

**ANUVA PRIVATE EQUITY LIMITED**  
**(Formerly Futureneers VCC 4 (Pty) Ltd)**  
Incorporated in the Republic of South Africa  
**(Registration Number: 2017/110072/06)**  
(VCC License Number: VCC-0137)  
**(“the Company” or “Anuva”)**

**A SECTION 12J VENTURE CAPITAL COMPANY REGISTERED IN TERMS OF THE INCOME TAX ACT, 58 OF 1962**

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**PROSPECTUS**

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The definitions and interpretations commencing on page 1 of this document apply to this entire document, including this cover page, except where the context indicates a contrary intention.

This Prospectus sets out the details of an investment offering to the general public to subscribe for a total of 1 000 000 (one million) unlisted Ordinary Shares in Class A, and F (“**Offered Shares**”) having no par value at an issue price of R100 (on hundred Rand) per Share.

**Opening date of the Offer: 09:00 – 1 February 2020**  
**Closing date of the Offer: 24:00 – 30 April 2020**

**FAIS Compliance Officer**



**Commercial Bank**



**Auditors and Reporting Accountants**



**Legal Advisors**



**Prospectus prepared by**



**ANUVA PRIVATE EQUITY LIMITED**

Incorporated in the Republic of South Africa

**Registration Number: 2017/110072/06**

**PROSPECTUS AND INVITATION TO SUBSCRIBE FOR SHARES**

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**GENERAL STATEMENTS**

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**INCORPORATION AND NATURE OF BUSINESS**

Anuva was incorporated on 8 March 2017 as a VCC for the purpose of providing a Section 12J investment opportunity to young professionals and other taxpayers who have previously been excluded from this investment opportunity due to the high minimum investment thresholds set by other VCC's.

**REGISTRATION OF PROSPECTUS**

This Offer to subscribe for shares in the Company is an invitation to the public and as such this Prospectus is required to be issued and has been registered with CIPC.

This is not a Prospectus for the listing of shares of the Company on an exchange and is only available in English.

**TIMING**

Opening Date of the Offer: **09:00 – 1 February 2020**

Closing Date of the Offer: **24:00 – 30 April 2020**

A signed Application Form and payment in full of the Offer Price must be made into the designated bank account of the Company by the Applicant on or before the Closing Date.

## **OFFER SHARE AND MINIMUM CAPITAL TO BE RAISED – REGULATION 54(3)**

The Company is offering the opportunity to subscribe for up to 1 000 000 (one million) unlisted Ordinary Shares in Class A, and F having no par value, at a subscription price of R100 (one hundred Rand) per Share in terms of this Offer. The Company intends on raising a maximum amount of R100 000 000 (one hundred million Rand) through the issue of 1 000 000 (one million) Ordinary Shares at R100 (one hundred Rand) per share.

The minimum number of Offered Shares that may be subscribed for in terms of this Offer is 30 000 (thirty thousand) shares at a price of R100 (one hundred Rand) per share. The Offer is conditional upon raising a minimum amount of R3 000 000 (three million Rand). The Directors of the Company reserve the right to amend the minimum capital to be raised in terms of this Offer at their discretion, in compliance with Section 100(11) of The Companies Act 71 of 2008.

The minimum number of Offered Shares that may be subscribed for by a single Investor is five hundred Ordinary Shares at a minimum subscription price of R100 (one hundred Rand) per share, if the investor settles the investment amount in a single lump sum payment, or six hundred Ordinary Shares totaling a minimum subscription value per investor of R60 000 (sixty thousand Rand) if the investor settles the investment amount in monthly instalments of R5 000 (five thousand Rand) per month.

## **INDEPENDENT ADVICE**

Anuva does not provide any financial advice to Investors. It is of utmost importance for the reader to obtain independent legal, tax, investment and any further advice necessary to ensure that the contents of this document are understood in full and all risk factors are fully considered, before subscribing for shares in terms of this Prospectus.

## **KING CODE – REGULATION 54(1)(b)**

The Board fully embraces the principles of sound corporate governance espoused in the King Report and Code on Corporate Governance in South Africa (“**King IV**”). The Board has adopted a general statement of intent with regards to governance, including adherence to the provisions of King IV. The Board will attend to the analysis and implementation, where necessary, of every recommendation of King IV in due course. The extent to which, and manner in which, the Company applies the principles of King IV are set out in Annexure B. The reasons for any instance of not applying the recommended principles in King IV are also set out in Annexure B.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors of the Company, being the persons set out in Section 1, paragraph 2 of this Prospectus, accept full responsibility, collectively and individually, for the accuracy of the information provided in this Prospectus (to the extent that they are required to accept such responsibility in terms of the Companies Act) and certify that to the best of their knowledge and belief there are no facts relating to the Company that have been omitted which would make any statement relating to the Company false or misleading and that all reasonable enquiries to ascertain such facts have been made in this Prospectus.

## **ADVISOR'S CONSENT**

The Advisors, whose names are included in this Prospectus, have given and have not, prior to registration, withdrawn their written consent to the inclusion of their names in the capacities stated and, where applicable, to their reports being included in this Prospectus, which consents are accessible from the registered offices of Anuva.

## **FORWARD-LOOKING STATEMENTS**

This Prospectus contains statements about the Company and related companies that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; production; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "prospective", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or similar words and phrases.

## **CORPORATE INFORMATION SCHEDULE**

### **Auditors and Reporting Accountants**

#### **Middel & Partners**

Fairways Office Park,  
c/o Niblick & Jigger Avenue  
Somerset Mall  
Somerset West  
Westerns Cape  
Cape Town

Email: info.wc@middel.co.za

Tel: 021 851 6531

### **FAIS Compliance Office**

#### **Moonstone Compliance (Pty) Ltd**

25 Quantum Street  
Technopark  
Stellenbosch

7600

Tel: 021 883 8000

### **Legal Advisors**

#### **Deon Perold and Associates**

Ascot Chambers  
1st Floor, Block H  
Russell House, Greenford Office Estate  
Punters Way, Kenilworth  
Cape Town

Email: deon@dplaw.co.za

Tel: 021 671 0815

### **Company Secretary**

#### **HS Advisory Services (Pty) Ltd**

8th Floor Letterstedt House  
Newlands On Main  
Claremont  
Cape Town  
7700

Email: Razm@hobbsinc.co.za

Tel: 021 683 0500

### **Administrative Manager**

#### **Hobbs Sinclair Business Solutions (Pty) Ltd**

8th Floor Letterstedt House  
Newland On Main  
Claremont  
Cape Town  
7700

Tel: 021 683 0500

### **Commercial Bank**

#### **Mercantile Bank**

Roggebaai Place  
4 Jetty Street  
Foreshore  
Cape Town  
8001

Email: bmcptmlb@mercantile.co.za

Tel: 021 419 9402.

**Prospectus Prepared by**

**Hobbs Sinclair Business Solutions (Pty) Ltd**

8th Floor Letterstedt House

Newlands On Main

Claremont

7700

Email: Neillh@hobbsinc.co.za

Tel: 021 683 0500

**Business Address and Registered Address  
of the Company**

8th Floor Letterstedt House

Newlands On Main

Claremont

7700

Tel: 021 683 0500

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## DEFINITIONS AND INTERPRETATION

In this Prospectus, unless inconsistent with or otherwise indicated by the context –

<b>"Act"</b>	the Companies Act, 71 of 2008, as amended.
<b>"Administrative Manager"</b>	Hobbs Sinclair Business Solutions (Pty) Ltd, registration number 2011/149481/07, a private company with limited liability duly incorporated in accordance with the laws of the Republic of South Africa, full details of which are contained in the Corporate Information Schedule of this Prospectus.
<b>"Advisors"</b>	collectively Deon Perold and Associates, Moonstone and Middel & Partners.
<b>"Anuva"</b>	Anuva Private Equity Limited (formerly Futureneers VCC 4 (Pty) Ltd), registration number 2017/110072/06, an unlisted public company, incorporated in accordance with the laws of South Africa.
<b>"Application Form(s)"</b>	the Application Form in respect of the Offer which is attached to, and forms part of this Prospectus and which must be completed by all prospective Investors.
<b>““B” Managers Shares”</b>	the shares in the Company designated in the MOI as ““B” Managers Shares” which have the rights and limitations as are set out in the MOI.
<b>"Board"</b>	the board of directors of the Company from time to time comprises of the persons listed at Section 1, paragraph 2 of this Prospectus.
<b>"Business Day"</b>	any day other than a Saturday, Sunday or South African public Holiday.
<b>"CIPC"</b>	the Companies and Intellectual Property Commission.
<b>"Closing Date"</b>	30 April 2020, which closing date may be amended by the Company by way of an announcement released on its website.
<b>"the Commissioner"</b>	means the Commissioner for the South African Revenue Service appointed in terms of Section 6 of the South African Revenue

Service Act, 34 of 1997, or the Acting Commissioner designated in terms of Section 7 of that Act.

<b>"the Company"</b>	Anuva Private Equity Limited (formerly Futureneers VCC 4 (Pty) Ltd), registration number 2017/110072/06, an unlisted public company, incorporated in accordance with the laws of South Africa and " <b>Anuva</b> " shall bear the same meaning.
<b>"Company Secretary"</b>	HS Advisory Services (Pty) Ltd, whose details are contained in the Corporate Information Schedule of this Prospectus.
<b>"Connected Person(s)"</b>	connected person as defined in Section 1 of the Income Tax Act.
<b>"Corporate Information Schedule"</b>	the corporate information and advisors schedule at page V of this Prospectus.
<b>"Deon Perold &amp; Associates"</b>	Deon Perold and Associates, Identification number 5711165150084, a company duly incorporated in accordance with the laws of the Republic of South Africa, with full details set out in the Corporate Information Schedule, being the company's legal advisors.
<b>"FSCA"</b>	Financial Sector Conduct Authority established by the Financial Sector Regulation Act No. 9 of 2017 and came into operation on the 1 <sup>st</sup> of April 2018.
<b>"Gross Investment"</b>	the nominal amount of capital invested, in respect of Section 12J of the Income Tax Act.
<b>"IFRS"</b>	International Financial Reporting Standards, which comprise standards and interpretations approved by the International Accounting Standards Board, International Financial Reporting Interpretations Committee and International Accounting Standards, and Standing Interpretations Committee interpretations, approved by the International Accounting Standards Committee.
<b>"Income Tax Act"</b>	The South African Income Tax Act, 58 of 1962, as amended, consolidated and re-enacted from time to time, including all schedules thereto.

<b>"Investor(s)"</b>	an individual, trust, company, or other legal entity who subscribes for Venture Capital Shares.
<b>"Last Practicable Date"</b>	25 January 2020.
<b>"Impermissible Trade"</b>	As defined per the Income Tax Act S12J.
<b>"Middel &amp; Partners"</b>	Middel & Partners, the auditors of Anuva, whose details are more fully set out in the Corporate Information Schedule.
<b>"MOI"</b>	the memorandum of incorporation of the Company, as amended from time to time.
<b>"Moonstone"</b>	Moonstone Compliance (Pty) Ltd, registration number 2002/020736/07, a private company with limited liability duly incorporated in accordance with the laws of the Republic of South Africa, full details of which are contained in the Corporate Information section of this Prospectus, being the Company's FAIS compliance officer.
<b>"Offer"</b>	the offer for subscription for 1 000 000 Ordinary Shares during the Offer Period at the Offer Price, the terms of which are set out in this Prospectus.
<b>"Offer Period"</b>	the period from 1 February 2020 to 30 April 2020.
<b>"Offer Price"</b>	R100 per Ordinary Share.
<b>"Opening Date"</b>	1 February 2020, which opening date may be amended by the Company by way of an announcement released on its website.
<b>"Ordinary Shares"</b>	the shares in the Company designated in the MOI as "Class "A", "C", "D", "E", "F", and "G" Ordinary Shares" which have the rights and limitations as are set out in the MOI.
<b>"Prospectus"</b>	this Prospectus and its provided Annexures.
<b>"Qualifying Company" or "Qualifying Companies"</b>	As defined per the Income Tax Act S12J.

<b>"Qualifying Investment(s)"</b>	As defined per the Income Tax Act S12J.
<b>"Qualifying Share(s)"</b>	As defined per the Income Tax Act S12J.
<b>"Register"</b>	the register of Shareholders of the Company.
<b>"Realised Capital Profits"</b>	The Proceeds less the initial cost, plus the costs of improvements, of the relevant assets.
<b>"S12J"</b>	Section 12J of the Income Tax Act no. 58 of 1962. <b>"Section 12J"</b> shall have the same meaning.
<b>"SARS"</b>	the South African Revenue Service.
<b>"Shareholder"</b>	a holder of Shares in Anuva.
<b>"Shares"</b>	the Class "A", "C", "D", "E", "F" and "G" Ordinary Shares of the Company in terms of the MOI.
<b>"Venture Capital Shares"</b>	As defined per the Income Tax Act S12J.
<b>"Venture Capital Company VCC"</b>	As defined in Section 12J of the Income Tax Act, and in respect of which approval has not been withdrawn.

The clause headings in this Prospectus have been inserted for reference purposes only and shall not affect the interpretation of any provision of this Prospectus.

Words and expressions defined in any sub-clause shall, for the purpose of the clause of which the sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause.

If any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, effect shall be given to it as if it were a substantive clause in the body of the Prospectus, notwithstanding that it is only contained in this interpretation clause.

If any period is referred to in this Prospectus by way of reference to a number of days, the days shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Day, in which case the day shall be the next succeeding Business Day.

The rule of construction that the contract shall be interpreted against the Party responsible for the drafting or preparation of this Prospectus, shall not apply.

This Prospectus shall be governed by and construed and interpreted in accordance with the law of

the Republic of South Africa.

Expressions defined in this Prospectus shall bear the same meanings in any annexure hereto which does not contain its own definitions.

**ANUVA PRIVATE EQUITY LIMITED**  
**(Formerly Futureneers VCC 4 (Pty) Ltd)**  
Incorporated in the Republic of South Africa  
**(Registration Number: 2017/110072/06)**  
(VCC Licence Number: VCC-0137)  
**("the Company" or "Anuva")**

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**PROSPECTUS**

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**SECTION 1 – COMPANY INFORMATION**

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**1. NAME, ADDRESS AND DATE OF INCORPORATION – REGULATION 57**

**1.1. Name and registration number**

- 1.1.1. Anuva Private Equity Limited (formerly Futureneers VCC 4 (Pty) Ltd), registration number 2017/110072/06.

**1.2. Registered office and primary business address**

- 1.2.1. 8<sup>th</sup> Floor Letterstedt House, Main Road, Claremont, Cape Town, Western Cape, South Africa, 7708.

**1.3. Date of incorporation**

- 1.3.1. 08 March 2017 in the Republic of South Africa.

**1.4. Details of holding company**

- 1.4.1. **Name:** Hobbs Sinclair Business Solutions (Pty) Ltd.
- 1.4.2. **Nature of business:** Management services.
- 1.4.3. **Registration number:** 2011/149481/07.
- 1.4.4. **Date and place of incorporation:** 21 December 2011 in the Republic of South Africa.
- 1.4.5. **Effective holding in Anuva:** The Administrative Manager has subscribed for 1 000 000 "B" Managers Shares in Anuva, being the entire issued share capital of the Company.

**1.5. Details of Subsidiaries**

1.5.1. The Company has no subsidiaries.

## 2. DIRECTORS, OTHER OFFICE HOLDERS, OR MATERIAL THIRD PARTIES – REGULATION 58

### 2.1. Existing Directors – Regulation 58(2)(a)

#### Neill Hobbs

Nationality: South African  
Position: Executive Director  
Business Address: 8th Floor Letterstedt House, Claremont, Western Cape, 7708  
Term of Office: Indefinite  
Appointment: 31 October 2019  
Remuneration: R48 000 per annum  
Experience: Neill is a Chartered Accountant, Registered Auditor, Registered Tax Practitioner and Senior Business Rescue Practitioner. For the last 20 years, Neill has been a partner of Hobbs Sinclair Chartered Accountants where his skills have been utilised in building an accounting practice, specializing in small and medium sized enterprises (SME's). Since 2012, Neill has been extensively involved in the development of the Section 12J sector, launching the first Section 12J Venture Capital Company, Iridium Private Equity Limited, of which he remains a director. Neill is also the Chief Executive Officer of Anuva Investments Limited, a Venture Capital Company substantially invested in the SME sector with a solid five-year profitable trading history.

#### Greig Sinclair

Nationality: South African  
Position: Executive Director  
Business Address: 8<sup>th</sup> Floor Letterstedt House, Claremont, Western Cape, 7708  
Term of Office: Indefinite  
Appointment: 31 October 2019  
Remuneration: R48 000 per annum



Experience: Greig is a Chartered Accountant CA (SA) having completed his training with Betty & Dickson Chartered Accountants. He subsequently worked in various financial management roles before joining Mr. Neill Hobbs as partner at Hobbs Sinclair Chartered Accountants in 2006.

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**James Rothmann**

Nationality: South African  
Position: Non-Executive Director  
Business Address: 8<sup>th</sup> Floor Letterstedt House, Claremont, Western Cape, 7708  
Term of Office: Indefinite  
Appointment: 31 October 2019  
Remuneration: R48 000 per annum  
Experience: James completed a BAcc Hons Degree at Stellenbosch University in 2015. He completed his articles at PWC Stellenbosch from 2016 to 2018 and in 2018 became an associate/member with SAICA and qualified as a Chartered Accountant. James is currently the Chief Financial Officer at Anuva, specialising in the fund and financial management of section 12J Venture Capital Companies.

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## 2.2. Key Individual – Regulation 58(2)(a)

### Derrick Hyde

Nationality:	South African
Position:	Key Individual
Business Address:	Unit 19, 1 Melrose Blvd, Birnam, Johannesburg, 2076
Term of Office:	Indefinite
Appointment:	Pending
Remuneration:	Derrick Hyde is indirectly paid by Jaltech Structuring (Pty) Ltd (“Jaltech”) through an agreement between Anuva and Jaltech. Anuva payes Jaltech R2 400 (Two thousand four hundred Rand) per month.
Experience:	Derrick qualified as an actuary after completing his degree (BSC Honours Actuarial Science) at the University of the Witwatersrand. Prior to co-founding Jaltech, Derrick was head of business development at Liberty Africa, where he advised on product development and acquisitions in Africa. He has extensive experience in forming, structuring, administering and managing Section 12J Venture Capital Companies, permanent capital vehicles and limited partnerships.

## 2.3. Attorneys, Bankers, Auditors and Company Secretary – Regulation 58(2)(b)

- 2.3.1. The Company Secretary and Administrative Manager are HS Advisory Services (Pty) Ltd and Hobbs Sinclair Business Solutions (Pty) Ltd respectively, whose details are set out in the Corporate Information Schedule section of this Prospectus (Regulation 58(2)(b)(iii)).
- 2.3.2. The names and addresses of the advisors, auditors, bankers and attorneys are also set out in the Corporate Information Schedule of this Prospectus (Regulation 58(2)(b)(i) and (ii)).

## 2.4. Additional Information Relating to Directors

- 2.4.1. Appointment of Directors – Regulation 58(3)(a)
- 2.4.1.1. Directors are elected by the Shareholders by an ordinary majority vote in accordance with Section 68 of the Act. “A” Ordinary Shareholders are entitled by notice in writing to the Company to appoint 1 director and to remove and/or replace any such director

from time to time. Directors are appointed for an indefinite period until they are removed from office.

#### 2.4.2. Remuneration of Directors – Regulation 58(3)(b)

2.4.2.1. The remuneration payable to each Director for their services rendered is R48 000 per annum. Neill Hobbs is a director of the Administrative Manager, Hobbs Sinclair Business Solutions (Pty) Ltd, which receives a once-off capital raising fee as well as an annual management fee which is paid on the funds received from the issue of Ordinary Shares.

#### 2.4.3. Borrowing Powers of the Company – Regulation 58(3)(c)

2.4.3.1. The Board has the authority to exercise all the powers and perform any of the functions of the Company. The MOI does not restrict the authority of the Board and as such the Board has the authority to exercise unrestricted borrowing powers on behalf of the Company.

2.4.3.2. The borrowing powers of the Company and the authority of the Board to exercise such borrowing powers may only be restricted by means of an amendment to the MOI.

### **2.5. Administrative Managers – Regulation 58(3)(d)**

2.5.1. Hobbs Sinclair Business Solutions (Pty) Ltd, whose address and information are listed in the Corporate Information Schedule, have been appointed as the Administrative Manager of the Company. On Class “A” Ordinary Share investments received a once-off capital raising fee of 3% capital raising on new Class “A” Ordinary Shares share capital raised by the Company as well as a 3% annual management fee, calculated on the funds received from the issue of Class “A” Ordinary Shares, will be paid to the Administrative Manager. On Class “F” Ordinary Share investments received that are less than or equal to R500 000 (five hundred thousand Rand), a once-off capital raising fee of 3% capital raising on new Class “F” Ordinary Shares share capital raised by the Company as well as a 3% annual management fee, calculated on the funds received from the issue of Class “F” Ordinary Shares, will be paid to the Administrative Manager. On Class “F” Ordinary Share investments received that are greater than R500 000 (five hundred thousand Rand), a once-off capital raising fee of 2% capital raising on new Class “F” Ordinary Shares share capital raised by the Company as well as a 2% annual management fee, calculated on the funds received from the issue of Class “F” Ordinary Shares, will be paid to the Administrative Manager. The Administrative Manager provides the Company with the following retainer services, but without limitation:

2.5.1.1. To utilise its best endeavors to fulfil the compliance obligations of Anuva with all

relevant requirements of the FSCA and SARS.

- 2.5.1.2. Provide regular updates regarding happenings/amendments in the Section 12J industry.
- 2.5.1.3. Hobbs Sinclair Business Solutions (Pty) Ltd, with further assistance from the FAIS Compliance Officer, which Compliance Officer shall, subject to the relevant provisions of the Financial Advisory and Intermediary Services Act (“FAIS”), FSCA and subordinate legislation render the specified compliance Services to the Company.

## **2.6. Key Individual – Regulation 58(3)(d)**

- 2.6.1. The Company’s Key Individual is Derrick Hyde who provides the Company with advisory services with regard to his role as Key Individual.

## **2.7. FAIS Compliance Officer – Regulation 58(3)(d)**

- 2.7.1. Moonstone, whose address and information are listed in the Corporate Information Schedule, provides the Company with FAIS compliance services and levies a monthly fee of R2 800 (excl. VAT).

## **3. HISTORY, PROSPECTS AND STATE OF AFFAIRS OF THE COMPANY – REGULATION 59**

### **3.1. Description of the Company– Regulation 59(2)**

- 3.1.1. The Company is a Venture Capital Company, registered in terms of Section 12J(5) of the Income Tax Act.
- 3.1.2. South African taxpayers are granted a 100% tax deduction on funds invested in the Company given that the taxpayer complies with the requirements in terms of Section 12J(2) of the Income Tax Act.
- 3.1.3. The Company’s sole objective is the investment in and management of Qualifying Companies. Anuva achieves this by providing additional capital to assist these companies in the expansion and development of their core business activities.
- 3.1.4. The Company must invest in Qualifying Companies in a manner that meets the provisions of Section 12J of the Income Tax Act. The initiative has been created by the South African Government and administrated by SARS to encourage investments into small and medium sized enterprises, as a way of stimulating the South African economy and creating jobs.
- 3.1.5. The Company is registered as a Financial Services Provider in terms of Section 8 of the Financial Advisory and Intermediary Services Act, 37 of 2002 under License number 49691.

### **3.2. History of the Company – Regulation 59(3)(a)**

- 3.2.1. The Company was registered on 8 March 2017 with the name Futureneers VCC 4 (Pty) Ltd.
- 3.2.2. On 1 November 2018 the Company registered with SARS as an approved VCC.
- 3.2.3. On 20 December 2019 the Company became a subsidiary of Hobbs Sinclair Business Solutions (Pty) Ltd.
- 3.2.4. On 9 October 2018 the Company registered with the FSCA as a licensed financial services provider.
- 3.2.5. On 23 December 2019 the Company was converted to a public company.
- 3.2.6. On 26 November 2019 the Company changed its name from “Futureneers VCC 4 Proprietary Limited” to “Anuva Private Equity Proprietary Limited”.
- 3.2.7. On 23 December 2019 the Company appointed HS Advisory Services (Pty) Ltd as the Company Secretary.
- 3.2.8. The Company has not yet commenced business (Regulation 59(3)(a)(i) and (ii)).

### **3.3. Material Changes in the Company’s business – Regulation 59(3)(b)**

- 3.3.1. Anuva was incorporated with the business objective of identifying and facilitating investments in qualifying companies as per the requirements of Section 12J of the Income Tax Act. There have been no material changes in the business of the Company since incorporation.

### **3.4. Prospects of the Company – Regulation 59(3)(c)**

- 3.4.1. Anuva was incorporated with the sole purpose of managing qualifying companies in terms of Section 12J of the Income Tax Act. The Company’s investment industry focus will vary across the company with each Ordinary Share Class focusing on a specific industry.
- 3.4.2. Areas of interest are the intensive agriculture and agritech, renewable energy, hospitality properties and vertically integrated businesses within the value chain.

### **3.5. State of Affairs of the Company – Regulation 59(3)(d)**

- 3.5.1. The Company has not traded, and no investments have been made into Qualifying Companies, nor does it have any subsidiaries.
- 3.5.2. The Company is a subsidiary of Hobbs Sinclair Business Solutions (Pty) Ltd (Reg. No. 2011/149481/07).

- 3.5.3. The purpose of this Prospectus is to raise capital via public offering for the purpose of applying such capital to acquire equity investments in Qualifying Companies who will acquire assets that meet the criteria in 3.4.2 above.
- 3.5.1. Costs incurred in establishing and registering the Company as a VCC have been carried by the Administrative Manager and have been capitalised to equity by the issue of 10 000 "B" Managers Shares.
- 3.5.2. As a result of the issue of 10 000 "B" Managers Shares to the Administrative Manager the Company becomes a subsidiary of Hobbs Sinclair Business Solutions (Pty) Ltd (Reg. No. 2011/149481/07).
- 3.5.3. Simultaneously the following share classes were created:
- 3.5.3.1. 20 000 000 "A" Ordinary Shares,
  - 3.5.3.2. 80 000 000 "B" Managers' Shares,
  - 3.5.3.3. 20 000 000 "C" Ordinary Shares,
  - 3.5.3.4. 20 000 000 "D" Ordinary Shares,
  - 3.5.3.5. 20 000 000 "E" Ordinary Shares,
  - 3.5.3.6. 20 000 000 "F" Ordinary Shares,
  - 3.5.3.7. 20 000 000 "G" Ordinary Shares,
  - 3.5.3.8. 100 000 000 Unclassified Ordinary Shares.
- 3.5.4. The Company's current issued share capital is 1 000 000 "B" Managers Shares.

### **3.6. Principal Immovable Property Owned or Occupied - Regulation 59(3)(e)**

- 3.6.1 The Company does not own any immovable property, nor does it own any interest in a company which owns immovable property. The Company operates out of offices occupied and used by the Administrative Manager who have agreed, in the light of the terms of the Administrative Agreement, not to charge the Company rental for its occupation and use of these premises. In addition, the Company will have the right to occupy and use these premises for so long as the Administrative Agreement remains of force and effect.

### **3.7 Capital Commitments, Lease Payments and Contingent Liabilities - Regulation 59(3)(f)**

- 3.7.1 The Company does not have any capital commitments, lease obligations or contingent liabilities with regards to the purchase, construction or installation of buildings, plant or machinery.

### **3.8 Turnover, Profit and Loss and Dividends - Regulation 59(3)(g)**

- 3.8.1 The Company was incorporated on 8 March 2017.

3.8.2 No dividends have been declared since incorporation.

3.8.3 The company has not yet traded and therefore no audited financial statements have been prepared for the Company.

#### **4. SHARE CAPITAL OF THE COMPANY – REGULATION 60**

4.1. The following classes of shares have been created and authorised in accordance with the Company's MOI, the relevant extract of which is included in Annexure B:

##### 4.1.1. Authorised Shares

- 4.1.1.1. 20 000 000 "A" Ordinary Shares,
- 4.1.1.2. 80 000 000 "B" Managers' Shares,
- 4.1.1.3. 20 000 000 "C" Ordinary Shares,
- 4.1.1.4. 20 000 000 "D" Ordinary Shares,
- 4.1.1.5. 20 000 000 "E" Ordinary Shares,
- 4.1.1.6. 20 000 000 "F" Ordinary Shares,
- 4.1.1.7. 20 000 000 "G" Ordinary Shares,
- 4.1.1.8. 100 000 000 Unclassified Ordinary Shares.

##### 4.1.2. Issued Shares

4.1.2.1. 1 000 000 "B" Managers Shares have been issued to the Administrative Manager as stated in 3.5.4 above.

##### 4.1.3. "A" Ordinary Share Terms:

4.1.3.1. The Class A Shares shall be designated as "A" Ordinary Shares.

4.1.3.2. Funds raised by issuing "A" Ordinary Shares will form the General Equity Fund of the Company and will be designated for investment into companies such as Mastercare Enterprises (Pty) Ltd, Cape Mohair (Pty) Ltd and Mastercare Appliances (Pty) Ltd.

4.1.3.3. The Class A Shares shall be entitled to 80% (eighty percent) of any Class A Distribution.

4.1.3.4. Each Class A Share ranks pari passu in all respects and entitles the holder to:

- be entered into the Securities Register of the Company as the registered holder of a Class A Share;
- one vote for every Class A Share held by the Class A Shareholder;
- the rights to attend, participate in, speak at and vote on any matter to be considered at, any meeting of the Class A Shareholders and at any meeting of the ordinary Shareholders;

- receive a pro rata portion of the amounts referred to in Annexure A of the MOI, from time to time; and;
- any other rights attaching to ordinary shares in terms of the Act.

#### 4.1.4. “B” Managers Share Terms:

4.1.4.1. The Class B Shares shall be designated as “B” Ordinary Shares. (Managers Shares)

4.1.4.2. The Class B Shares shall be entitled to:

- 20% (twenty percent) of any Class A Distribution;
- 20% (twenty percent) of any Class C Distribution;
- 20% (twenty percent) of any Class D Distribution;
- 20% (twenty percent) of any Class E Distribution;
- 10% (ten percent) of any Class F Distribution;
- 20% (twenty percent) of any Class G Distribution; and
- Such percentage of the total amount of any Unclassified Distribution declared by the Company to any further classes of shares to be created, as may be determined from time to time.

4.1.4.3. Each Class B Share ranks pari passu in all respects and entitles the holder to:

- be entered into the Securities Register of the Company as the registered holder of a Class B Share;
- one vote for every Class B Share held by the Class B Shareholders;
- the rights to attend, participate in, speak at and vote on any matter to be considered at, any meeting of the Class B Shareholders and any meeting of the ordinary Shareholders;
- receive a pro rata portion of the amounts referred to in Annexure A of the MOI, from time to time; and
- any other rights attaching to ordinary shares in terms of the Act.

4.1.4.4. These shares shall not be “Venture Capital Shares” as defined in Section 12J of the Income Tax Act and shall not entitle the shareholder to a tax deduction in terms of Section 12J(2) of the Income Tax Act.

#### 4.1.5. “C” Ordinary Share Terms:

4.1.5.1. The Class C Shares shall be designated as “C” Ordinary Shares.

4.1.5.2. Funds raised by issuing “C” Ordinary Shares will form the “Agritech, Agrimed and Indigenous Fund” of the Company and will be designated for investment into companies in the intensive agricultural cultivation industry.



4.1.5.3. The Class C Shares shall be entitled to 80% (eighty percent) of any Class C Distribution.

4.1.5.4. Each Class C Share ranks pari passu in all respects and entitles the holder to:

- be entered into the Securities Register of the Company as the registered holder of a Class C Share;
- one vote for every Class C Share held by the Class C Shareholder;
- the rights to attend to, participate in, speak at and vote on any matter to be considered at any meeting of the Class C Shareholders and at any meeting of the ordinary Shareholders;
- receive a pro rata portion of the amount referred to in Annexure A of the MOI, from time to time; and
- any other rights attaching to the ordinary shares in terms of the Act or any other law.

4.1.6. “D” Ordinary Share Terms:

4.1.6.1. The Class D Shares shall be designated as “D” Ordinary Shares.

4.1.6.2. Funds raised by issuing “D” Ordinary Shares will form the “Nutraceuticals and Nootropics Fund” of the Company and will be designated for investment into companies that produce, distribute or sell alternative pharmaceutical products that provide physiological benefits.

4.1.6.3. The Class D Shares shall be entitled to 80% (eighty percent) of any Class D Distribution.

4.1.6.4. Each Class D Share ranks pari passu in all respects and entitles the holder to:

- be entered into the Securities Register of the Company as the registered holder of a Class D Share;
- one vote for every Class D Share held by the Class D Shareholder;
- the rights to attend to, participate in, speak at and vote on any matter to be considered at any meeting of the Class D Shareholders and at any meeting of the ordinary Shareholders;
- receive a pro rata portion of the amount referred to in Annexure A of the MOI, from time to time; and
- any other rights attaching to the ordinary shares in terms of the Act or any other law.

4.1.7. “E” Ordinary Share Terms:

4.1.7.1. The Class E Shares shall be designated as “E” Ordinary Shares.

4.1.7.2. Funds raised by issuing “E” Ordinary Shares will form the “Renewable Energy Fund” of the Company and will be designated for investment into companies operating in the renewable energy generation industry.

4.1.7.3. The Class E Shares shall be entitled to 80% (eighty percent) of any Class E Distribution.

4.1.7.4. Each Class E Share ranks pari passu in all respects and entitles the holder to:

- be entered into the Securities Register of the Company as the registered holder of a Class E Share;
- one vote for every Class E Share held by the Class E Shareholder;
- the rights to attend to, participate in, speak at and vote on any matter to be considered at any meeting of the Class E Shareholders and at any meeting of the ordinary Shareholders;
- receive a pro rata portion of the amount referred to in Annexure A of the MOI, from time to time; and
- any other rights attaching to the ordinary Shares in terms of the Act or any other law.

4.1.8. “F” Ordinary Share Terms:

4.1.8.1. The Class F Shares shall be designated as “F” Ordinary Shares.

4.1.8.2. Funds raised by issuing “F” Ordinary Shares will form the “Hospitality Property Fund” of the Company and will be designated for investment into projects developed or promoted by Flyt Property Investments, operating in the property development and management industry.

4.1.8.3. The Class F Shares shall be entitled to 90% (ninety percent) of any Class F Distribution.

4.1.8.4. Each Class F Share ranks pari passu in all respects and entitles the holder to:

- be entered into the Securities Register of the Company as the registered holder of a Class F Share;
- one vote for every Class F Share held by the Class F Shareholder;
- the rights to attend to, participate in, speak at and vote on any matter to be considered at any meeting of the Class F Shareholders and at any meeting of the ordinary Shareholders;
- receive a pro rata portion of the amount referred to in Annexure A of the MOI, from time to time; and
- any other rights attaching to the ordinary Shares in terms of the Act or any other law.

4.1.9. “G” Ordinary Share Terms:

4.1.9.1. The Class G Shares shall be designated as “G” Ordinary Shares.

- 4.1.9.2. Funds raised by issuing “G” Ordinary Shares will form the “High Growth Fund” of the Company and will be designated for investment into companies that provide high growth opportunities along with an asset-backed equity investment.
- 4.1.9.3. The Class G Shares shall be entitled to 80% (eighty percent) of any Class F Distribution.
- 4.1.9.4. Each Class G Share ranks pari passu in all respects and entitles the holder to:
- be entered into the Securities Register of the Company as the registered holder of a Class G Share;
  - one vote for every Class G Share held by the Class G Shareholder;
  - the rights to attend to, participate in, speak at and vote on any matter to be considered at any meeting of the Class G Shareholders and at any meeting of the ordinary Shareholders;
  - receive a pro rata portion of the amount referred to in Annexure A of the MOI, from time to time; and
  - any other rights attaching to the ordinary Shares in terms of the Act or any other law.
- 4.1.10. Unclassified Share Terms:
- 4.1.10.1. The Unclassified Shares shall be classified by the Board prior to their issue and shall bear such rights as the Board may determine at the time.

## **4.2. Alterations of Capital During Preceding 3 Years – Regulation 60(b)**

- 4.2.1. On 23 December 2019 the Company converted to a public company and on 26 November 2019 changed its name from “Futureneers VCC 4 (Pty) Ltd” to “Anuva Private Equity Limited”. On 23 December 2019 the Company adopted a new MOI.
- 4.2.2. Previously, the Company had the following authorised share capital in terms of its previous MOI. There have been no other changes to the share capital in the preceding 3 years.

<b>Class of Shares</b>	<b>Authorised</b>	<b>Issued</b>
Ordinary no par value Shares	1 000	100

## **4.3. Public Offers and Issue of Shares – Regulation 60(c)**

- 4.3.1. There were no public offers prior to this offer.

## 5. OPTIONS OR PREFERENTIAL RIGHTS IN RESPECT OF SHARES – REGULATION 61

5.1. The Company is not a party to any agreement with any person whereby an option or preferential right of any kind has been granted or is proposed to be granted to such person to subscribe for Shares or the shares of any of its subsidiaries.

## 6. COMMISSIONS PAID OR PAYABLE IN RESPECT OF UNDERWRITING – REGULATION 62(2)

6.1. This offer is not underwritten, and the Company has not contracted to pay any commission in respect of the underwriting of the Shares.

## 7. MATERIAL CONTRACTS – REGULATION 63

7.1. Below follows a table of agreements concluded with to Directors' for managerial remuneration, royalties, and secretarial and technical fees:

Agreement	Party	Annexure
Administrative Agreement	Hobbs Sinclair Business Solutions (Pty) Ltd	Annexure D

7.2. Other material agreements

7.2.1. There are no other material agreements or contracts that the Board is aware of.

## 8. INTEREST OF DIRECTORS AND PROMOTERS - REGULATION 64

8.1. The following directors are indirect shareholders of the Administrative Manager in the following proportion:

Director	Equity Holding
Neill Hobbs	66.6%
Greig Sinclair	33.3%

8.2. The Administrative Manager has contracted with the Company to receive a once-off capital raising fee on new Ordinary Shares share capital raised by the Company as well as an annual management fee, calculated on the funds received from the issue of Ordinary Shares.

8.3. The terms of this agreement are more fully laid out in Annexure D.

8.4. Fees payable to Directors, for their services as Directors, are R48 000 per Director per annum and are disclosed in Section 1, paragraph 2 of this Prospectus.

8.5. As required in terms of FAIS, professional indemnity cover of R 1 million has been procured by the Company. The Directors will consider if this is an appropriate level of cover from time

to time.

8.6. Other than as disclosed above, no consideration has been paid or agreed to be paid, to –

8.6.1. a Director or related person;

8.6.2. another Company in which a Director is beneficially interested or of which a Director is also a director; or

8.6.3. to any partnership, syndicate or other association of which a Director is a member, to induce the Director to become a director, to qualify as a director or for services rendered by the Director or by a company, partnership, syndicate or other association, in connection with the promotion or formation of the Company.

8.6. No properties have been acquired or disposed of by the Company since its incorporation and, therefore, the Directors have no interests in properties acquired or disposed by the Company since its incorporation.

8.7. No material loans have been made by the Company to any of its Directors or managers and the Company has furnished no security for and on behalf of any of its Directors or managers.

## **9. LOANS - REGULATION 65**

### **9.1. Material Loans Made to the Company and its Subsidiaries – Regulation 65(2)(a)**

9.1.1. As at the Last Practicable Date the Company does not have any loan obligations.

## **10. SHARES ISSUED OR TO BE ISSUED OTHERWISE THAN FOR CASH - REGULATION 66(a) AND 66(b)**

10.1. There have been no Shares issued other than for cash since the Company's incorporation.

## **11. PROPERTY ACQUIRED OR TO BE ACQUIRED – REGULATION 67**

11.1. The Company does not own any immovable property. There are no contracts to acquire property at this stage.

## **12. AMOUNTS PAID OR PAYABLE TO PROMOTERS – REGULATION 68**

12.1. There have not been any amounts paid to promoters, nor are there any prospects that there will be any amounts payable to promoters.

### 13. PRELIMINARY EXPENSES AND ISSUE EXPENSES – REGULATION 69

13.1. The preliminary and issue expenses (excl. VAT) incurred relating to the preparation and publication of this Prospectus are as follows:

<b>Nature of Expense</b>	<b>Recipient</b>	<b>Amount Incurred</b>
Set up and establishing VCC, name change with CIPC and FAIS, Issue of VCC shares	Hobbs Sinclair Business Solutions	R225 000.00
Preparation and submission of Prospectus to CIPC	Hobbs Sinclair Business Solutions	R95 000.00
Director appointments, MOI amendments	Hobbs Sinclair Business Solutions	R20 000.00
Preparation of Private Placement Memorandum	Hobbs Sinclair Business Solutions	R20 000.00
<b>Total</b>		<b>R360 000.00</b>

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## SECTION 2 – DETAILS OF THE OFFER

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### 1. PURPOSE OF THE OFFER – REGULATION 70

1.1. The purpose of the Offer is to –

- 1.1.1. Raise capital for the Company by allowing and inviting members of the public to subscribe for “A”, and “F” Ordinary Shares in the Company, and to take advantage of the tax deductibility of their investment.
- 1.1.2. Provide the South African public, specifically young professionals and taxpayers previously excluded from investing into Section 12J VCC’s, the opportunity of investing into carefully selected Qualifying Companies with growth opportunities and to share in the benefit of the tax incentives offered in terms of Section 12J of the Income Tax Act.
- 1.1.3. The capital raised is required to fund the expansion of the Company’s portfolio by investing in Qualifying Companies and thereby promoting employment creation in South African small- and medium-sized entities.
- 1.1.4. Amounts raised in excess of the minimum subscription amounts will be utilised to increase the capital base of the Company and will be utilised to achieve the purpose set out above.

### 2. OPENING AND CLOSING DATES OF THE OFFER – REGULATION 71

2.1. The dates and times for the opening and closing of the Offer are set out below -

Details	Date
Opening Date of the Offer:	1 February 2020 at 09:00
Closing Date of the Offer:	30 April 2020 at 24:00*

\*The Directors reserve the right to extend the Closing Date, by means of publishing a supplementary prospectus, at their discretion. The Offer will close earlier than the dates stated above if fully subscribed or otherwise at the Director's discretion.

### 3. PARTICULARS OF THE OFFER – REGULATION 72

- 3.1. The Offer is an offer to the public to subscribe for 1 000 000 unlisted Ordinary Shares, of no-par value, at an issue price of R100 per Share.
- 3.2. The Company is offering for subscription 1 000 000 unlisted Ordinary Shares at a subscription price of R100 per Share. The minimum number of Offered Shares that may be subscribed

for in terms of this Offer is 30 000 (thirty thousand) shares at a price of R100 (one hundred Rand) per share. The Offer is conditional upon raising a minimum amount of R3 000 000 (three million Rand). The Directors of the Company reserve the right to amend the minimum capital to be raised in terms of this Offer at their discretion, in compliance with Section 100(11) of The Companies Act 71 of 2008.

- 3.3. Application for shares may be made by completing the Application Form as well as the terms and conditions set out in the Application Form. Applications for the subscription of Ordinary Shares are irrevocable and may not be withdrawn once received by the Company.
- 3.4. The minimum number of Ordinary Shares that may be subscribed for by a single Investor is five hundred Ordinary Share at a minimum subscription price of R100 (one hundred Rand) per share, if the investor settles the investment amount in a single lump sum payment, or six hundred Ordinary Shares totaling a minimum subscription value per investor of R60 000 (sixty thousand Rand) if the investor settles the investment amount in monthly instalments of R5 000 (five thousand Rand) per month.
- 3.5. Section 12J of the Income Tax Act requires that no shareholder may be a Connected Person to a VCC. Accordingly, the Directors reserve the right to limit the number of shares subscribed for by any subscriber such that the subscriber, together with any other Connected Person, will not be a Connected Person to the Company.
- 3.6. In the event of the application to subscribe for Ordinary Shares being rejected or accepted for a lesser number of Shares than applied for on the Application Form, any surplus funds paid by the Investor will be refunded by the Company within 10 Business Days of the Closing Date.
- 3.7. The Shares subscribed for will be issued within 10 Business Days of the Closing Date.
- 3.8. Prospective Investors may apply for the offered Shares by completing the Application Form attached to and forming part of this Prospectus.
- 3.9. The Company's capital structure and alterations to the share capital since incorporation and preceding the date of this Prospectus are fully set out in paragraph 4 of Section 1.
- 3.10. The Company previously issued 1 000 000 "B" Managers Shares to the Administrative Manager, on 20 December 2019, for a total subscription price of R100 (0.01c per share). The consideration for this subscription was received by the Company in cash. This differs from the price at which the Ordinary Shares are currently being offered in terms of this Prospectus as the "B" Managers Shares are not "Venture Capital Shares" as defined in Section 12J of the Income Tax Act and do not entitle the shareholder to a tax deduction in terms of Section 12J(2) of the Income Tax Act.



#### **4. MINIMUM SUBSCRIPTION – REGULATION 73**

- 4.1. The minimum number of Offered Shares that may be subscribed for in terms of this Offer is 30 000 (thirty thousand) shares at a price of R100 (one hundred Rand) per share. The Offer is conditional upon raising a minimum amount of R3 000 000 (three million Rand). The Directors of the Company reserve the right to amend the minimum capital to be raised in terms of this Offer at their discretion, in compliance with Section 100(11) of The Companies Act 71 of 2008.
- 4.2. In the event that the minimum subscription amount is not raised within the Offer Period the Offer will become null and void and no Ordinary Shares will be issued resultant from this Offer. This will be communicated to Investors within 7 (Seven) business days from the Closing Date of the Offer. Funds received from Investors before the Closing Date of the Offer will be returned to their designated bank accounts within 10 (ten) business days from the Closing Date of the Offer.
- 4.3. The Offer is not underwritten.
- 4.4. Any excess amount raised will be applied to further the Company's goal of increasing its capital base.
- 4.5. The Directors intend to apply the monies raised pursuant to the Offer as follows –
  - 4.5.1. to pay the expenses listed in paragraph 13.1 of Section 1,
  - 4.5.2. Make investments into Qualifying Companies.
- 4.6. The Company has not borrowed any monies in connection with the preparation of this Prospectus or the Offer which it needs to repay once it has raised funding from the Offer. The Company will pay the expenses related to the preparation of this Prospectus.
- 4.7. The Company does not currently require any working capital (Regulation 73(4)(d)).
- 4.8. There is no other expenditure or amounts payable in respect of this Prospectus or the Company's intended activities for the foreseeable future.
- 4.9. If the Offer fails, an announcement to this effect will be made on the Company's website within seven Business Days after the Closing Date.

#### **5. RESERVATION OF RIGHTS**

- 5.1. The Directors reserve the right to accept or refuse any Application/s, either in whole or in part, or to abate any or all Application/s in such manner as they may, in their absolute and sole discretion, determine.

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## **SECTION 3 – STATEMENTS AND REPORTS RELATING TO OFFER**

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### **1. STATEMENT AS TO ADEQUACY OF CAPITAL – REGULATION 74**

- 1.1. The Directors are of the opinion that the issued share capital of the Company, including the minimum amount to be raised in terms of this Offer, is adequate for the purposes of the business of the Company for at least 12 months from the date of this Prospectus.

### **2. REPORT BY DIRECTORS AS TO MATERIAL CHANGES – REGULATION 75**

- 2.1. As at the date of issue of this Prospectus, there have been no material changes in the assets and liabilities and/or the financial and trading position of the Company since its previous financial reporting period.

### **3. STATEMENT AS TO LISTING ON STOCK EXCHANGE – REGULATION 76**

- 3.1. As at the date of this Prospectus, no securities of the Company are listed or on any securities exchange, neither has any application been made to do so.

### **4. REPORT BY AUDITOR WHERE BUSINESS UNDERTAKING TO BE ACQUIRED – REGULATION 54(2), 67 AND 77**

- 4.1. Regulation 77 of the Companies Regulations requires the Auditors to prepare a report if the proceeds, or any part of the proceeds from this Offer or any other funds in terms of the Offer are to be applied directly or indirectly in the purchase of any business undertaking. This report must include statements in respect of –
- 4.1.1. the profits or losses of the business undertaking in respect of each of the three financial years preceding the date of this Prospectus; and
  - 4.1.2. the assets and liabilities of the business undertaking at the last date to which the financial statements of the business undertaking were made out.
- 4.2. Until such time as the Directors have determined which of the Qualifying Companies that have been identified are to be invested in, and transactions to make such Qualifying Investments are concluded, the preparation of this report is not applicable or appropriate (i.e. it is not certain as to the business undertakings into which the proceeds of the issue of the Shares raised pursuant to the Offer will be invested). Accordingly, no auditors report is required nor presented in terms of Regulation 77.

## **5. REPORT BY AUDITOR WHERE COMPANY WILL ACQUIRE A SUBSIDIARY – REGULATION 78**

- 5.1. Regulation 78 of the Companies Regulations requires the Auditors to prepare a report if the proceeds, or any part of the proceeds, of the issue of the Shares or any other funds in terms of the Offer are to be applied in any manner, whether directly or indirectly, resulting in the acquisition by the Company of any securities in another juristic person with the direct or indirect result that the other juristic person becomes a subsidiary of the Company (Regulation 78(1)).
- 5.2. This report must include statements in respect of –
  - 5.2.1. the profits or losses of the other juristic person in respect of each of the three financial years preceding the date of this Prospectus,
  - 5.2.2. the assets and liabilities of the other juristic person at the last date to which the financial statements of the other juristic person were made out,
  - 5.2.3. how the profits or losses of the other juristic person would, in respect of the shares acquired, have concerned Shareholders of the Company if the Company had held the shares so acquired at all material times,
  - 5.2.4. what allowance would have fallen to be made, in respect of the assets and liabilities so dealt with, for holders of other shares if the Company had held the shares so acquired at all material times.
- 5.3. The Company intends to use the proceeds from the Offer in the manner contemplated in Regulation 78. However, until the Qualifying Companies into which Qualifying Investments are to be made have been determined and transactions concluded, it is not possible to give an indication of historical financial performance or records. Accordingly, the provisions of Regulation 78 do not apply in the present circumstances and no auditors report is required nor presented in terms of this Regulation.

## **6. REPORT BY AUDITOR OF COMPANY – REGULATION 54(2), 67 AND 79**

- 6.1. Regulation 79 of the Companies Regulations requires the Auditor to prepare a report on the profits and losses, dividends and assets and liabilities of the Company. Since incorporation the company has not traded thus no financial records indicating the profits and losses, dividends and assets and liabilities of the Company have been prepared.

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## SECTION 4 – ADDITIONAL MATERIAL INFORMATION

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### 1. TAX DEDUCTIBILITY OF INVESTMENT IN ANUVA

1.1. Please take note the below is a summary based on current tax legislation. It is not intended to be, nor does it constitute, legal or taxation advice.

1.1.1. In terms of Section 12J of the Tax Act, South African Investors and taxpayers are entitled to deduct the full amount of their investment in the calculation of their taxable income. However, as at 21 July 2019 the draft legislation has been published to state that each taxpayer will be limited to an annual deduction of R2 500 000 from their taxable income.

1.1.2. The tax deductibility will have the following tax saving effect, in the 2020 tax year, on the following type of Investors, based on the assumption that tax is paid at the highest marginal tax rates:

Type of Investor	Individuals	Trusts	Companies
Gross Investment	R1 000 000.00	R1 000 000.00	R1 000 000.00
Tax Deduction	(R1 000 000.00)	(R1 000 000.00)	(R1 000 000.00)
Tax Relief	(R450 000.00)	(R450 000.00)	(R280 000.00)
<b>Effective Tax Saving</b>	<b>45%</b>	<b>45%</b>	<b>28%</b>
Net Investment	R550 000.00	R550 000.00	R720 000.00

1.1.3. If the shares issued by the Company to the investor are sold before the lapse of a 5-year period from the date of investment, the tax deduction initially granted on the investment, will be recouped in the hands of the Investor.

1.1.4. However, if the shares issued by the Company to the Investor are sold after the lapse of a 5-year period from the date of investment, there will be a capital gains tax event calculated from a zero-base cost, in the hands of the Investor. In other words, the shares acquired from the Company will carry a zero-base cost in determining the capital gain in the event of a sale after the 5-year period.

### 2. SECTION 12J INCOME TAX ACT LEGISLATION COMPLIANCE

2.1. The Company must comply with the provisions of Section 12J of the Income Tax Act, which is to be

measured at the end of any year of assessment, after the expiry of a period of 48 months commencing on the first date of the issue of Venture Capital Shares (i.e. 28 February 2023 and each year thereafter).

### **3. PROCEDURE TO CLAIM TAX DEDUCTION OF INVESTMENT**

- 3.1. Investors are entitled to deduct the full amount of their investment in the Company from their taxable income, limited to R2 500 000 for individuals (R5 000 000 for companies and trusts) in the tax year ending 28 February 2020. Should the investment exceed R2 500 000 (or R5 000 000), the balance, between the limit and the total investment, may be deducted from the investor's taxable income in the years thereafter.
- 3.2. The Company will send a certificate to substantiate a claim for the tax deduction to Investors within 10 Business Days after the Closing Date, which Taxpayers will attach to their Annual Tax Return submitted to SARS.

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## **SECTION 5 – INAPPLICABLE OR IMMATERIAL MATTERS**

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The following paragraphs of the Companies Act Regulations dealing with the requirements for a prospectus are not applicable to the Prospectus:

Regulation 54(2)

Regulation 57(2)

Regulation 59(3)(c)(ii) & (iii) and 59(f)

Regulation 61

Regulation 62

Regulation 66

Regulation 67

Regulation 68

Regulation 75

Regulation 76

Regulation 77

Regulation 78

Regulation 80

Signed on behalf of Anuva Private Equity Limited on this day the 27<sup>th</sup> of January 2020.

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**Director: Neill Hobbs**

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**Director: Greig Sinclair**

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**Director: James Rothmann**



**PUBLIC OFFER APPLICATION FORM FOR ANUVA PRIVATE EQUITY LIMITED (“the Company”)**

This Application Form must be read with the Company’s Prospectus. Contact the Company on 011 880 0950 or 021 683 0500. This Application form will be for the subscription of Venture Capital Company (“VCC”) shares in the Company which is an authorised Category 1 Financial Services Provider and recognised as a VCC in terms of the Income Tax Act. On approval, the Company will issue an invoice to the Investor (or the individual authorised to act on behalf of the Investor) for the full settlement of the subscribed amount.

**1. Representative requirement**

Do you, the Investor (or the individual authorised to act on behalf of the Investor), request a representative of the Company to contact you to explain the following in more detail:

- this investment;
- Application Form; and
- the Company’s Prospectus:

YES	NO

- If the above is marked YES, please contact the Company on +27 (21) 683 0500 requesting contact from a representative.
- If the above is marked NO, the Investor (or the individual authorised to act on behalf of the Investor) confirms that he/she fully understands this Investment, Application Form and the Company’s Prospectus and confirms that he/she fully understands that he/she did not receive advice from the Company or a representative of the Company.

**2. Investment details**

Please provide the following information:

<b>Choose your investment</b> Ordinary Share class:	<input type="checkbox"/> “A” Ordinary Shares (General fund)  <input type="checkbox"/> “F” Ordinary Shares (Hospitality Property Fund)
<b>Choose your payment</b> Lump sum / instalments:	<input type="checkbox"/> Lump sum ( <i>minimum R50 000</i> )  <input type="checkbox"/> Monthly instalments ( <i>minimum R5 000 per month</i> )

**3. Investor details:**

Please provide the following information of the Investor:

Type of investor:	<input type="checkbox"/> Individual <input type="checkbox"/> Company <input type="checkbox"/> Trust
Full name / Company Name / Trust name:	
Identity number / Company registration number / Trust number:	



Representative name and ID number: <i>(if applicable)</i>	
South African tax reference number:	
Physical address:	Postal address: <i>If the same as physical add, please tick here</i> <input type="checkbox"/>
Postal code:	Postal code:
Email address:	
Telephone <i>(Work/other)</i> :	
Telephone <i>(Mobile)</i> :	

**4. Share application information:**

The Investor accordingly hereby irrevocably offers to subscribe for VCC shares in the Company equal to the following amounts:

Full application amount (R): <i>(lump sum minimum R50 000)</i> <i>(Instalments minimum R60 000)</i>	
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**5. Dividend tax exemption (does not apply to individuals and trusts)**

By signing this application form the Investor declares in terms of Sections 64FA(1)(a), 64G(2)(a) or 64H(2)(a) of the Income Tax Act that dividends paid to the beneficial owner of these VCC Shares are exempt from dividends tax in terms of section 64F(1)(a) of the Income Tax Act 1962, due to the Investor being a company which is a South African resident.

The Investor undertakes to immediately inform the Company in writing if the circumstances of the beneficial owner change.

**6. FATCA**

“**DPIP**” - Domestic Prominent Influential Person, this definition includes all senior government officials and politicians, royals and traditional leaders, senior civil servants, judges, ambassadors and high-ranking officers in the military. This also includes senior officials in companies who are doing business with government.

“**FPPO**” - Foreign Prominent Public Official is a foreign person who is royalty; or a senior government official; or a senior politician; or a senior executive of state-owned entity; or a high-ranking member to the military.

Do you have tax liabilities or tax residence outside South Africa?

YES  NO

Do you hold any citizenships or nationalities outside of South Africa?

YES  NO

Are you a US citizen/ US person/US national?

YES  NO





Are you a DPIIP or a FPPO?  
 YES  NO

Are you affiliated to a DPIIP or FPPO through a family member and/or an associate?  
 YES  NO

If any of the above is marked yes, please contact the Company as additional forms will be needed.

**7. Source of funds**

As part of the Company’s responsibilities as an Accountable Institution in terms of the Financial Intelligence Centre Act 38 of 2001, it is required to establish the source (origin) of the funds that clients will use or are expected to use in concluding transactions with it. Furthermore, as determined in the Company’s Anti Money Laundering and Counter-Terrorist Financing Risk Management and Compliance Programme (AML & CTF RMCP) the Company is required to obtain certain documentation from clients to establish a business relationship.

Please complete the fields below:

Source of funds of the Investor (please tick the relevant box)	Salary <input type="checkbox"/> Dividend <input type="checkbox"/> Interest <input type="checkbox"/> Gift <input type="checkbox"/> Savings <input type="checkbox"/> Donation <input type="checkbox"/> inheritance <input type="checkbox"/> Business Income <input type="checkbox"/> Sale of asset <input type="checkbox"/>
	Other <input type="checkbox"/> ( <i>please elaborate further if other is ticked</i> )

The Investor hereby declares that the source of the funds that the Investor expects to use in concluding transactions with the Company originates from the sources indicated above. The Investor further confirms that these funds are derived from legitimate sources.

**8. Banking details**

On receipt of the invoice from Company’s finance team, please transfer the full application amount mentioned in section 3 of this form. Banking details are supplied on the invoice.

*NB: All forms and FICA documents will go through a compliance check. On approval, the investor will receive the above-mentioned invoice.*

**9. Investment Summary**

The Company is an approved Section 12J Venture Capital Company and was established for the purpose of providing a Section 12J investment opportunity to young professionals and other taxpayers who have previously been excluded from this investment opportunity due to the high minimum investment thresholds set by other VCC’s.

Indicators	The Company
<b>Class “A” Ordinary Shares</b>	
Targeted return (net of fees and taxes)	10% p.a.
Gross Dividend	3% p.a.
Once off and annual Fees	3% upfront and 3% p.a.
Performance fees	20% of the Ordinary Share distributions
Minimum Investment period	5 – 7 years



<b>Class “F” Ordinary Shares</b>	
Targeted return (net of fees and taxes)	10% p.a.
Gross Dividend	3% p.a.
Once off and annual Fees	<u>Total investment below R500 000</u> 3% upfront and 3% p.a.  <u>Total investment above R500 000</u> 2% upfront and 2% p.a.
Performance fees	10% of the Ordinary Share distributions
Minimum Investment period	5 – 7 years

### Section 12J:

Treasury is incentivising South African taxpayers to invest in the local economy, via a tax credit on the investment amount provided the investment is made into an approved Section 12J Venture Capital Company, such as the Company. The benefit to the investor for making the investment in the Company, is tax credit on the full amount invested and a return generated on the full investment. Below is an example on how the incentive works:

<b>Cost of VCC investment (<i>this is an example</i>)</b>	<b>Individual/Trust investor</b>	<b>Company investor</b>
Subscription in VCC shares*	R100 000 ( <i>example</i> )	R100 000 ( <i>example</i> )
Income tax rate**	45%	28%
(less) tax relief/deduction	(R45 000)	(R28 000)
<b>Net cost of the investment</b>	<b>R55 000</b>	<b>R72 000</b>

\*the fund manager, Hobbs Sinclair Business Solutions (Pty) Ltd, charges an annual fee to the Company of 3% p.a. (ex-VAT). This will impact your investment.

\*\*these figures will vary per investor please contact your preferred financial adviser.

### 10. Declaration:

The Investor (or the individual authorised to act on behalf of the Investor) hereby agrees to the full understanding of the contents of this Application Form. The Investor (or the individual authorised to act on behalf of the Investor) further confirms:

- the understanding that should a claim for the Section 12J tax deduction be performed for the subscription price of the Company’s VCC shares then the base cost of the VCC shares when calculating capital gains tax will be reduced to zero.
- that the Company will not be held liable for delays or losses incurred due to incomplete or inaccurate information on the Application Form or insufficient or incorrect submission of FICA information. The FICA requirements are outlined in the application form and must be up to date with the Investor’s broker.
- reading the Company’s Prospectus and accepts that he/she understands the entire Prospectus.
- the understanding of the fees and the risks associated with making an investment in the shares of the Company.
- the acknowledgement that the Company is an approved Financial Services Provider however is not licensed to provide advice.
- to undertake to advise the Company within 30 days of any change in circumstances which affects the tax residency status identified in section 1 of this Application Form or causes the



information contained herein to become incorrect or incomplete and to provide the Company with a suitably updated self-certification and declaration within 90 days of such change in circumstances.

- that all and any funds and/or moneys used to purchase the Company's shares are not the proceeds of unlawful activities and that the Investor has not contravened any anti-money laundering and tax legislation and shall not be in contravention of the Financial Intelligence Centre Act.
- not receiving any advice from the Company or a representative of the Company. The Investor has either appointed a registered representative that is not part of the Company to explain this investment, Application Form and the Prospectus or is comfortable to read and understand the aforementioned in the absence of a representative.
- that the Company is permitted to act on the Investor's behalf.
- the understanding that the Company will only accept funds once it has a valid prospectus. The Company anticipates the prospectus to be valid from the 1<sup>st</sup> of February 2020.
- that the Company's mandate will become of force and effect on receipt of a signed Application Form, FICA information, Declaration of Source of Funds by the Investor together with the proof of payment of the funds, from the Investor.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of 20\_\_\_\_\_.

\_\_\_\_\_  
Signature for and on behalf of the Investor

\_\_\_\_\_  
Signature for and on behalf of the Company

\_\_\_\_\_  
Signature for and on behalf of the Key Individual



## COMPANY – FICA requirements

- Company registration documents
  - CM1 or CoR14.1 - Certificate of Incorporation
  - CM2 - Memorandum of Association
  - CM22 or CoR21 - Notice of Registered Office
  - If applicable, CM9 or CoR 15.1 for name changes and CoR 18.1 and 18.3 for conversion from CC
  - Latest CM29 or CoR39 - Contents of Registrar of Directors, Auditors and Officers Business name if different from registered name
- Proof of address (less than three months old)
- Copy of SARS document confirming Income tax / VAT registration number for company
- Resolution on company letterhead signed by all directors nominating authorised signatory / representative
- Copy of bank statement confirming company banking details (less than three months old)
- For the authorised signatory / representative and / or CEO, each director and each person or corporation with shareholding of 25% or more in the company, we require the following:
  - A certified copy of ID (certification must not be older than 3 months)
  - Proof of address (less than three months old)

## TRUST – FICA requirements

- Copy of Trust deed (if applicable, any deeds of amendment of Trust Deed)
- Copy of Letter of Authority
- Copy of SARS document confirming Income tax / VAT registration number for trust
- Resolution signed by all Trustees nominating authorised signatory / representative
- Copy of bank statement confirming trust account banking details (less than three months old)
- For the authorised signatory / representative, each trustee, beneficiary and founder of the trust we require the following:
  - A certified copy of ID (certification must not be older than 3 months)
  - Proof of address (less than three months old)

## INDIVIDUAL – FICA requirements

- A certified copy of ID (certification must not be older than 3 months)
- Proof of address (less than three months old)
- Copy of bank statement confirming banking details (less than three months old)
- Copy of SARS document confirming Income tax reference number