



STANDARD BOOSTS KZN POTENTIAL WITH 22% OF IMBEWU

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by Margie Inggs

Durban - Standard Bank has acquired 22 percent of a black-owned private equity and investment holding company, Imbewu Capital Partners, boosting the potential for black economic empowerment (BEE) deals in KwaZulu-Natal.

Management and staff own 68 percent of Imbewu and Omame, a broad-based group of professional women, owns 5 percent. Another 5 percent is held by a community development trust.

Ben Kruger, Standard Bank's managing director of corporate investment banking, said yesterday that the bank had not been as active in transformation acquisition financing in KwaZulu-Natal as it had in other provinces, and that the acquisition provided "fantastic opportunities" to put that right.

Imbewu's chief executive, Gcina Zondi, said the investment holding company had an effective 70 percent BEE shareholding and the two founding executives collectively had more than 15 years' experience in private equity and investment banking.

"We have an extensive network and strong expertise in the areas of business strategy, corporate governance and transformation. This holistic approach underpins our partnership philosophy," he said.

As a strategic equity partner and primary supporter, Standard Bank has made investment funding available to Imbewu Capital Partners.

Grant Parsons, Standard Bank's regional head of corporate and investment banking, said the bank had not put a limit on the size of its purse or stipulated the type of investments, as the opportunities were "endless".

"We have spent months and years looking for the right partners. This is our first strategic investment in KwaZulu-Natal and we are looking forward to the creation of an Mvelaphanda on our doorstep," he said.

"Normally we don't fund start-up businesses as the risks are too high, but it is very important to be seen to be supporting BEE initiatives. Also, Imbewu has a very strong team of professionals with a good track record in their previous private equity careers."

Omame Investments, the women's shareholder group in Imbewu Capital Partners, has a strategic focus on facilities management and aims to create opportunities for the employment and integration of women into mainstream business.

The community development trust established by Imbewu has been structured to provide the resources to implement a mentorship programme designed to strengthen previously disadvantaged youth, particularly in the areas of education and leadership development.

Standard Bank shares closed down 0.71 percent on the JSE yesterday at R69.90, while the banks sector strengthened by 1.77 percent.

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