

**SERVICE PROVIDER REGISTRATION FORM FOR PIC TURNAROUND AND  
VALUE ADD SERVICE PROVIDER PANEL**

**Company registered name:**

**Delivery Address**

Public Investment Corporation SOC Limited  
Menlyn Maine Central Square  
Corner Aramist Avenue and Corobay Avenue  
Waterkloof Glen  
Extention 2  
0181

Soft Copy must be e mailed to [turnaround@pic.gov.za](mailto:turnaround@pic.gov.za)

## INVITATION TO APPLY FOR LISTING ON THE TURNAROUND AND VALUE ADD SERVICE PROVIDER PANEL

### 1. DEFINITIONS

In this invitation to be included in the panel, the following definitions shall apply:

- 1.2 **“Applicants”** means any potential service provider applying to be listed on the turnaround and value add service provider panel;
- 1.3 **“Association Agreements” means** agreements concluded between the lead turnaround specialist and various sector specialist;
- 1.4 **“Black”** means a generic term that refers to Africans, Coloureds and Indians who are South African citizens;
- 1.5 **“B-BBEE”** means Broad-Based Black Economic Empowerment;
- 1.6 **“Turnaround Management”** means Turnaround management is a process dedicated to corporate renewal. It uses analysis and planning to evaluate troubled companies by returning them to solvency or reduce the losses and exposure of shareholders and funders. It is also used to identify the reasons for failing performance in the market and instituting corrective measures. Turnaround management involves management review, root failure causes analysis, and SWOT Analysis to determine why the company is failing. The assessment that is described above is a quick intense deep dive into the organization which then enables us to make decisions. Once analysis is completed, a long-term strategic plan and restructuring plan are created dependent on the viability of the asset. We characterize turnaround in 5 phases with distinct start and end points. The solution that we will follow will be dependent on the outcome of the value proposition after the completion of the viability phase;
- 1.7 **“Service provider and associates”** means a company, with the requisite experience who applies to be listed in the panel. Due to the depth and width of experience required they will then have signed association agreements between each other and, inclusive of CV’s, with the relevant experts who may be required to provide services under the terms of the Turnaround Panel listing document issued;
- 1.8 **“PIC”** means Public Investment Corporation SOC Limited;
- 1.9 **“Pricing”** means pricing for any assignment post listing which will be negotiated at the time of the Request for Proposal but will be capped at the rates charged by Auditor General of South Africa (“AGSA”);

- 1.10 **“RFP”** means Request for Proposal;
- 1.11 **“Sector Specific Transaction Support Services”** means due diligence services that requires an in-depth knowledge of the industrial sector in which the identified Turnaround Entity operates. The services include technical and commercial deep dive investigations which will be used to motivate viability for the turnaround;
- 1.12 **“Turnaround Entity”** means the business, in which the PIC holds an equity stake or debt on behalf of its Clients, has identified as having a potential for Turnaround;

## **2. INTRODUCTION AND BACKGROUND**

- 2.1 The PIC is a registered Financial Service Provider (FSP) and is a public entity that is wholly owned by the South Africa Government. The PIC invests funds on behalf of public sector entities.
- 2.2 Isibaya Fund (“Isibaya”), an unlisted investment division within the PIC was formed to invest in projects that promote social responsibility, infrastructure and transformation both in South Africa and the rest of Africa. The main objective of Isibaya is to generate good financial returns while supporting positive and long-term socio-economic development in South Africa and the rest of the African continent.

The Isibaya fund focuses on the following investment pillars: -

### **IMPACT INVESTING:**

#### **Environmental Sustainability**

To invest in projects that offer solutions for sustainable and diverse energy sources and reduces any adverse environmental impact while delivering a real economic return. (These include projects such as renewable energy, energy efficiency, clean technology, recycling and green firms, environmentally friendly construction, green buildings and conservation).

#### **Priority Sector Investments**

To invest in projects that contribute to the growth of the economy through job creation, skills transfer, poverty alleviation and rural development.

### **Economic Infrastructure**

To invest in large scale and long-term infrastructure projects that achieve acceptable capital returns while also acting as catalysts to unlock South Africa's economic potential and attract foreign direct investment. (Qualifying projects comprising of energy, logistics, water, broadband, liquid fuels and commuter transport).

### **Social Infrastructure**

To invest in health, education and affordable housing related projects and businesses that will yield financial returns and contribute to the economic and social development needs of South Africa. (Focusing on Health, Education and Housing).

### **Small and Medium Enterprises**

To invest in and support small and medium enterprises in a manner which yields satisfactory financial returns for the investors whilst contributing positively to the economy particularly in terms of entrepreneurship, new enterprise development and job creation. (Qualifying projects include agriculture, agro-processing, green and renewable energy technology, tourism, and business process outsourcing).

## **PRIVATE EQUITY: -**

### **South Africa Private Equity**

To generate income and capital appreciation by making investments across all sizes of entities: early stage venture capital, small, medium and large sized unlisted companies located in South Africa and the rest of the continent.

### **Africa Private Equity**

To invest in large scale and long-term infrastructure projects that will achieve acceptable capital returns while also acting as catalysts. To this end PIC has taken a conscience decision to become actively involved in supporting entities that it invests in on behalf of its

Clients. The focus is to empower entities by facilitating radical interventions by contracting the use of turnaround and value-added services into the terms of all our contracting.

- 2.3 The current Isibaya transaction services support panel does not specifically cater for interventions of this nature. A specific panel of turnaround and technical experts is being created to allow for rapid response and interventions. The panel will be multidisciplinary by nature and we reserve the right to utilize various service providers and/or experts from different providers on one assignment to maximize impact.
- 2.4 In essence turnaround can be viewed as a five-stage process which is fluent in nature as a turnaround strategic plan is a fluid document.

- 2.4.1. **STAGE 1** – this is the situation analysis phase which needs to be performed as quickly as possible once the investment or loan has been identified as being nonperforming or requiring intervention.

The following areas would need to be covered in this stage with the appointed lead coming up with a report that **highlights what went wrong in the business** by considering some or all the following

- Appropriateness of original business case submitted and approved
- Financial analysis of historical figures
- Assessment of financial models that are currently being applied
- Future cash flows.
- Gearing and debt covenants
- Macro-economic impacts both historically and the future
- Micro-economic impact of the value chain within the environment the business operates
- Sales and marketing strategies (including client churn)
- Revenue pipelines
- Competitor analysis
- Requirement for business restructuring
- Operations
- Engineering research and development

- Leadership assessment and suitability
- Personnel requirements
- Environment Social and governance impact

Based on this report, and the opinion of the service provider, a viability assessment will be done which will consider the position of the PIC in relation to the mandates of their clients. This may then result in a turnaround process being approved.

2.4.2. **STAGE 2** – Based on the approval to go -ahead there may be a need for leadership change - this comes in the form of the appointment of an expert turnaround CEO, including a support team if necessary, who will take control of the organization to take them through next phases.

2.4.3. **STAGE 3** – Emergency action stage (crisis control) - the objective of this stage is survival, get control of the business, work to breakeven, raise cash to support turnaround, protect resources and protect assets value.

2.4.4. **STAGE 4** - Business restructuring stage (change)- objective of this stage is to create profitability or limit losses through operations, Restructure the business for increase return on assets and investments

2.4.5. **STAGE 5** - Return to normal stage (Going Concern) – Seek profitable growth, emphasize profits and returns, build competitive strengths – and where appropriate exit the investment.

2.5 Turnaround professionals and entities will need to demonstrate expertise per category by way of CV's and association agreements with relevant individuals and entities.

2.6 Certain of the investment held by Isibaya, operate in highly technical industries with very specific industry factors affecting the business investee. Potential turnaround projects requiring sector specific expertise could come from:

- Mining and resources;
- Renewable Energy;

- Financial Services;
- Retail and Logistics;
- Industrial and manufacturing;
- Information and Communication Technology;
- Media and entertainment;
- Hospitality and Tourism;
- Infrastructure projects;
- Land and Agricultural Development and Value-Added Services;
- High Social Impact and upliftment projects;
- Community and rural development;
- Healthcare and Medicine

- 2.7 The above list is not exhaustive and as investments are made in new sectors panel members would be apprised of the need to add additional associates to their consortium.
- 2.8 PIC intends to create a Turnaround and Value Add panel, and therefore invites established, qualified, experienced, competent and interested service providers to submit applications for listing on its panel.
- 2.9 This panel is independent of the other PIC/ISIBIYA databases. Therefore, in order to participate in the Turnaround and Value Add space you must be registered on this panel irrespective of whether you are on the current Isibaya service provider database.
- 2.10 The purpose of the panel is to support the PIC in evaluating, providing guidance and implementing turnaround strategies at companies PIC is invested in. The following are the type of resources who should be available to the team on a committed basis.
- 2.11 The Service Providers or their owners who we are looking for should have been in business for at least 10 years and must be able to co-ordinate rapid response teams within 7 working days.
- 2.12 The following are the general specialization categories that we require;

- Turnaround management experience (minimum of 10 years);
- Turnaround CEO 's (minimum 15 years' experience);
- Chartered Accountants and C Suite Executives – specializing in Turnaround or leading major entities with more than 15 years' experience; unlock Africa's economic potential and attract foreign direct investments.
- Commercial Attorneys with minimum 15 experience specializing in contract law, law of insolvency and company law;
- Financial Modelers with at least 10 years' experience in stress testing and building complex commercial, financial and business models
- Engineers with at least 15 years' experience in process evaluation and improvement and systems

2.13 Service Providers should have association agreements with individuals or firms with more than 10 years' experience operating in the following designated sectors where they do not have in house experience;

- Mining and resources;
- Renewable Energy;
- Financial Services;
- Retail and Logistics;
- Industrial and manufacturing;
- Information and Communication Technology;
- Media and entertainment;
- Hospitality and Tourism;
- Infrastructure projects;
- Land and Agricultural Development and Value-Added Services;
- High Social Impact and upliftment projects;
- Community and rural development;
- Healthcare and Medicine

2.14 When selecting industry expert's cognizance must be given to their ability to access a network of professionals within the industry at short notice. It should further be noted that we are exposed to certain transactions outside of South Africa.



**Service providers must complete this application form in order to register them on pic turnaround and value add service provider panel.**

**The following important notes should be read carefully before the completion of this form**

1. It should be noted that the PIC reserves the right to accept or reject any application without being obliged to give any reasons in this respect. **Registration onto the Turnaround and Value Add Service Provider Panel does not guarantee business opportunities.**
2. This form must be completed in full and signed by the duly authorised signatory.
3. Full signatures are required when alterations are made in this document.
4. If the space provided is left blank, your registration form will be regarded as incomplete and your business will not be registered on the database.
5. Service providers must comply with all the requirements - failure to do so may result in the application being declined.
6. Service providers may not alter the Application form in any way.
7. A company profile should accompany the registration form and will not be accepted as substitute for this application form- all fields must be completed by the applicant.
8. Applicants will be contacted via e-mail and must therefore provide a valid e-mail address.
9. Service providers that have registered on the Turnaround and Value Add service provider panel should ensure that they furnish the PIC with any change to the status of the information initially provided, as and when the information changes.
10. Service providers have to ensure that the PIC is always in possession of an Original Valid Tax Clearance Certificate and Valid BEE certificate accredited by SANAS or a Sworn Affidavit from CIPC. **Service providers whose tax clearance certificates and BEE Certificate have expired will be blocked from the Turnaround and Value Add service provider panel until valid documents are submitted.**
11. Service providers are to attach an original certified copy of the relevant industry accreditation certificates, where applicable.
12. Kindly initial each page.
13. I have read and understood the important notes from page 2 - 13.

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Authorised signatory

## SERVICE PROVIDER REGISTRATION FORM FOR PIC TURNAROUND AND VALUE ADD PANEL

**This is an application for registration on the PIC Turnaround and Value Add Service Provider Panel.**

Title (Prof. / Dr / Mr / Mrs / Ms/) and Surname \_\_\_\_\_

(If sole proprietor)

Name of Business: \_\_\_\_\_

*(Contracts/orders will be issued on this name and invoices must reflect it)*

Trading Name: \_\_\_\_\_

Physical address of business:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Code: \_\_\_\_\_

Postal address

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Code: \_\_\_\_\_

Business Landline Code: \_\_\_\_\_ Number: \_\_\_\_\_

Business e-mail: \_\_\_\_\_

Business Fax: \_\_\_\_\_

Sales Contact: \_\_\_\_\_ Contact Number: \_\_\_\_\_

E-mail Address:  
\_\_\_\_\_

Accounts Contact: \_\_\_\_\_ Contact Number: \_\_\_\_\_

E-mail Address:  
\_\_\_\_\_

Business Registration Number: \_\_\_\_\_

(In case of sole proprietor, please furnish identity number) \_\_\_\_\_

Business Tax Number: \_\_\_\_\_ Vat Registration Number: \_\_\_\_\_

Management Control % by HDI: \_\_\_\_\_

Central Service provider Database Number (if applicable):  
\_\_\_\_\_

**Bank Information:**

*\*Please attach an original cancelled cheque or an original bank verification letter.*

Bank: \_\_\_\_\_ Branch code: \_\_\_\_\_

Branch Location:  
\_\_\_\_\_

Account Holder: \_\_\_\_\_

Bank Account number: \_\_\_\_\_ Account type: \_\_\_\_\_

**All payments will be made electronically directly to your bank account.**

*Kindly note that it will be your responsibility to inform PIC in writing, of any changes in your banking details.*

**Turnover:**

♦ Annual Turnover for last 3 years:

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**Attach a list if space provided below is inadequate**

DIRECTORS LIST								
Name	ID No	Personal Tax Ref no	Citizenship	Gender	Race	Disability	Capacity	%Shareholding If any

SHAREHOLDERS LIST	

Name	ID No/	Personal Tax Ref no	Citizenship	Gender	Race	Disability	Capacity	%Shareholding

#### SERVICES AND SECTORS OFFERED FOR MATRIX

Indicate services offered for by Yes / No relating to relevant sectors

Name of Company: \_\_\_\_\_

#### TURNAROUND SERVICES

SECTORS	Commercial Attorney	Financial Modellers	Workout	Turnaround
Mining & Resources				
Engineering and Construction				
Financial Services				

<b>Retail and Logistics</b>				
<b>Industrial and Manufacturing</b>				
<b>Information and Telecommunication Technology</b>				
<b>Media and Entertainment</b>				
<b>Hospitality and Tourism</b>				
<b>SECTORS</b>	<b>Commercial Attorney</b>	<b>Financial Modelers</b>	<b>Workout</b>	<b>Turnaround</b>
<b>Infrastructure Projects</b>				
<b>Agriculture and Agro Processing Services</b>				
<b>Other Sectors</b>				

## DECLARATION

I \_\_\_\_\_ hereby declare, in my capacity as \_\_\_\_\_ and duly authorized thereto, that the information provided in the above questionnaire is to my knowledge factually correct and that I or any of the directors of the organisation are not related to any directors or employees of the PIC.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Designation