

VOLKSWAGEN

BEE TRUST

FAQ's and requirements for funding applications

What is the Volkswagen B-BBEE Initiatives Trust?

The Volkswagen B-BBEE Initiatives Trust was created in 2016 by Volkswagen Group South Africa through the initial injection of R86m for the development of black owned suppliers in the South African automotive sector.

The goal of the Trust is to support the creation of black industrialists in Automotive Sector through funding, business support and market access.

Who can apply?

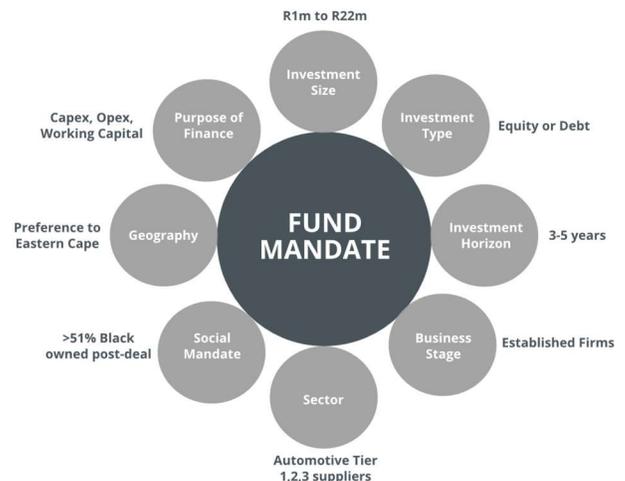
Applications for funding are open to existing Volkswagen suppliers as well as to all automotive suppliers who meet the minimum investment criteria of the Trust.

Where can you apply and get more information?

Online applications can be found at <http://volkswagenbeetrust.co.za/>. In order to apply, an applicant must visit the site and navigate to "Get Funded". Additional information is available on the website.

What are the minimum investment criteria?

In order to be considered for funding, all applicants must meet the minimum requirements of the fund mandate detailed below.



What is the application process and how long will it take?

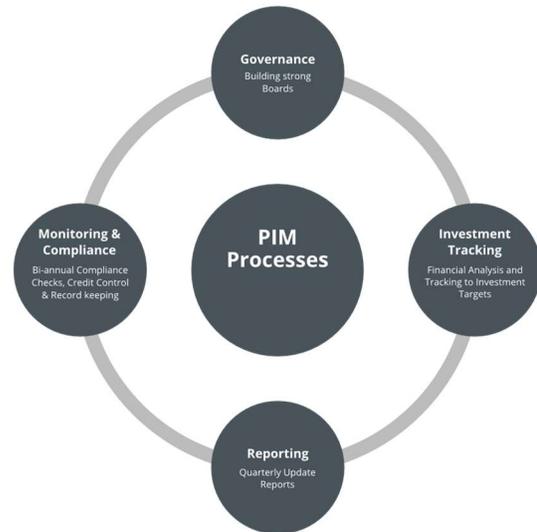
A successful application is required to follow the detailed investment process which will require roughly 10-15 weeks from application to closure, *provided the applicant has all the required information.*

The timing and efficiency of the investment process is highly dependent upon the information required and the availability and participation of the applicant in the process.

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What assistance does the Trust offer after funding is provided?

Funding is one of the critical factors that affect an SME's success, however non-financial support is critical in ensuring business growth as well.

The Trust along with its Fund Manager will provide various post investment support to each investee business. This will include assisting the investee to meet performance targets, report on the financial and operational affairs of the business and measure a variety of compliance requirements whilst implementing business best practice processes and procedures.

The post investment process is critical to the success of the business once funding has been provided.

What other value is provided by the Trust?

In addition to the post investment services offered, the Trust, through its Fund Manager, offers investees access to a sophisticated post-investment support and development programme called 10XE.

The program includes classroom sessions by experts on global best-practice business development and scaling, coupled with mentoring from successful entrepreneurs from related industries. The program also offers best-practice toolkits the investee can introduce within its business.

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What are the expectations and requirements of applicants to streamline the process?

If the applicant ensures all the above information is readily available, the investment process can be streamlined and conducted efficiently and effectively.

In addition, there will be an expectation and requirement of time commitment from the applicant to conduct the process and ensure the applicant is successful.

What interest rate does the Trust charge?

If the application is successful and the Trust structures a loan agreement with the applicant, the Trust offers commercially linked funding. The terms offered by the Trust are thus commercial in nature but competitive given the developmental nature of the Trust.

The rate charged is based on the specific application and risk associated.

What is the relationship between the Trust and Volkswagen SA and who is Edge Growth?

The Volkswagen B-BBEE Initiatives Trust is a separate legal entity which was created in order to achieve the above-mentioned objective. The trust is governed by the Trustees of the Volkswagen B-BBEE Initiatives Trust and is not a subsidiary of Volkswagen Group South Africa.

The Trust has engaged the services of Edge Growth (Pty) Ltd to act as the Fund Manager of the Trust. Edge Growth (Pty) Ltd is responsible for the entire investment process. Edge Growth has over 10 years of experience in SME finance and advisory and manages several funds which invest in early stage businesses across various sectors.