

**CONVERGENCE PARTNERS SECURES R200M FUNDING FACILITY FROM NEDBANK CAPITAL AND MAKALANI**

Convergence Partners, a Black Economic Empowerment investment company focusing on the Technology, Media and Telecommunications sector, is pleased to announce that it has successfully completed a capital raising of R200m.

The funders, Nedbank Capital and Makalani Holdings Limited, have committed to contribute R125m and R75m respectively. This brings Convergence Partners' total capitalisation value to around R600m.

The funding has been structured by way of a drawdown facility in the form of redeemable preference shares repayable in seven years. This allows Convergence Partners to invest equity into new projects and transactions but also into the refinancing of existing transaction structures. Convergence Partners will continue to leverage further on its equity injections into future transactions on a deal by deal basis.

Andile Ngcaba, Convergence Partners' Chairman and majority shareholder, said: ***"This is a significant step forward for Convergence Partners. We are an ambitious BEE investment partner in our chosen sector. This funding structure allows us to continue to build and diversify our portfolio and is appropriately structured to meet our long-term investment philosophy of partnering quality businesses where we can make a meaningful contribution to their strategic development and growth."***

Brian Kennedy, MD of Nedbank Capital, said: ***"We are proud to have assisted in the raising of capital for Convergence Partners. It demonstrates the success of our Corporate Client scheme in that we have built a strategic and mutually beneficial relationship with Andile Ngcaba. We trust the relationship will further enhance various networking and cross-selling opportunities for both parties."***

Sydney Mhlarhi, Chief Investment Officer of Makalani Holdings, commented: ***"It is a pleasure to be associated with a leading empowerment firm such as Convergence Partners. Their focus and in-depth knowledge of the TMT sector makes for an ideal funding opportunity which further diversifies Makalani's portfolio. We are delighted to support this thoroughly professional team."***

**ENQUIRIES**

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**NOTE TO EDITORS**

**Convergence Partners**

Convergence Partners is a BEE investment company focusing on the Telecommunications, Media and Technology (TMT) sector. It was created and led by Andile Ngcaba who has formed a team of varied skilled individuals within the business.

Convergence Partners' investment philosophy is to take meaningful equity stakes in quality companies within its chosen sectors, and act as both a strategic, value-adding active investor as well as BEE partner over a long-term period.

Current direct investments include Telkom, Dimension Data Africa and Middle East, Britehouse (an investment holding company into Paracon, 3Fifteen, Pebble Tree and Automate), Gemalto South Africa, Inala, Nedbank (Eyethu Scheme) and Communications Solutions.

**Andile Ngcaba (*M Comm, Hon D Comm*)**

Andile Ngcaba was the Director General of the DoC for over eight years up until the end of 2003 when he announced his intention to leave Government for the private sector.

At the DoC, Andile was responsible for, *inter alia*, policy formulation, conceptual development and implementation in the ICT Sector. During this time, he assisted foreign governments with their own policy formulation and oversaw a number of significant developments in the ICT Sector in South Africa.

In addition to appointments to the boards of investee companies of Convergence Partners, Andile holds and has held a number of positions on global and local bodies. Notably, he is presently Executive Chairman of Dimension Data Africa and Middle East.