



# Is Your Company/Business Investor Ready?

4 February 2025

# What is investor readiness?

## Overview

Investor readiness is the enterprise's preparedness to “**understand and meet investors' needs and expectations,**” and it influences the probability of a business receiving funding.

## Key Factors



### Business feasibility and viability

Demonstrate that the business is sustainable, competitive, scalable and have sound business and economic models, high investor value proposition, proper management structure and qualified team.



### Quality of investor materials

- ❖ Business plan
- ❖ Pitch deck/investment teaser
- ❖ Information memorandum
- ❖ Financial model

## Africa Funding Landscape

The high value Venture Capital funding in Africa at **\$ 4.5bn** in **2023** for **603 deals** underscores the triumph among businesses in pursuit of success through capital raising.


**KENYA** dominated in 2023 VC funding attracting **\$800m (28%** of the total amount raised in Africa)


**ARE YOU READY ?**




# Why is investor readiness important to SMEs?

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- 1 Better understanding of your business** 

Investor-ready businesses understand where they are in terms of their operations, their capital needs and the financial strategic partners they'll need.
- 2 Better engagement with investors in raising external capital** 

Investor-ready businesses are able to understand the needs and expectations of potential investors and are at a better position to source external funding.
- 3 Accelerate capital raising process** 

The hand-holding in the process helps to speed up the fundraising process.

Businesses with access to funding have a higher success rate than businesses without. According to Growth Africa, African start-ups with access to funding had a **72%** success rate compared to unfunded start-ups in 2023.



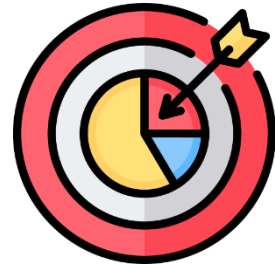
# How do you identify relevant investors?

## Key Factors



Geography

Some investors have a specific geographic focus



Sector focus

Some investors have a sector focus



Ticket size

Well-defined business ask/ticket size falling within investors funding range.



Capital type

Clearly defined business capital type e.g. debt, equity or a mix



Investor type

Clearly defined type of investor the business is looking for e.g. strategic, institutional or angel

# What are investors looking for?

Clearly defined governance mechanisms, relations and processes by which a business is controlled and directed

Governance

Market landscape

Clearly defined target market, size, opportunities, competition, and risks

Well defined growth strategy that addresses the identified market need

Growth Strategy

Traction

Positive trend in the financial and operational indicators that are regularly monitored

Defined capital need/ask to meet the expected business growth

Capital need

Product/  
service

Unique, scalable, adaptable to customers and which stands out with high market penetration.

The expected impact from addressing the market need

Impact

Business Model

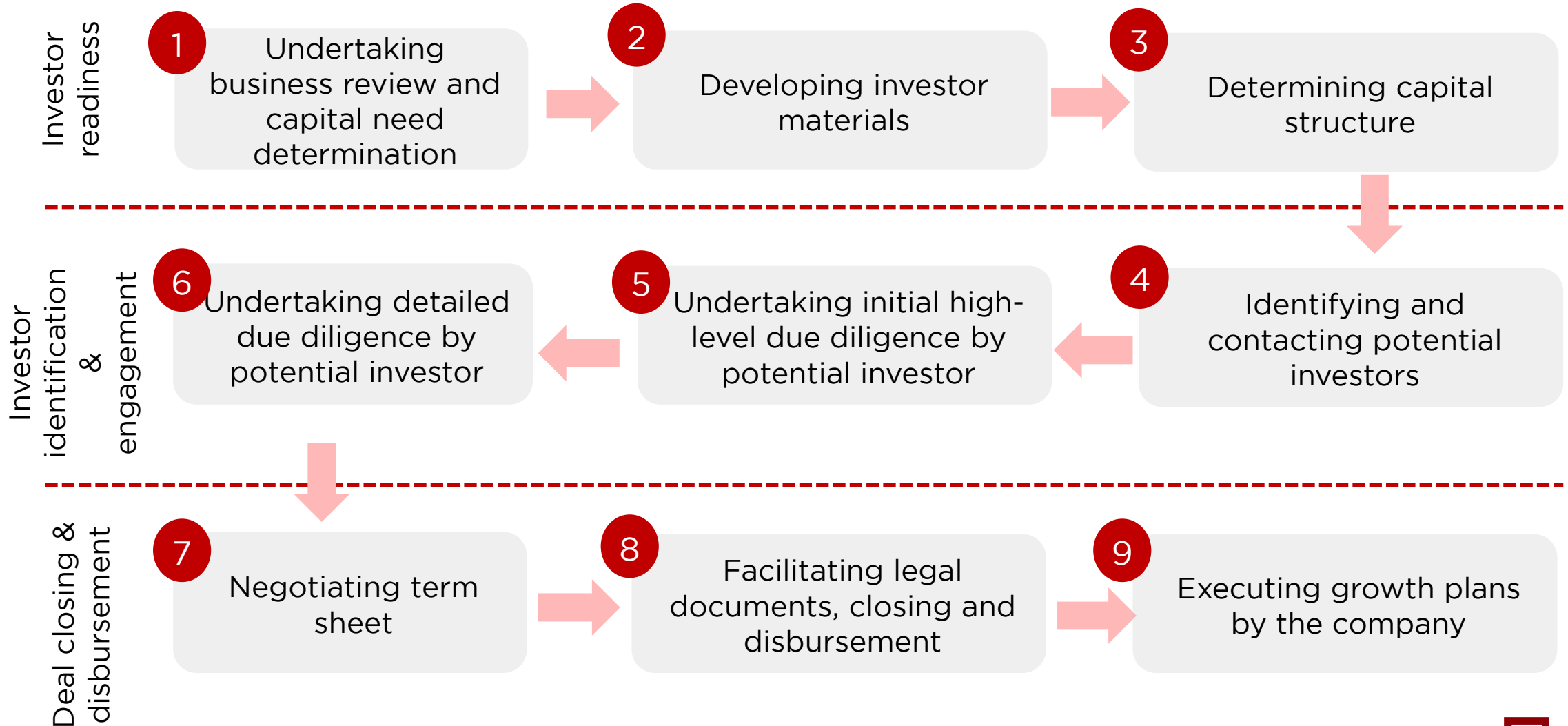
Ways through which the company will make money

Team

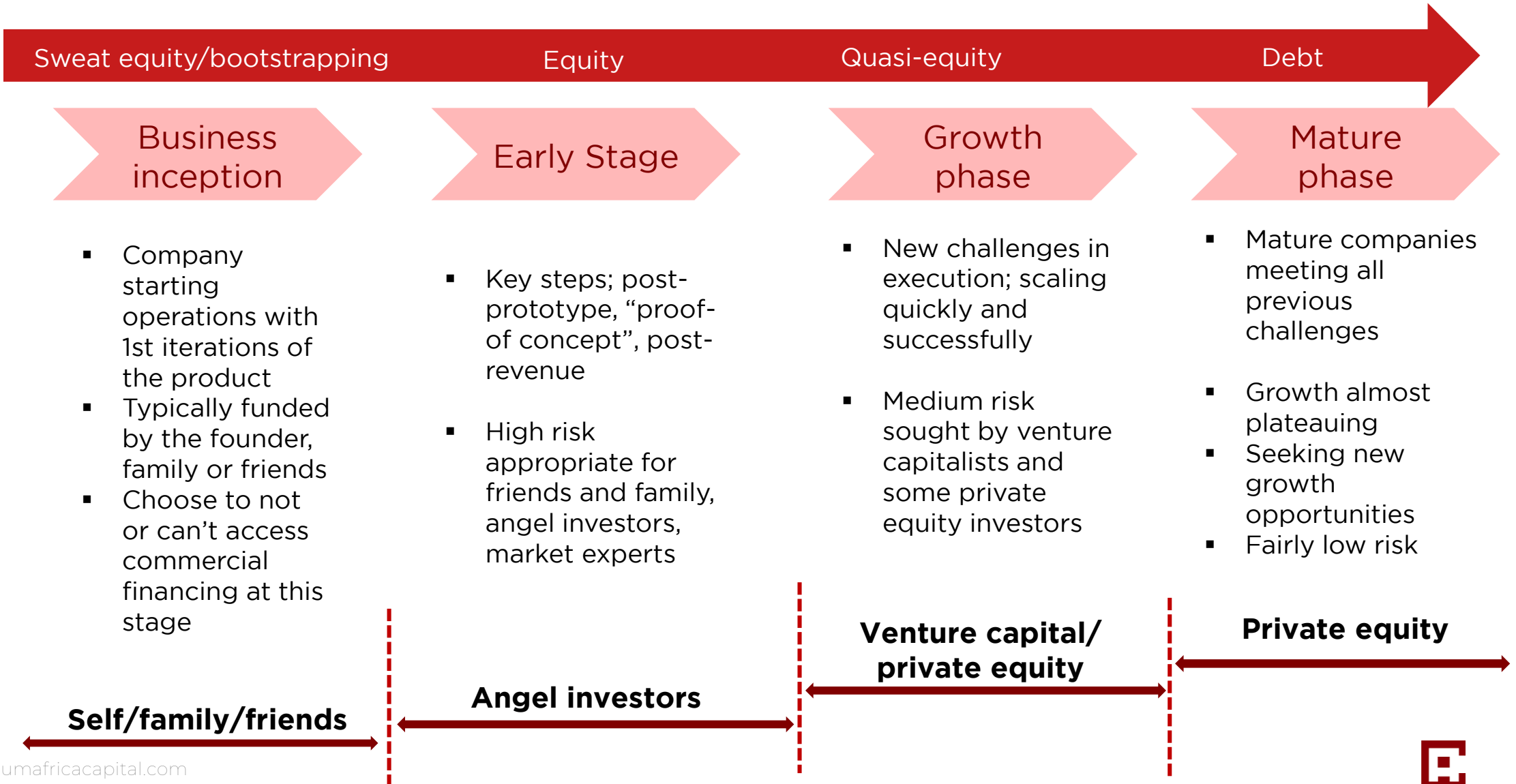
Qualified, passionate, competent and with defined roles within the Company



# How does full investor readiness process look like?



# What type of investment should I look for?



# About Algum Africa Capital

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We are a pan-African Management Consulting and Business Advisory firm. We partner with SMEs and Large Enterprises to help them overcome various business challenges. We position them to achieve success through tailor-made solutions to overcome strategic, financial, organizational, managerial and operational challenges.

Our suite of offerings includes but not limited to strategy, investor readiness, capital raising, mergers and acquisitions, financial modelling, business analytics, business restructuring, business plans, due diligence and operational optimization. We also offer research and analytics services, private equity deal pipeline development and training and capacity building.

## Contacts

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Please visit [www.algumafriacapital.com](http://www.algumafriacapital.com) to learn more about us.

For general enquiries, write to [info@algumafriacapital.com](mailto:info@algumafriacapital.com)

For research and insights write to [insights@algumafriacapital.com](mailto:insights@algumafriacapital.com)

For training and capacity building write to [training@algumafriacapital.com](mailto:training@algumafriacapital.com)

For consulting and advisory write to [advisory@algumafriacapital.com](mailto:advisory@algumafriacapital.com)

If a private equity investor looking for pipeline write to [dealpipeline@algumafriacapital.com](mailto:dealpipeline@algumafriacapital.com)

