multi-product financing and trading platform in South Africa. We are dedicated to empowering SMEs, resolving trade dislocations, and funding long-term growth in valuable markets. Mukana Growth typically operates in niche environments, with partners that cannot obtain capital through traditional channels. We rely on an entirely unique operating

model and are highly effective at deploying our resources.

To date, no one has successfully cracked the formula to release the potential of the African entrepreneur. Institutions are capital-constrained, people do not trust each other, and conventional thinking still rules. To make matters worse, international investors are scared of Africa. Plain and simple.

In the specific case of South Africa, SME, BEE¹, and women-owned enterprises will typically not have access to mainstream capital. Even if these types of firms are banked, large financial institutions often do not have the appetite to take on risky credits. These same firms, however, may have experience providing a specific good or service, may have won a government tender, or may be sitting on a purchase order from a large corporation. Unfortunately, without financing, they will be unable to fulfill the order at hand.

Mukana has the risk appetite, capital, and experience to look at transactions such as these.

By using a range of innovative financial instruments, we provide new mechanisms for financing growth businesses. For example, Mukana can structure profit-sharing agreements on short-term transactions, put together production-specific investments, or execute trades as principal. None of these involve predatory micro-loans. On a case-by-case basis, we consider deeper relationships with small firms, including venture capital equity investments. Thanks to a cutting-edge platform, Mukana helps to fund enterprises, expand employment, and grow the South African economy.

With some success in the Rainbow Nation, Mukana Growth will quite happily expand to other nations.

Flexibility & Financial Instruments

Mukana makes use of an innovative set of financial instruments to execute transactions.

¹ “Black Economic Empowerment,” as promulgated by the South African government.

Flexibility and efficiency are valued. We excel at finding custom solutions quickly. Some of the tools at our disposal include:

- Profit-sharing on short-term trading transactions
- Production-specific investments
- Principal trading transactions
- Venture capital equity investments
- Loans (always as a last resort)
- Invoice discounting (in partnership with CapX Finance)
- Consulting for SME trading clients

The Clients

Mukana works with promising SME, BEE, and women-owned firms. We look for high-potential enterprises, which exhibit professional behavior and are in need of growth or working capital. We make use of outside partners to “filter” and mentor the businesses that we work with (for example: Goldman Sachs-GIBS 10,000 Women Programme, SEDA, or corporations with preferential supplier lists).

Despite the resources at our disposal, Mukana recognises the need for ongoing mentorship of the firms we work with. Therefore, we provide them with access to mentorship platforms as an integrated part of our financing. Moreover, due to the nature of some of these transactions, we hold their hand every step of the way. Mukana expects to run a joint financing and mentoring platform for the benefit of our clients.

How Do We Measure Success?

Measured month-on-month and year-on-year. We seek to maximise our return on deployed capital. At the same time, we must minimise cases of fraud and abuse, in an environment that is known for these difficulties – therefore, we aim to find the best quality SMEs rather than the greatest quantity of them. We strive to increase our relationships with “filter” organisations, in order to gain access to the best SMEs.

How Can You Get Involved?

We are looking to deploy capital in high-risk, high-reward transactions that are generally uncorrelated to global equity markets. We are constantly looking to expand our network of “filter” organisations (blue chip corporates, government and parastatal entities, educational or training programs for SMEs).

Mukana Imobiliara, Limitada is a diversified real estate and construction business operating in Mozambique. We are building a credible alternative to the established firms, with a goal of providing quality service and responsiveness.

By all accounts, Mozambique’s recent macro-economic growth has been formidable. With one of the largest hydrocarbon finds of the last decade, this is unlikely to change any time soon. It will take time but history has shown that the biggest beneficiaries of extractive-industry investment are the land owners. Along with this comes a massive need for construction, real estate development, and brokerage. The business is a direct corollary to the country’s oil and gas play. If we can add to that by doing things in the right way and by building the right team, we will be able to contribute to Mozambique’s success.

Mukana Imobiliaria looks forward to serving all of your real estate and building needs in Mozambique. You can count on us every step of the way.

Products & Flexibility

- Real estate brokerage (sales and rentals)
- Construction projects
- Real estate management (maintenance, tenant management, portfolio solutions...etc...)
- Real estate development projects

How Do We Measure Success?

Measured month-on-month. We seek to maximise the number of real estate brokerage transactions and construction projects. We seek to maximise the profitability of each transaction.

We strive to train, motivate, and retain a talented labour force.

How Can You Get Involved?

We are investing in projects that are correlated to the energy and mining boom in Mozambique and will grow with the global economy, but have none of the headline risk or massive capex requirements. Financing for real estate development is much needed in Mozambique. If you are looking to diversify your global portfolio investments, there is room to grow in Mozambique. We are constantly looking to expand our client base (including embassies, NGOs, aid agencies, international corporates, local business people...).

5 The Values

We partner closely with clients and counterparties to bring the strictest standards of corporate governance to bear. Mukana Global is proud to be doing business in contemporary Africa. We care deeply about promoting equitable growth and progressive policies. Our core values reflect a desire to build a strong, lasting company:

- **Create Wealth:**
We believe that smart investment creates wealth, employment, and opportunity for our partners, employees, and the community.
- **Think Long-Term:**
We are focused on the future. A long-term perspective allows us and our partners to think big and build strong businesses.
- **Give Back:**
We care about our neighbours, contribute to the communities in which we operate, and seek to protect the environment. We adhere to the principle of Ubuntu, strongly believing that our success is dependent on the success of those we serve.

6 The Team

Mukana Global benefits from solid capitalisation and global connections that few local firms can match. Our shareholders and partners include a range of companies, entrepreneurs, and experienced mentors located across three continents.

The team's diversity of ages and professional backgrounds is a formidable asset. Past experiences include Goldman Sachs, Rand Merchant Bank, Boston Consulting Group, Vale, Syngenta, utility-infrastructure projects, commercial farming, food trading, real estate, and private investing in Africa and the West. We aim to look and feel like the region we work in – just as comfortable in Manica Province as in Camps Bay.

Just as our business model is unique, so is our team culture. We are putting together an organization that is not hamstrung by artificial hierarchy, that values creativity, and above all rewards hard work and integrity. We will not hesitate to be demanding when needed - we have learnt our lessons the hard way - but we prefer consensus-building and collaboration.

The team works for the benefit of our partners and clients.