

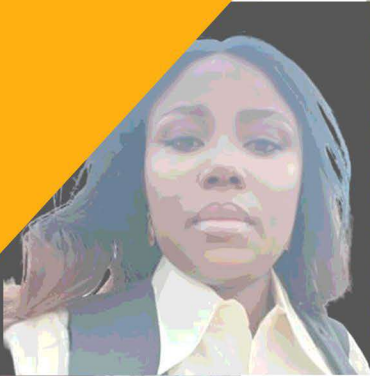


ShEquity

SMART INVESTMENTS FOR AFRICAN WOMEN ON THE MOVE

SHEBA

Annual Report 2021 Edition



ShEquity Business Accelerator (SHEBA)

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EXECUTIVE SUMMARY

In Africa, women operate 40% of Small and Medium Enterprises (SMEs) but they face a US\$ 42 billion funding gap. The recent [World Bank's Africa Gender Innovation Lab \(GIL\)](#) and [Briter Bridges' report](#) exploring Africa's gender gap in startup financing, revealed that only 3% of startup financing since 2013 went to all-women founding teams, compared to 76% for all-men founding teams.

Also, recent data shared by the Big Deal Substack shows that the situation is not getting better: “only 0.95% of the funding raised by African startups in 2021 went to startups founded or led by a woman or female-only team, compared to 82% for male counterparts”.

One of the cited reasons behind such a widening gender funding gap is that many female-led and owned businesses are not investment-ready. [ShEquity](#), a gender-lens investment vehicle that provides Smart Investment for impactful and scalable African female-led/owned businesses, established the ShEquity Business Accelerator (SHEBA) to address the investment readiness problem and much more.

[SHEBA](#) serves as ShEquity's Technical Assistance (TA) facility and provides pre-investment venture building support as well as post-investment support focusing on operations and the growth of the portfolio companies.

In this inaugural SHEBA report, we share lessons learned as well as insights demonstrating how initiatives such as SHEBA create value for African female founders.

Launched in March 2021, SHEBA focuses on de-risking African female-led and

owned businesses, readying them for investment and equipping the founders with the skills set needed to grow and scale their businesses and reach their full potential.

SHEBA cohort 1 was implemented in collaboration with [MBC Africa](#) and attracted 2077 applications from 40 countries, and 30 top candidates were selected for a 16-week acceleration program.

The learnings during the SHEBA cohort 1 confirmed that addressing the existing gender funding gap requires an ecosystem focused strategy which includes structured and targeted venture building combined with mentoring, coaching and access to early-stage investment.

We take this opportunity to reiterate our gratitude to the SHEBA team, our implementation partner, MBC Africa as well as all other partners, mentors, and coaches. Like we say in Africa, it takes a village, and SHEBA cohort 1 would not have been a success without the great contribution from everyone.

As you read this report, we hope you get energized and decide to take more bold actions toward addressing the existing gender funding gap in Africa. Moreover, get in touch if you would like to collaborate.

We hope you will continue being a part of the ShEquity Network as we continue to break barriers and create new ground!

FORWARD FROM SHEQUITY & MBC AFRICA

Launched against the backdrop of International Women's Month and the COVID-19 pandemic in March 2021, the ShEquity Business Accelerator (SHEBA) was created to support qualifying African female founders with impactful, innovative and scalable businesses by focusing on getting them ready for investment.

Despite the sustained reminder that the African continent is the highest region with female entrepreneurs in the world -as per the [2019/2020 Global Entrepreneurship Monitor \(GEM\)](#) publication, it is still more challenging for them to secure investment than their male counterparts.

Rather than just complaining about the existing gender funding gap, ShEquity, in collaboration with MBC Africa joined hands to execute SHEBA. This was done in line with ShEquity's strategy to build an investment ecosystem that serves as a catalyst to de-risk, strengthen and invest in African female-led and owned businesses.

Equipped with the unique perspective, expertise and tools on how to tackle the issue of the gender funding gap in Africa, we had the heart to create a unique platform to address operational, access to resources challenges, but also emotional, psychological, and business networks any woman in business needs to thrive.

We have had the incredible privilege to have a front-row seat to the early stages of SHEBA, and bear witness to the growth of our maiden cohort.



Pauline Koelbl

Founder & Managing Partner - ShEquity



Tenemba Anna Samake

Founder and Executive Director - MBC Africa

During one of the SHEBA sessions, a cohort member who participated in many other programs highlighted the concern linked to the fact that African women founders are over-mentored and underfunded.

She called attention to how she has been invited to participate in many capacity building programs, and that she decided not to pursue such opportunities anymore because they don't address the core problem that she needs to be solved: Investment Readiness and Funding. She echoed that she joined SHEBA because of its focus on investment readiness and potential opportunities to get funded through ShEquity.

Unlike other accelerators not connected to an investment vehicle, SHEBA is a deal funnel to ShEquity and other investors within the ShEquity network. This is demonstrated by the fact that after the acceleration program, qualifying businesses are recommended to the ShEquity team for investment consideration. The typical ShEquity seed investment ranges between US\$50K to 250K, with the opportunity of post-investment support.

SHEBA cohort 1 graduated 16 founders with businesses in Benin, Ghana, Mali, Nigeria, Sierra Leone and Togo.

Through SHEBA's inaugural program, founders reported an increase in the number of customers and overall sales, the evolution of business models, increased managerial confidence, and an overall mindset shift to one of focus. Today, we continue to receive positive feedback on SHEBA's impact on their businesses.

Such impressive outcomes represent the foundations of the SHEBA program, and that is to provide a pathway towards accessing seed financing to build a strong foundation for growth and provide the participants with the necessary skills to position themselves and scale their businesses.

We strongly believe the SHEBA program will be a catalyst towards addressing the existing gender inequity when it comes to financing, which is a major challenge for African female-led and owned businesses.

We look forward to continuing to build win-win partnerships towards developing a pool of trusted deals and building a pipeline of impactful, innovative and scalable investor ready female-led and owned businesses. Thank you!



ABOUT SHEBA

WHY SHEBA?



SHEBA was created to address the existing gender funding gap by de-risking African female-led businesses, getting them fit for investment and equip the founders with skills set needed to grow and scale their businesses. SHEBA is the bridge to closing the gender funding gap in Africa.

SHEBA FOCUS AND APPROACH



SHEBA initial focus is ECOWAS countries, with the plan to expand to other Sub-Saharan countries.

SHEBA's support follows a two-tier countries approach matching the needs of companies and their ecosystems.

SHEBA includes tailored programs which address the pain points of companies in weak ecosystems (e.g., Francophone and Sahel region), get them fit for investment and minimize investment risks.

HOW SHEBA ADDS VALUE



Addressing key investment risks and getting the businesses ready for investment.



Enhancing leadership and soft skills needed to engage with key partners/customers and inspiring teams.



Enhancing businesses brands, revamping and testing their marketing strategy.



Increasing chances of getting access to seed funding and follow-on investment through ShEquity and/or its network of investors.



Developing new business models and mindsets for innovation while leveraging existing tools to be ahead of the competition.



Connecting with high-value networks to facilitate business growth.

SHEBA PROGRAM OVERVIEW & MODULE

The SHEBA program is designed to address key investment risks, get female-led and owned businesses ready for investment and increase the chances of getting access to seed funding. The program enhances leadership and soft skills needed to engage with key partners and customers as well as inspire teams to revamp and test their marketing strategy.

It also equips founders with the skill set needed to develop new business models and mindsets for innovation while leveraging existing tools to be ahead of the competition.

The following is the program structure:



SHEBA PROGRAM OVERVIEW & MODULE

SHEBA program is structured into six modules that represent the critical areas in which entrepreneurs, at the early stage, typically require the most support. The program is interactive and starts with a pre-acceleration Module focusing on investment readiness. Throughout the program, participants are required to test what they have learned by going back to their customers for market validation.

»» **INVESTMENT READINESS**

This module is part of our pre-acceleration program where we unpack what it means to be investment-ready as well as investors' expectations. Different investment-related concepts such as Business Model Canvas, Deal Room and the kind of documents expected to be found in the deal room, structure of a pitch deck, various pitching techniques, and an array of investment readiness tools prepare the founder in their fundraising journey.

»» **BUSINESS DEVELOPMENT & STRATEGY**

This provides an opportunity to review and analyse each company's existing business model, while exploring new business development tracks, such as the business model pivot concept. Questions asked here include the following: are you losing out on an opportunity to 3x your business? How do you stay ahead of your competitors? Is your go-to-market strategy scalable? What is your customer acquisition cost? What is your Churn rate? During sessions linked to this module, SHEBA's experts are available to answer these questions and also gain feedback from other participants.

»» **FINANCES/FINANCIAL MODELS**

Finances are the heart of the business, and this module covers financial reporting/Management Accounts, how to optimise cash flow, financial modelling and fundraising.

»» **IMPACT MEASUREMENT**

Understanding the value of the impact of the company goes beyond listing one or more of the 17 UN Sustainable Development Goals (SDGs) and calling it a day. This tailored module concentrates on the business' impact journey, from metrics to the tools to measure the impact as well as understanding a company's impact along its value chain.

SHEBA PROGRAM OVERVIEW & MODULE

»» LEGAL AND GOVERNANCE

This module addresses the following questions:

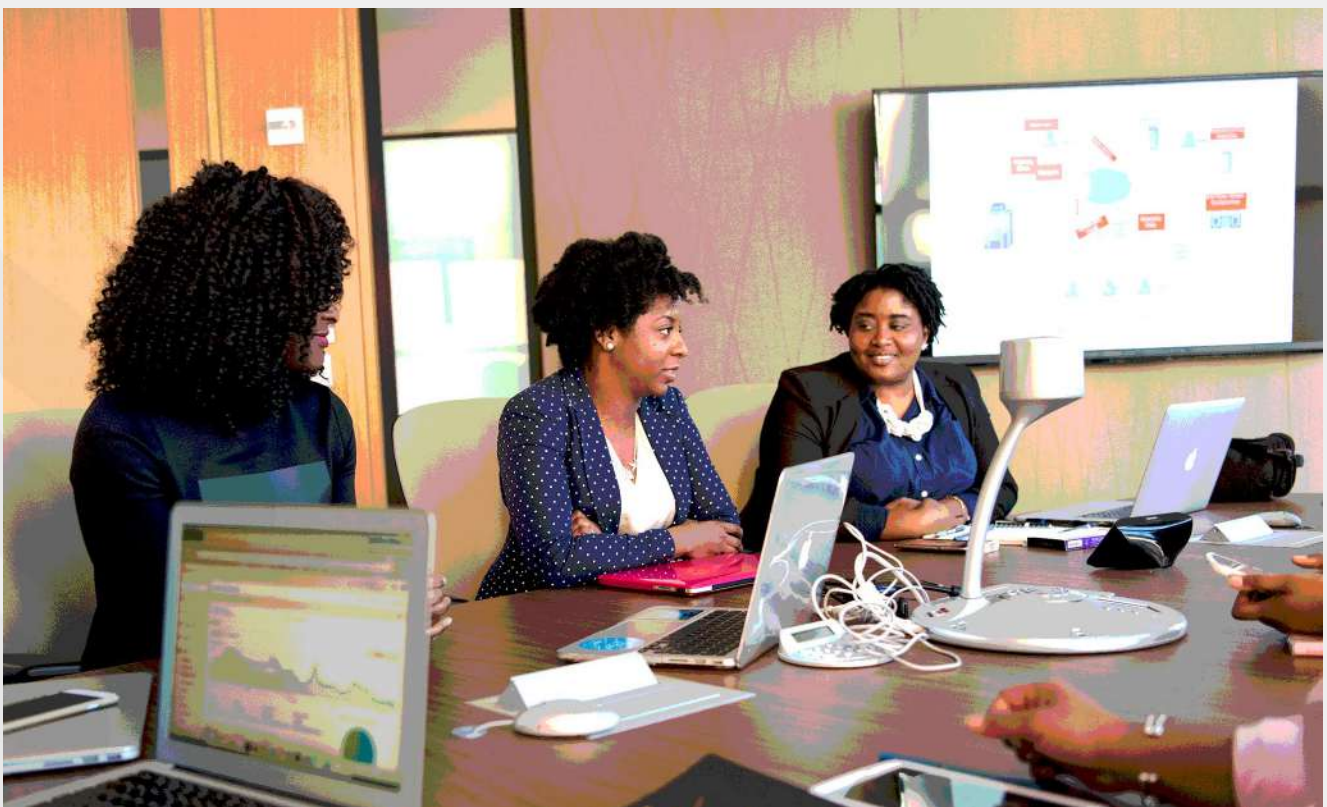
What legal structure does your business have in place to operate your business?

What is your business decision-making process/ who decides on what and how? This module also covers, topics like Standard Operational Procedures (SOPs), Human Capital Development/Human Resources, Governance structure and Business Legal Structure.

»» HIGH-PERFORMANCE COMMUNICATIONS

Transformative storytelling is impactful when the framework of the communication is simplified, authentic and connected. It is taking data and transforming it into intelligence that serves the purpose of a Company's vision and mission.

This module involves our Communications, Branding and Marketing experts who cover critical skills needed to position one's business and attract the right partners. Such skills sets are also needed when pitching to investors. This module also covers in-depth pitch decks structure, and content and involves pitching sessions.



AN ENTREPRENEUR'S JOURNEY AT SHEBA

Applications Process

1. Call for Applications
2. Screening Process
3. Selection into the SHEBA Program

Acceleration Program

Acceleration Program

Modules:

- 1- Business Development & Strategy
- 2- Finances/Financial Models
- 3- Legal & Governance
- 4- Impact Measurement
- 5- High-performance Communications

Graduation

Graduation Day



Pre-Accelerator

Pre-Acceleration: investment readiness

Introduction to investment readiness, unpacking what it means to be investment ready and investors' expectations.

Pitching

Pitching Days

Selection of businesses to be recommended to ShEquity for investment consideration.

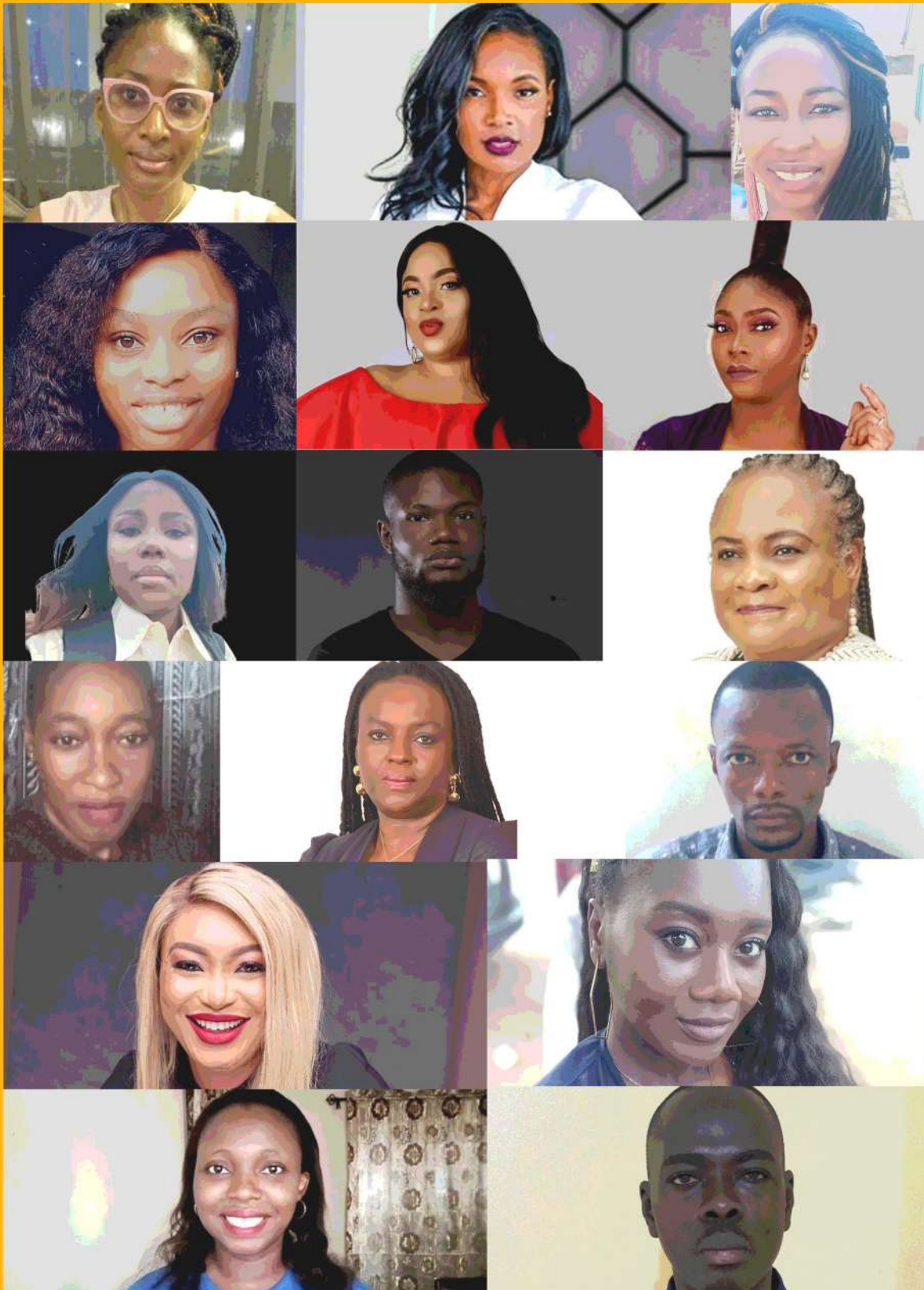
THE SHEBA SELECTION CRITERIA

SHEBA selection criteria are in line with 2X Challenge and match ShEquity's intention to support businesses owned and led by women in ECOWAS region :

- 1. Women-owned:** At least 51% ownership
- 2. Women-led:** At least 40% of women in a leadership position
- 3. Full-time entrepreneur:** No side hustle
- 4. Legal Status:** Legally ECOWAS registered business
- 5. Commitment:** 16 weeks program duration (exclusive of orientation/investment readiness, coaching and mentoring hours)
- 6. Stage:** In operation for at least 24 months
- 7. Sectors:** Agribusiness/Food, Healthcare, Tech-enabled Solutions, Renewable Energies, Mobility, and Fast-Moving Consumer Goods (FMCG)
- 8. Location:** ECOWAS



CLASS OF 2021



ShEquity is inclusive, therefore male co-founders are welcome to join the program as long as the female co-founder is also actively participating in the program.

SHEBA COHORT 1

KEY TAKEAWAYS

In an effort to assess, refine and improve the experience of SHEBA participants and sharpen the program, we conducted a survey and collected feedback from the participants during the entirety of the 16 week program.

The methods employed included multiple informal and formal surveys. These surveys were conducted at the end of each module, during the midway mark of the program as well as at the end of the program by our monitoring and evaluation, and coordination team.

The respondents were interviewed and asked to provide unbiased, important shared learnings related to their SHEBA experience on the following themes:

1. Business Capital Needs
2. General Bias as a Female Founder
3. Self-reported Impact Evaluation
4. Founder Confidence and Investment Readiness

Below is a compilation of insights from the participants.

Business Capital Needs

When asked why they applied to the SHEBA program -which was answered by 100% of the survey respondents-, the biggest reason highlighted was the opportunity for the increased chance of accessing seed and follow-on investment.

This was closely followed by the opportunity to develop new business models and mindsets for innovation and leveraging existing tools to be ahead of their competition.

Other comments include the prospect of enhancing personal leadership development, the potential to de-risk their businesses and the positive ShEquity reputation.

“I applied to the SHEBA Program because I wanted to scale business operations, and impact more communities. I also wanted to achieve clarity to the business model. As I was in the early stages of my business and leaving the banking industry, I was in search of a mini MBA in entrepreneurship and SHEBA matched and exceeded my expectations .” - Survey Respondent

SHEBA COHORT 1

KEY TAKEAWAYS

General Bias as a Female Founder

Not only are women over mentored and under funded as a result of the systematic design in the ecosystem, they also experience bias in the growth journey of their businesses. We asked participants to elaborate on these three types of biases as female founders on the continent, namely:

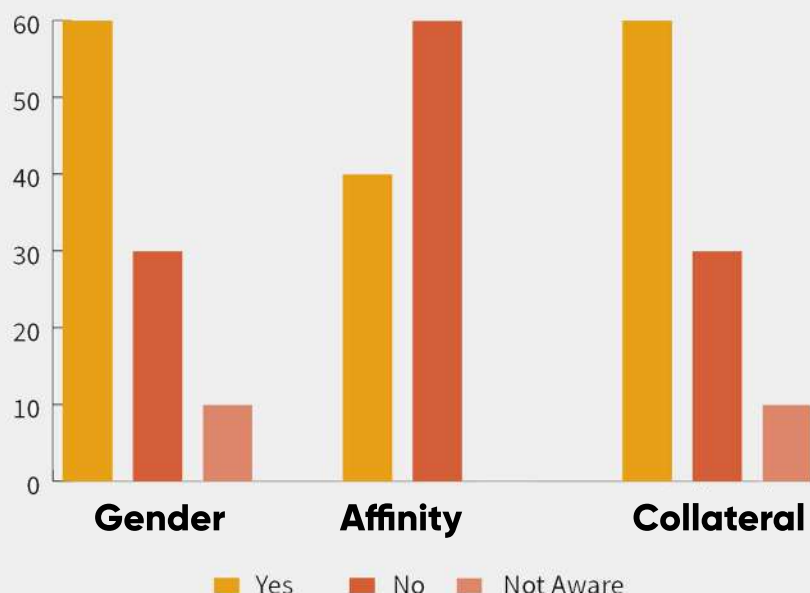
1. Gender bias
2. Affinity bias
3. Collateral bias

60% of the respondents reported that they have experienced general gender bias in the ecosystem and 30% have never experienced this bias, while 10%

indicated that they had not been aware of experiencing such bias. When it came to affinity bias (which is a bias described as a bias of similarity, treating people based on what we personally gravitate towards what is like us), 40% of respondents highlighted that they'd experienced this kind of bias.

Regarding collateral bias, 60% of the respondents reported that they have experienced and have been impacted by collateral bias. While 30% have not experienced collateral bias and 10% were not aware of it, it's important to highlight that these latter respondents are at early stage in their businesses, therefore, have never borrowed money, which might explain why they have not experienced collateral bias.

BIAS EXPERIENCED AS A FEMALE FOUNDER



SHEBA COHORT 1 KEY TAKEAWAYS

Self-reported Impact Evaluation

What came out clearly from the survey is that social and economic impact is important to the core model of participants' businesses. Collectively reported, SHEBA participants are contributing to over 70% of the UN's 17 Sustainable Development Goals (SDGs), with SDG 8 focused on decent work and economic growth, being the most contributed SDG by the cohort.



SHEBA COHORT 1 KEY TAKEAWAYS

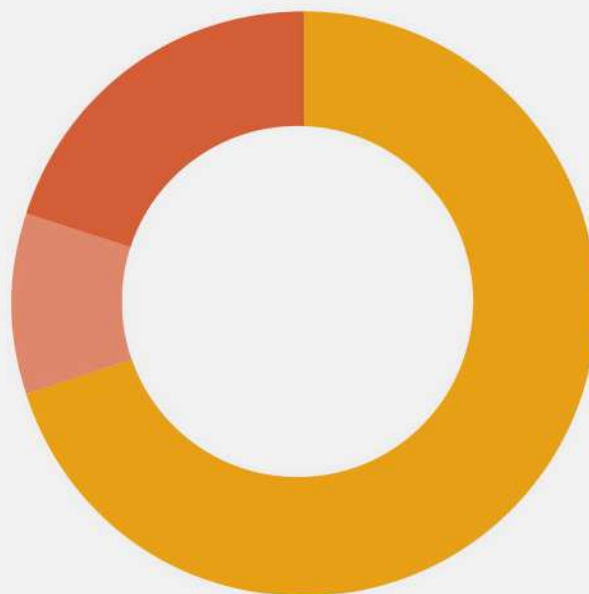
Founder Confidence and Investment Readiness

As previously indicated, the first week of the SHEBA Program is dedicated to a Pre-Acceleration Program, which unpacks heavily the module of investment readiness, and the underpinning context of what it means to be investment ready as well as investors' expectations and founders' fundraising experiences.

After completing the SHEBA Pre-Accelerator module, we conducted a survey asking the question of how soon the participants felt they would be able to raise venture capital or any alternative capital.

70% of the female founders responded that they would be ready to initiate raising capital within 3-6 months of graduating from the program, with 20% expressing the confidence of immediately beginning their round after graduating. The remaining 10% indicated that they needed more time (between 12 - 36 months) to implement the learnings from SHEBA before they can feel confident enough to start raising any form of capital.

READINESS TO RAISE CAPITAL



Between 3 - 6 month Between 12 - 36 month Immediately after graduation

TESTIMONIALS



SHEBA taught me to think like a startup founder rather than a small business owner. There is a big difference and its key. As a small business, everyday we are searching for a business model that works down the line. But startups are focused on a business model that works from day one. Every session has been a learning curve. We are getting better at this daily. I believe my co-founder and I will look back say this was the moment that we knew we had grown. The sleepless night on financials trying and wondering how to actually add this to our deck. Our 1st deck and our last deck are centuries apart . That's growth.
Thank you SHEBA!!



Idowu Ejere

Co-Founder, Esteem Royale Cosmetics
2021 Cohort - Nigeria



Yewande Amenaghawon Busari

Founder, Sophia's Secrets
2021 Cohort - Togo

The business journey is long and full of mountains, so it is better to go at it as a startup looking to grow rather than a forever small family business. Since joining SHEBA, our sales have significantly increased and our Standard Operating Procedures are much more streamlined, enabling us to operate at a much higher level using more concise tools. The training, having access to global and supportive networks and experts enabled me as a female founder to unlock a growth strategy mindset which has fuelled the aspiration to establish bigger companies and have the courage to ask for the necessary investment.

TESTIMONIALS



SHEBA has been a detailed and eye-opening program. The systematic approach of the program which started with a market study helped us understand our customer's needs better. After our market research, we decided to test a savings plan for the market traders.

This helped us grow the adoption of our savings product by 50% from \$80,000 to \$120,000. We also fine-tuned our loan products by re-designing our products for specific segments of our target market.

As a result of this, we have grown our loan book from \$200,000 to \$380,000. Which is over \$180,000.



Tale Alimi

Co-Founder and CEO, Owoafara
2021 Cohort - Nigeria

Our revenue has also doubled since we started the accelerator program because we have been implementing what we have learned and have focused seriously on our metrics.

Also because of a better understanding of our market, we realized that our current platform is limiting our ability to reach our target market of underserved businesses in the informal trade segment.

We have built a new agent-driven product that would enable the agents to offer financial services to the last mile. We started piloting this platform this week.

SHEBA has been an amazing experience for Owoafara and we look forward to scaling the company and building the first Female founded Unicorn in Africa.

SHEBA PARTNERS



WHAT OUR PARTNERS SAY ABOUT SHEBA

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A strong woman stands up for herself, but a stronger woman stands up for herself and many others and the SHEBA program - 2021, indeed sought to make women to be stronger! The learnings, panel discussions and stories shared were just amazing and insightful! The Ellevest by Ecobank Initiative look forward to partnering with you in future so we impact / empower women all over Africa and in the World, not only in this generation but in the next one to come!

Dr. Loretta Sarpong

Head, Women's Desk, Ecobank Ghana Ltd



“



Tomi Davies (TD)

Collaborator-in-Chief (CiC)' at TVC Labs, Lagos, Nigeria and Chief Investment Officer (CIO) at GreenTec Capital Partners, Frankfurt, Germany

As a strong champion for closing the existing gender funding gap in Africa, it was a great pleasure to share my POEM framework with the inaugural cohort of the ShEquity Business Accelerator (SHEBA). The POEM framework is a simple tool

designed to help entrepreneurs understand the process of starting and growing their technology-enabled ventures which is an area where female founders are underrepresented. This tool's premise is that the goal for any startup should be centred on one thing: having an offer that a lot of people actually value! The SHEBA program and others like it are essential in addressing the gender funding gap that saw female single founders, teams or individuals in Africa raising less than 1% out of the \$5 billion dollars invested into startups across the continent last year!

WHAT OUR PARTNERS SAY ABOUT SHEBA

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I believe that each of us has a seed within, for the world we all desire for ourselves and for future generations. In Africa, women are the backbone of many societies. Therefore, the future of Africa is greatly impacted by how much we invest in them and enable the seeds within them to flourish. A crucial step towards accessing funding for enterprises is being investment-ready.

ShEquity's double-pronged investment ecosystem strategy of Seed investment and Business Accelerator (SHEBA), is exactly what is needed to truly empower African female entrepreneurs. My contribution to the SHEBA program 2021 cohort, focused on demystifying Legal and Governance aspects of early-stage business, often overlooked by startups. Programs such as SHEBA are instrumental in supporting female founders to become investment ready and attract the right investors for their businesses.



Minayo Sagala
Business Sherpa

“



Caleb Tamfu
Trade and Investment Specialist,
Cultivos Capital Ltd

It was my absolute pleasure to contribute to this impactful initiative by facilitating the financial modelling workshop, providing the SHEBA cohort with the opportunity to sharpen their financial models and be able to ambitiously tackle one of the tougher tasks and algorithms as an early stage business – establishing future business projections. SHEBA provides invaluable venture support required by businesses to attract the right investment and develop sustainable business ventures. I would encourage entrepreneurs who are driving their businesses towards investment readiness, and are ready to roll up their sleeves to apply to this game changing accelerator!

WHAT OUR PARTNERS SAY ABOUT SHEBA



Women's contribution to societies is undeniable! I had a great honor of facilitating a leadership workshop for the SHEBA participants which brought together ambitious female founders who are real gamechangers through their actions. It is these driven female founders who shape the future of their countries - with powerful ideas, innovative businesses and cleverness. The exchange of ideas during the workshop is not only stimulating and fun, the participants implement what they have learned directly in their companies. This is how an investment makes an immediate and pragmatic impact. SHEBA is a project that definitely should belong on every investor's radar.



Michael Kres
Founder & CEO, ProMove



The ShEquity Business Accelerator (SHEBA) has brought to Africa a truly gender specific program run by women for women, with gender sensitive content designed to support the development of women entrepreneurs on the continent. Urban Inclusion Community, as a proud partner, sees' SHEBA as the model of choice for delivering impact that allows women to grow their business in way that encourages peer learning and how to practically apply learning to create

Em Ekong
Managing Director, Urban Inclusion Community

CONCLUSION AND THE PATH FORWARD

Going into the SHEBA inaugural program with the insight that 70% of the participants had never participated in an accelerator program before, it was important that we ensure their experience would be unforgettable and with clear value-add to their entrepreneurial journey. Therefore, as we look back, we are pleased to note that we achieved our objective: making SHEBA a unique program that was sought out by ambitious African female founders. Below quote is a testimony to our achievement:

“In 2021, I enrolled in 4 accelerator programs because I was looking for an opportunity to develop and grow myself as a founder, and the business that I operate. SHEBA’s Program was the best one that I’d recommend. The components of the program that enabled me to develop my business model and form stronger founder confidence were the skills transference of corporate governance, personal skills development, compliance and legal structure.”-Survey Respondent

With the unambiguous gender bias that is demonstrated by the existing gender financing gap on the African continent, it is evident that SHEBA is on the right track. Offering female-focused structured venture building support and being connected to an investment vehicle -ShEquity-, performing as a deal funnel to ShEquity and other investors within the ShEquity network, position SHEBA as a unique program which has been confirmed by this cohort’s participants. This is further demonstrated by the fact that 4 businesses from SHEBA cohort 1 were recommended to the ShEquity team for investment consideration. What is clear about the SHEBA survey respondents, is that social and economic impact is important to the core model of their businesses - they are impact-driven game-changers, who ensure that impact is embedded in their business model.

We remain committed to collaborating with other organisations that recognise the vitality of closing the gender financing gap on the continent. We launched the second cohort early April this year, and we plan to have two editions this year, one focusing on English speakers and the other one on Francophone speakers. The decision to add a separate Francophone edition was made to address hurdles of the language barrier between English and French speakers on the continent. On the top of our Anglophone edition, we intentionally want to catalyse investment-ready female-led and owned businesses in Francophone markets.

We invite you to reach out if you would like to collaborate with us either via email: info@shequity.com or our socials.



ShEquity

SMART INVESTMENTS FOR AFRICAN WOMEN ON THE MOVE



THANK YOU



Thanks to your commitment, trust and support, we know next year will be even better than the last!

We look forward to working together!

info@shequity.com

www.shequity.com

  ShEquity

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