

## Eligibility Criteria

We assess our applicants on the basis of the criteria that applies to both the Founder / CEO and the business. It is important for us that the entrepreneur is an Entrepreneurial Thinking Entrepreneur, and the business is an Entrepreneurial Thinking Enterprise.

What does this mean?

It is important that the Entrepreneur is capable of driving the business to become valuable, influential & profitable

It is important that the Enterprise is capable of becoming valuable, influential & profitable through our investment. How?

We Connect Entrepreneurial Thinking Entrepreneurs to ideal capital (through Tongston's own funds & investors funds to be managed through Tongston's third-party GRANT management business in a co-investment model) & expertise (through a network of mentors & advisors) (Profitability)

We invest in preparing the entrepreneurs to start/scale their enterprises (at the personal, enterprise & societal levels) (Value)

We invest in the Brand/Influence of our Entrepreneurs & their Enterprises/Businesses (Influence)

We apply a 50% weight to your entrepreneurial thinking competencies as an entrepreneur and 50% weight to the entrepreneurial thinking competencies of the business.

Businesses must pass the eligibility criteria below:

### All businesses

1. Businesses must have unique, scalable, innovative, and potentially disruptive business models. We select companies with a strong value proposition that have the potential to be category leaders, regionally or globally.
2. Early-stage
3. Business must be an early-stage, micro, small and medium enterprise
4. Business must be revenue generating, although may not be cash flow positive or have broken even
5. Applicants must submit a business that has been prototyped and tested
6. Business operational for 18 months or 2 business cycles, whichever is lower
7. Based in Africa (preferably West and Eastern Africa): Focusing on fastest growing countries in Africa, or economies with potential unlocked. Business to disproportionately benefit Africa (even if it could have a global reach)
8. Applicant must be the founder

### Growth / Mature Stage

9. Business must be an early-stage Micro, small and medium enterprise
10. Preference for high growth SMEs and social enterprises across focus sectors (essentially companies that require no more than US\$100k – US\$1.5 million in capital for Phase 1; with scope for investments up to US\$10 million within 10-15 years of operations from first investment)
11. Business operational for 48 months or 5 business cycles, whichever is lower
12. Businesses can be across the globe - Focusing on fastest growing countries. Businesses to have operations in Africa, or use capital to be raised to expand to Africa and serve an underserved market

## **Our Investment Strategy**

High growth MSMEs and social enterprises across focus sectors

Significant minority and majority positions (for equity exposures)

Hands-on monitoring and value addition approach with respect to business, capital and human resource management

Flexible and Diverse Group of Investment Structures

Flexible Investment Horizon; Short, Medium and Long-term view as applicable

Focus on core sectors to achieve long term sustainable value and impact

Executing direct single or co-investments alongside trusted partners, with flexible single obligor, country and sector limits, that evolve with market dynamics and where the entity sees the opportunities

Focusing on fastest growing countries in Africa, or economies with potential unlocked

Diversification across geographies and teams in order to mitigate against capital loss

Focused and SDG-led (responsible) investing, portfolio and risk management approach