

# THEBE STORY



**Sizwe Mncwango**

– CEO of Thebe Investment Corporation

When selecting an equity partner to broaden black participation in its downstream activities in South Africa, Shell reinforced its long-standing business relationship with Thebe Investment Corporation, a company which was built on the premise of building communities through a sustainable enterprise. As a 28% holder of Shell Downstream South Africa's equity, Thebe has been a natural partner in furthering the concept of nation-building.

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**“NO MATTER HOW FAR A STREAM FLOWS, IT NEVER FORGETS ITS SOURCE.”**

It is with this proverb firmly in mind that Vusi Khanyile, then Executive Chairman of Thebe Investment Corporation, announced the investment credo of a new type of company - one dedicated to participating in mainstream businesses and helping black capital break into crucial economic sectors while building communities.

It was in 1992, a few years before South Africa took its first steps into a democracy, that Thebe Investment Corporation was founded. Today, Thebe is one of South Africa's most iconic black investment companies with highly focused investments aimed at delivering maximum value for shareholders and which seeks out exceptional growth opportunities in two portfolio pillars – Energy and Resources and Services.

By 2002 - recalls Sizwe Mncwango, the CEO of Thebe Investment Corporation - Shell and Thebe had established a strong working relationship. It was a partnership that was real; there was credibility, trust, similar values, integrity and a shared ethos between the two entities.

For Shell, with its well-developed social investment programme stretching back decades, the buying of equity by Thebe meant allying itself to a distinctive shareholder also dedicated to the values of community and nation-building. This common belief and commitment added significant value to the relationship. Thebe Foundation gives life to Thebe Investment Corporation's objective of 'building communities.' The heart and soul of the group, the Foundation operates independently, but in liaison with the group.



## Thebe Business Overview

The company was founded in **1992** with a seed capital of **R100 000**

▶ **1998** Shell and Thebe entered into a refinery processing deal through **TEPCO**

▶ **2002** Thebe acquired a **25%** stake of Shell SA's Marketing business, and their net worth grows to **R70 million**

▶ **2008** Thebe's participation was broadened to acquire **25%** equity stake in Shell SA's Refining business



## THEBE GROUP

▶ **2011** Thebe increased its stake in Shell SA's Marketing business to **28%**

▶ **2015** Shell SA merged their marketing and refining businesses to form **Shell Downstream South Africa**, with Thebe taking up a **28%** shareholding

▶ **2016** Thebe acquired **57%** of **Sekelo Oil Trading** (mainly focusing on domestic trades), with Shell taking up the minority shareholding at **43%**

▶ **2016** Thebe acquired a **28%** equity stake in oil trading company (mainly focusing in Africa), **STISA** with Shell holding majority shareholding at **72%**

### Lehlohonolo Chabeli

– CEO of Thebe Foundation

From its inception, the Foundation adopted a new approach to social investment, focusing on:

- Numeracy and literacy in schools
- Scholarship programmes for university students
- A university-led Small Business Enrichment Programme

Shell and Thebe's mutual commitment to contributing to meaningful change, especially in communities, further enhanced their relationship. They have partnered in delivering a Grade R programme in 16 Mpumalanga schools to promote numeracy and literacy. The programme includes providing teacher support, book donations and the creation of libraries.



Shell and Thebe have also participated as sponsors of the University of Johannesburg's Small Business Enrichment programme which focuses on developing SME's into the formal business sector. The stream has never forgotten its source. As Mr Mncwango stresses:

**“NO MATTER HOW MUCH DISRUPTION OCCURS, A MUTUALLY RESPECTFUL, TRUSTED RELATIONSHIP WILL ALWAYS PERSEVERE. THIS IS THE CASE WITH THEBE AND SHELL.”**

