

CIAB MAGAZINE

AN INSIGHT INTO THE THOUGHT PROCESS OF BUSINESS LEADERS, CEOs AND ENTREPRENEURS

**VALUING A
COMPANY'S SHARES
USING THE NET ASSET
VALUE APPROACH
AND THE INTRINSIC
SHARE VALUE.**

**INTERVIEW
WITH MARK MWANGI**

*CEO of Amitruck:
a peer to peer
logistics app*

**TOP 10 PAN AFRICAN
CEOs**

*to watch out
for In 2021*

AFRICAN STARTUPS

*to watch out
for In 2021*

COVER INTERVIEW

Dr Amadeo Rahmann
CEO Mondia Group

Mondia Group launches On-demand streaming service in Nigeria as part of their commitment to digitalising Africa.



Editor's Note



This is the first edition of ChangeinAfrica Business Magazine that features interviews with Dr. Amadeo Rahmann and Mark Mwangi. Two CEOs doing great things in Africa.

Dr. Amadeo is the CEO of Mondia Group, a company committed to digitalising Africa.

Mark Mwangi is the CEO of Amitruck, a company revolutionising the logistics sector in East Africa.

We hope this edition gives you some insight into their entrepreneurial thought process and decision making.

hubertn.

HUBERT NOMAMIUKOR
Editor-in-Chief



CONTENTS

CEO FOCUS

3

Interview with Mondia Group CEO: Dr. Amadeo Rahmann

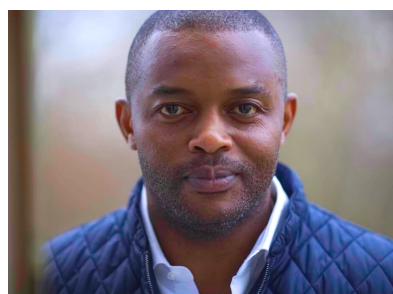


**DR. AMADEO
RAHMANN CEO OF
MONDIA GROUP**

STARTUP FOCUS

8

Interview with Amitruck CEO: Mark Mwangi



**MARK MWANGI
CEO OF
AMITRUCK**

WATCHLIST

12

Top 10 Pan African CEOs to watch out for in 2021



23

African startups to watch out for in 2021

BUSINESS LESSONS

34

Valuing shares using the Net Asset Value approach and Intrinsic share value.



A close-up portrait of Dr Amadeo Rahmann, a middle-aged man with grey hair, smiling warmly at the camera. He is wearing a black t-shirt. The background is slightly blurred, showing what appears to be an office or library setting with bookshelves.

INTERVIEW WITH DR AMADEO

RAHMANN

CEO OF MONDIA GROUP

Interview by Hubert Nomamiukor

Hello Dr Amadeo Rahmann, and thank you for taking the time out to participate in this Q&A session. We will now proceed to the interview.

Q: Please can you give our readers a quick overview of Mondia Group, what products and services they offer, and what their organisational goals and objectives are?

A: For 22 years, Mondia, one of the world's leading digital technology companies has been dedicated to connecting, digitalising and monetising the world through its solutions and services. Mondia provides access to over 1.4bn consumers in over 55 countries around the globe via Mondia Pay's payment connectivity network of more than 84 mobile operators. Mondia offers unparalleled reach for the world's most recognised brands and merchants.

Mondia has deep insights into where the markets are headed and the role of technology to solve business challenges while enabling the best user experiences. Through its content-agnostic platforms, Mondia creates personalised digital experiences for people by providing them with the latest world-class digital content, accessible anywhere and anytime; including health, entertainment, lifestyle, gaming, music and sports.

A: Mondia is well-positioned to enable its enterprise customers to grow their user engagement and maximise their monetisation potential through payment connectivity, customer acquisition and lifecycle management services. Mondia operates from 19 locations across Europe, the Middle East and Africa, our company partners with over 1,000 content providers and 182 merchants.

Mondia Pay is Mondia's digital payment entity and processes well over 900 million transactions monthly. Mondia Pay connects premium merchants such as Deezer, PubG, OSN, Huawei, LaLiga and hundreds of smaller merchants to new audiences across the many markets they operate in. Mondia Pay provides a state-of-the-art, own-built next-generation platform which allows for a single API integration at speed. Mondia's Advertising and lifecycle management company is geared to drive and manage user acquisition throughout the full customer lifecycle experience. Mondia is committed to digitalising the globe through its distinctive end-to-end digital value chain, strategic partnerships and extensive coverage.

Q: What key business challenges have Mondia Group faced in the last decade?

A: At Mondia, we believe that challenges presents opportunities. With our expansion into various markets around the globe it is important for us to standardise our processes and technology to ensure speed to market. Developing our in house propriety technology, which allows for scalability and the driving of efficiency, has been key to the rapid expansion of our products and services. We have established a state-of-the-art technical delivery hub in Cairo hosting 100 specialists – enabling control over the creative process and increased customisation.

Q: In terms of numbers, how many people do you employ directly and indirectly worldwide?

A: We have 300+ employees representing over 30+ nationalities. I am very proud of the diversity within our organisation as it helps us become more aware of different perspectives and even helps us drive innovation.

"We have 300+ employees representing over 30+ nationalities. I am very proud of the diversity within our organisation as it helps us become more aware of different perspectives and even helps us drive innovation."



Q: Do you have any plans to become a public traded company in the future?

A: In terms of future plans to become a publicly traded company we are not there yet, however, we cannot exclude these future possibilities. It's increasingly important to help our expansion plans and aspirations to be even more successful in our efforts towards 'Digitalising Africa'.



Q: Have you got any new business enterprises, startups or product launches in the works?

A: The world has changed irrevocably, and Mondia is well positioned to thrive in the new reality. Remote working, the evolution of entertainment, digitalisation and the Fourth Industrial Revolution have been massively accelerated, and companies with the vision and agility required to take advantage of this will be rewarded.

Mondia has a deep understanding of delivery solutions and how technology can address many long-standing challenges in bridging the digital divide.

Mondia turns ideas into action, creating personalised digital experiences encompassing the latest world-class digital content, accessible anywhere and anytime. We will continue to focus on Africa. Our first time-based entertainment platform, Monsooq, is seeing great traction, disrupting the way content is being consumed. We have an extensive rollout plan for Monsooq and other markets will see the benefit soon.

We are also seeing great growth in our Mondia Health vertical and we are rolling out our motherhood products (Mum and baby) across the African continent. This offering delivers on a critical need to provide credible health and wellness information to reach even the most vulnerable people.

Importantly, we have new recognised premium brands now making use of the extensive reach of Mondia Pay, our digital payment entity, to make connecting people more seamless.

We continue to invest in our capacity to innovate, and recently appointed a new Head of Product: Innovation, who will leverage the world's best-in-class digital potential to continuously enhance our products and services.

This year we expect to make significant progress on our mission statement of "Digitalising Africa." There is immense potential in the continent, and we're committed to our new vision, our new structure, and to expanding the boundaries of what's possible.

"This year we expect to make significant progress on our mission statement of "Digitalising Africa." There is immense potential in the continent, and we're committed to our new vision, our new structure, and to expanding the boundaries of what's possible."

Q: Please give our readers an overview of your on-demand streaming service called Monsooq, which is now available in Nigeria . What product and services does it offer and how affordable is it?

A: Monsooq is a ground-breaking, first of its kind, time-based entertainment platform. It's one single platform which aggregates services from various content providers, covering a wider range of genres including music, videos, sports and games. The options are endless. From a pricing perspective new users will receive 60 minutes complimentary access and a 50% discount on content during the launch, after which pricing is NGN20 per hour. (NGN is the Nigerian currency Naira)

Q: What business case was behind the decision to launch Monsooq in Nigeria?

A: The business case is based on active users and based on the market research we have done with regards to affordability and how people would prefer to consume content.

Q: What is Monsooq's operating business model in Nigeria?

A: This is a first of its kind business model, where time is the currency and users pay only for the time they spend consuming. The more people spend time on the platform the more revenue will be generated.

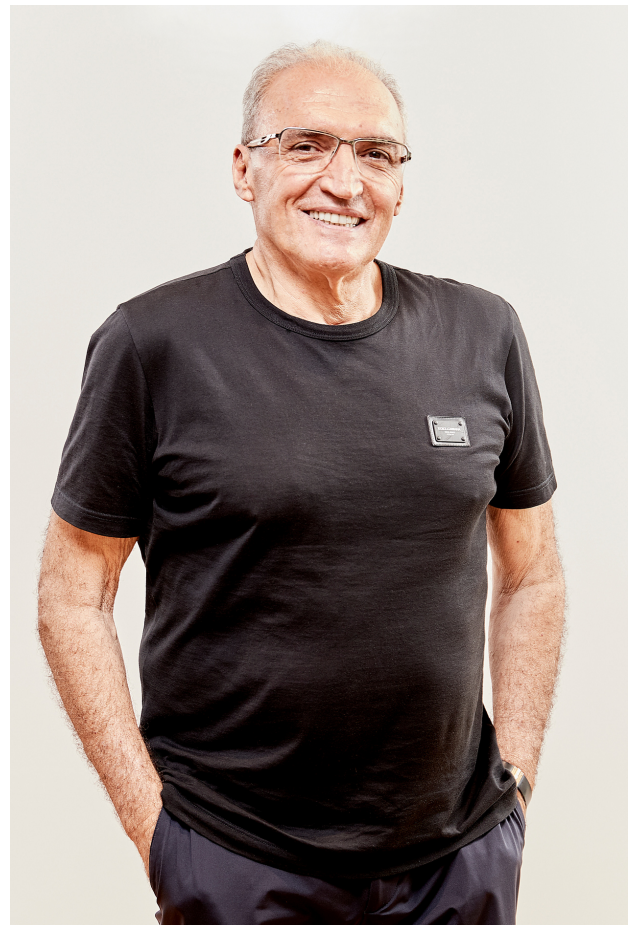
Q: Value proposition is important to customers. Nigerians want to know why they should choose Monsooq's on-demand streaming service over Netflix or IROKO TV?

A: Firstly, the biggest value proposition for customers, is the fact that you only pay for what you consume and nothing more. There are no contracts, no subscriptions. It's an affordable way to consume content you really want, giving you freedom of choice, anywhere, anytime.

Q: Still on the point of value proposition. Nigeria is a football, movie and music loving nation. Will Monsooq provide on-demand streaming services for football, music and Nollywood movies?

A: We know that Nigeria is a great local content hub for Africa, with its media and entertainment industry, Nollywood, providing world-class series and films. Nigeria is also currently the second-largest film producer in the world in terms of number of movies and we are excited to provide another platform for this type of entertainment and other interests such as sports, to be experienced.

"Monsooq is a ground-breaking, first of its kind, time-based entertainment platform. It's one single platform which aggregates services from various content providers, covering a wider range of genres including music, videos, sports and games. The options are endless. From a pricing perspective new users will receive 60 minutes complimentary access and a 50% discount on content during the launch, after which pricing is NGN20 per hour."



Q: We might be wrong to assume that Netflix and IROKO TV are direct competitors when it comes to on-demand streaming services in Africa. Still, do you consider them as competitors and do you have any plans of partnering with IROKO TV, which has the largest collection of Nollywood movies in Africa?

A: Our proposition is different to the likes of Netflix. We not a subscription model. We offer a content agnostic platform which means we can host content from any partner and help them reach wider audiences. We are constantly partnering with various provider including the likes of Universal Studios and Warner Brothers to name a few. What makes our content desirable is the fact that we tap into local and regional content players.

Q: Monsooq was first launched in South Africa. Has it been a success story there?

A: It's still early days but the results are looking positive. We want to reach as many users as possible and this is a more important indicator of success. The feedback we have received is very positive. Especially from the different enterprise partners we have signed in, to offer their online users access to the platform.

Q: The COVID 19 outbreak has been hard on people and businesses worldwide but it had an opposite effect on content driven businesses. What impact did the pandemic have on your launch in Nigeria?

A: We say the "new normal" brings new opportunities. COVID-19 has had such a dramatic impact on economies globally, deeply affecting consumers' disposable income. The Monsooq model is reflective of the changed financial situation of consumers, while bringing much-needed entertainment during these difficult times. People are spending more time at home or in isolation, and are looking for affordable ways to consume content.

Q: How many direct and indirect jobs do you estimate Monsooq will create in Nigeria?

A: Directly we employ 10 people. Indirectly is in thousands, considering content partners and enterprise partners etc.

Q: How much support and cooperation did you receive from the Nigerian government during your launch in Nigeria?

A: At this early stage we have not yet partnered or approached the government on any initiatives related to Monsooq. However, there are some great possibilities in the pipeline.

Q: What are your long term aspirations in Nigeria and Africa for Monsooq?

A: Nigeria is a vital part of our African footprint and expansion plans. It will become critical to service future business in Africa from this key hub.

Q: What advice do you have for startups and aspiring entrepreneurs, in regards to starting and growing a business?

A: The best advice I can give is to find solutions to problems. Be passionate about your product or service, be real and authentic. Build relationships for the future and create a network to help achieve your goals.

Q: What advice do you have for investors looking to invest in Nigeria and Africa as a whole?

A: Africa has huge potential in terms of returns, especially for the growing middle class. Expansion is easy if you are well established in Africa and you have the experience to back this up. Investors need to look at the key ingredients to do business and sometimes it's as simple as having a good track record and the know-how on how it works on the ground. Opportunities in Africa are untapped and waiting to be explored.

Q: We at ChangeinAfrica Magazine would like to thank Dr. Amadeo for taking the time out to participate in this Q&A interview session. We would also like to thank your CMO Nicholas, for ensuring the interview process went smoothly. We hope to have you back at some point in the future.


A: Thank you

A close-up portrait of Mark Mwangi, a Black man with short hair and a light beard, wearing a dark blue quilted jacket over a white shirt. He is looking directly at the camera with a neutral expression. The background is a soft, out-of-focus grey.

INTERVIEW WITH MARK MWANGI

CEO OF AMITRUCK

Interview by Hubert Nomamiukor

A solid blue rectangular block redacting text.

Hello Mark, and thank you for taking the time out to participate in this Q&A interview session. We would like to use this interview to explore your entrepreneurial journey as CEO of Amitruck. Without further ado, let's proceed to the interview.

Q: A lot of entrepreneurs struggle to get their business off the ground. Statistics show, they are more likely to fail than succeed. I experienced this with my first startup and I put my failure down to a poor and unsustainable business model. As a learning exercise we want to know Amitruck's origin story. The key stages we are interested in are idea generation, idea validation, initial funding or bootstrapping, product development, product launch, marketing and most importantly, value creations?

A: We were no different from any other startup. The team had to work really hard to get our startup off the ground. The idea came from talking to family members in the cement business and finding out about the inefficiency in trucking. The complaints around middlemen and how they would frequently misinform truck owners, customers and often didn't pay or help if something went wrong. For example if the load was damaged or stolen. So I spent a few months touring the "trucking" areas in and around Nairobi, talking with truckers, customers and trying to understand what was really going wrong. Shortly after that we started to build our MVP and in Feb 2019 we put the first product out. We were bootstrapped for well over a year to start with. I think the key value addition was bringing trust and transparency to the transportation of goods and the way in which those transactions happen. We could see that the level of trust had really been eroded, primarily we concluded this was due to the untrustworthy middlemen connecting transporters and cargo owners. Later on we came to understand just how big this issue was. Frequently we find that up to 70% of the cost of goods sold in Africa is the cost of logistics and specifically transport, which is primarily by road in Africa. The value creation here became connecting transporters and cargo owners in a transparent, secure and efficient manner.

Q: How would you describe Amitruck's operating business model and is there a fine balance between economic, social and sustainable value created for customers?

A: Our business model like any other market place is a fee taken on every transaction completed on the platform. I actually think it is not even a fine balance but a direct correlation between enabling social economic development and having an impact. Frequently, I see impact defined very narrowly as providing clean water, books or even mosquito nets. I take a completely different view and I think enabling or empowering normal Africans to participate and develop economically has a massive social impact. When you enable supply chains, allow a driver and truck owner to deliver a cargo owner's load, the income generated can then be allocated to the most optimal needs, be it healthcare, shelter or food for example. Creating economic development and employment has to be the biggest way to drive social impact in Africa in my view.

Q: What key business challenges have Amitruck faced or are still facing, since the company started? How have you navigated this?

A: We face all the same challenges other startups do. In our case getting customers on the demand and supply side of Amitruck. Additionally, identifying, acquiring and allocating the correct resources be it with regards to time, capital or talent.

Q: How many people do you employ directly and indirectly across Africa, what type of training/mentorship do you offer them and what benefits come with being employed by Amitruck?

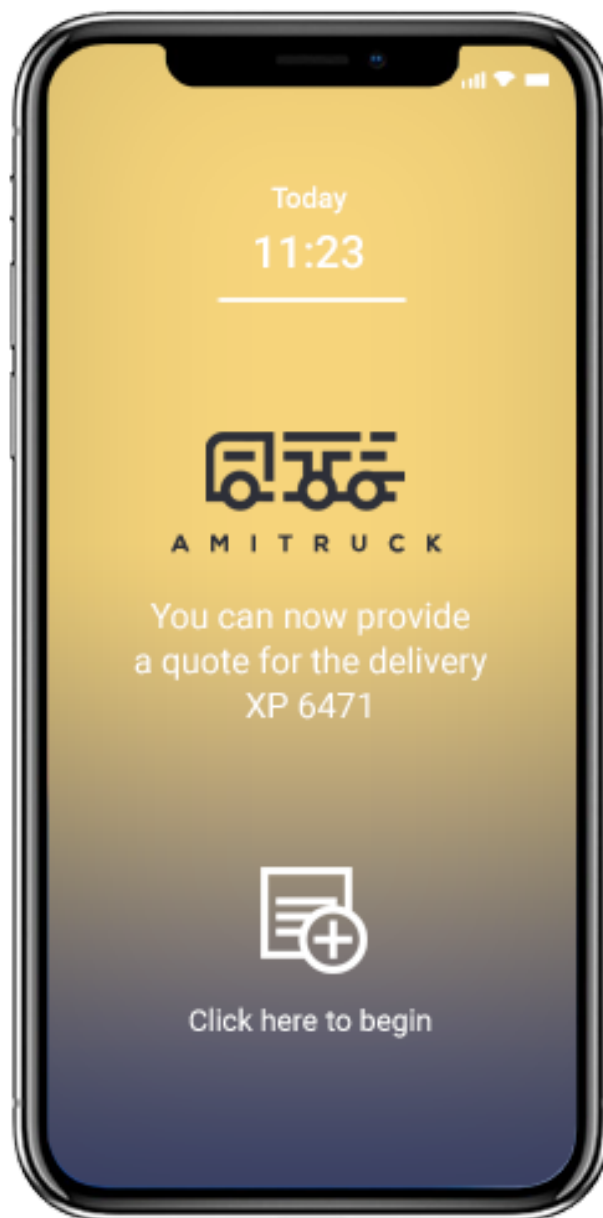
A: We have made deliveries for a few hundred business customers and now have over 5000 vehicles registered on Amitruck.

Transport is unique because many of our customers have hundred of customers from very diverse walks of life and in many sectors. For our customers, Amitruck offers a very flexible and secure way to get deliveries done whilst utilising the existing fleet of vehicles which for the truck owners and drivers enables them to connect to clients generally outside their normal networks. This is not only efficient for the customers but environmentally it utilises the existing fleets of vehicles and in that way has a positive environmental and social impact as well.

Honestly, we are more the benefactors of mentorship from our advisors, investors and friends, but I would say employment at Amitruck has the benefits of being in a small tight team trying to solve a large problem.

Q: You might not want to answer this but I will ask anyway. What is Amitruck currently valued at and how did you come about that evaluation?

A: Luckily for us we did not really get to set a valuation but rather discussed our investor's perception of it. We have taken advantage of the new instruments such as crowd funding for our debt and SAFEs (secure agreements for future equity), so we didn't have to pin a valuation down. We just needed to understand what range it might be in and its implications for our investors and stakeholders in the future.



Q: As the CEO of Amitruck, you must have envisioned by now, how big you want Amitruck to grow and what parts of Africa you want to expand into. Could you share these plans with us?

A: Like any start up I think we want to grow up to be as large as our problem allows us to be and for Amitruck I think the sky is the limit. We will definitely try and cover as much of Africa as we can.

Africa is a very diverse and dynamic market and often I think we forget a collection of countries, cultures languages and so on. We discuss this internally regularly and I hope to have a clearer answer for you soon.

Q: Amitruck's peer to peer application technology is very unique but apps are notoriously difficult to patent because it is hard to prove they are novel. Copyrights are even harder to get because most apps are made from open source codes, so they can't be protected by copyright laws. What Intellectual property regimes have you put in place to protect your tangible and intangible assets in Amitruck?

A: I do not think this is possible in the tech space any more. Technology has become a bit like legos where the uniqueness of a product is not in its make up but in how the pieces come together. In reality, I might be wrong but most of the tech products we use everyday are all made from the same off the shelf products that anyone can buy. This is why its so easy and much more cost effective to start a tech business today than it used to be.

I think the uniqueness of products now lays in the culture of the team. Amitruck has been lucky to have such a great team and culture behind it.

Q: Still on your peer to peer application, have you ever considered licensing your technology out to generate more revenue.

A: I have not really considered that and I am not certain it would necessarily generate more revenue.

Q: It's been a difficult 12 months for most businesses during the COVID 19 pandemic. What impact has this had on demand for Amitruck's services, and how have you navigated this?

A: I think for logistics the initial supply chain shocks were brutal. Customers could not get their supplies because of port shutdowns and demand shocks across the globe. For us, the additional lockdowns in Kenya, where Nairobi and Mombassa were cordoned off, was also a big issue. We also witnessed long truck queues at the border which had a negative impact on truck availability in the country. The reduction in industrial production saw a drop in return loads and in turn, drove prices up. Meanwhile, cargo owners experiencing lower demand and disruptions in supply, looked to get lower transport costs. I think being a platform where customers could interact with many transporters gave us the tools to understand and navigate this well. Luckily for us growth soon resumed.

Q: You might not want to answer this but I will ask anyway. What is Amitruck currently valued at and how did you come about that evaluation?

A: Luckily for us we did not really get to set a valuation but rather discussed our investor's perception of it. We have taken advantage of the new instruments such as crowd funding for our debt and SAFEs (secure agreements for future equity) so we did not have to pin a valuation down just understand what range it might be in and its implications for our investors and stakeholders in the future.



Q: What advice do you have for startups and aspiring entrepreneurs, in regards to starting and growing a business in Africa?

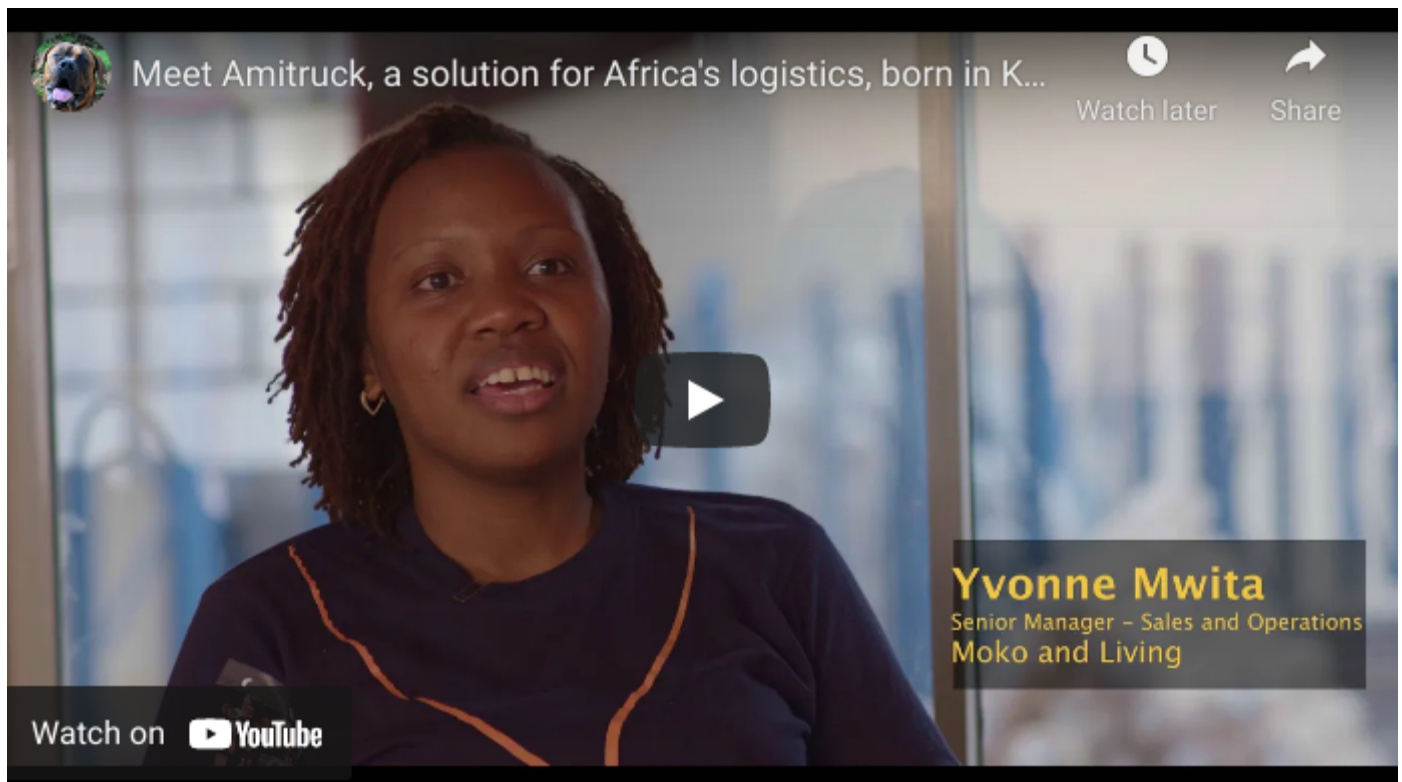
A: My advise is to start and never stop learning. Bear in mind, however difficult you think it will be, it will be harder than you imagine. The trick is to take it one problem at a time and never stop moving.

Q: What advice do you have for investors looking to invest in Kenya and Africa as a whole?

A: I think the one thing I have learnt from my interaction with our Investors is the importance of staying close to your founders. I think the problems in Africa whilst the same as elsewhere can be nuanced and unique. A clear understanding of this can help with success. I am not sure the western way of handing the capital over and keeping more of an arms length would not result in a lot of surprises. For venture capitals at least, surprises probably won't always sit well.

Q: We would like to thank you for the time you have taken out to participate in this Q&A session. Hopefully we will have you back at some point in the future.

A: You are welcome.



TOP 10 PAN AFRICAN CEOS TO WATCH OUT FOR IN 2021

CHANGEINAFRICA BUSINESS MAGAZINE

Aliko Dangote

CEO - DANGOTE GROUP

Jason Njoku

CEO - IROKO PARTNERS

Afeyinwa Ugochukwu

CEO - THE TONY EMULEMU FOUNDATION

Shola Akinlade

CEO - PAYSTACK

Sangu Delle

CEO - AFRICAN HEALTH HOLDINGS

Abasi Ene-Obong

CEO - 54GENES

Chidi Nwaogu

CEO - PUBLISEER AND SAVVY FELLOWSHIP

Chika Nwaogu

CEO - PLAYFRE

Oluwatosin Ajibade

CEO - EMPAWA AFRICA

Kike Oniwinde

CEO - BYP NETWORK



While the above list focuses on PAN African CEOs we cannot ignore two great Pan African titans who are not CEOs but hold positions higher than CEOs . They are:

Gina Din

Executive Chair of the Gina Din Group

Tony Elumelu

Chairman at United Bank of Africa



ALIKO DANGOTE - CEO DANGOTE GROUP

Aliko Dangote's is top of our list not because he is the richest man in Africa but rather because he has invested so much in Africa as a whole. It is estimated that Dangote Group employs more than 30,000 people across Africa. He is also known for his philanthropic work, with his foundation contributing millions of dollars towards COVID 19 relief. It is estimated that between 2017 and 2020, Dangote Group invested more than \$20 Billion in Africa. Aliko Dangote is a Pan Africanist and believes in a self sufficient Africa.





JASON NJOKU - CEO IROKO PARTNERS

Many know Jason Njoku as the cofounder of IROKO TV, an on demand streaming platform much like Netflix but focused on distributing African content worldwide. At some point IROKO TV was called the Netflix of Africa. IROKO TV has given African entertainment content a more robust presence globally, and as such he makes it to number two on our top 10 Pan African CEO list. His company IROKO Partners develop technologies that connect African communities worldwide with content, education, and opportunities. You can find a list of their value generating products at <https://www.iroko.ai/>.



IFEYINWA UGOCHUKWU - CEO OF TONY ELUMELU FOUNDATION

The third on our list is Ifeyinwa Ugochukwu. She is a lawyer and advocate of the transformative power of entrepreneurship as a key to economic development in Africa. She was appointed CEO of The Tony Elumelu Foundation (TEF) in 2019 and is the first African to hold this position. The Tony Elumelu Foundation is one of Africa's leading philanthropic organisations. As CEO, she is responsible for managing the TEF Entrepreneurship programme which produced a record breaking selection of 3050 entrepreneurs across Africa.



SHOLA AKINLADE - CEO OF PAYSTACK

The fourth on our list is Shola Akinlade, the CEO of Paystack, a fintech startup. Paystack is an online payment platform in Africa which allows merchants and retailers to make and receive online payments, much like PayPal. Shola and his cofounder built and grew this pan African fintech enterprise into a multimillion dollar business, which was eventually acquired by Stripe for \$200 million.



SANGU DELLE - CEO OF AFRICA HEALTH HOLDINGS

The fifth on our list is Pan African entrepreneur and investor, Sangu Delle. He is the CEO of Africa Health Holdings, which is an innovative African company, focused on "building Africa's healthcare future." He also serves as Chairman of Golden Palm Investments Corporation (GPI), which is an investment holding company focused on building world class technology companies in Africa. GPI has backed startups such as Andela, mPharma and Flutterwave. GPI's portfolio companies have raised over \$900 million in venture financing. Sangu Delle's resume epitomises everything Pan African entrepreneurship should stand for.



ABASI ENE-OBONG - CEO OF 54GENE

The sixth pan African CEO on our list is Abasi Ene-Obong. He is the founder and CEO of 54gene, a genomics company, building the world's first pan-African biobank. With only 2% of genetic material used for pharmaceutical research coming from the Africa, 54gene has set out to change this statistic across Africa. 54gene has also been actively involved in COVID 19 testing across Africa. It is expected that 54gene will become Africa's biggest player when it comes to genomics and genetic testing.



CHIDI NWAOGU - CEO OF PUBLISEER AND SAVVY FELLOWSHIP

The seventh on our list is Chidi Nwaogu. He is the co-founder and CEO of PubliSeer, a digital publishing platform for African creative content such as music and eBooks. PubliSeer has been described as one of the largest digital publishers in Africa and identified by IFC as one of the startups "that could speed up innovation in Africa". Chidi is a serial pan African entrepreneur and even cofounded an African social media platform called LAGbook which was later sold to a Canadian tech company. He recently cofounded another African startup called Savvy Fellowship, which provides educational content and training to aspiring entrepreneurs across Africa.



CHIKA NWAOGU - CEO OF PLAYFRE

The joint seventh on our list is Chika Nwaogu. He is the co-founder and CTO of PubliSeer. He is also the founder and CEO of Playfre, a music streaming service much like Spotify but for African music. Like his twin brother Chidi, he is a serial pan African entrepreneur. His platform Playfre gives you free instant access to over 50 million African songs. Chika cofounded an African social media platform called LAGbook which was later sold to a Canadian tech company.



OLUWATOSIN AJIBADE - CEO OF EMPAWA AFRICA

The ninth person on our list is Oluwatosin Ajibade also known as the famous Afrobeats artist Mr Eazi. Oluwatosin is the CEO of emPAWA Africa, an incubator program that provides career guidance and funds music videos for upcoming artists in Africa. emPAWA has been a major success, producing musical artist such as Joeboy. Oluwatosin is now one of Africa's top musical entrepreneurs and we look forward to seeing more from him.



KIKE ONIWINDE - CEO OF BYP NETWORK

The tenth person on our list is Kike Oniwinde. Kike is the CEO of BYP Network, a networking platform for black professionals globally. While BYP Network is not an African company it was founded by a British Nigerian and adopts a pan African approach. It has more than 50,000 members globally and partners with companies such as Sky, Netflix, Accenture, airbnb and Adobe.

AFRICAN STARTUPS TO WATCHOUT FOR IN 2021

CHANGEINAFRICA BUSINESS MAGAZINE

54gene

Chipper Cash

Vezeeta

Komaza

Sendy

Amitruck

Publiseer

Playfre

Empawa Africa

Sokowatch

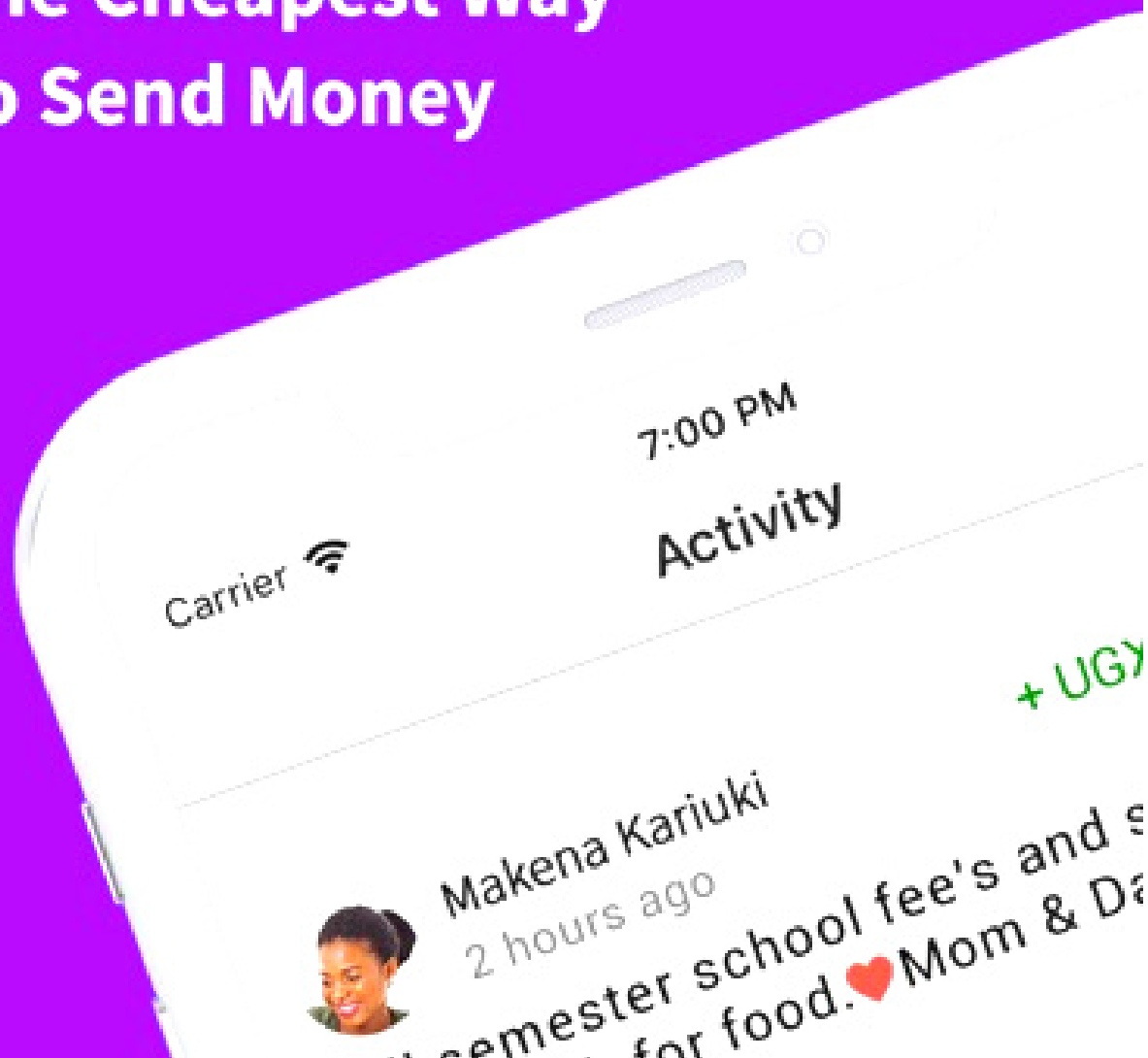




54GENE

In light of the current Covid 19 pandemic, there has never been a time its been of the utmost importance for the African genome to be mapped. 54gene is a genomics company, building the world's first pan-African biobank. It is based in San Francisco Bay Area, West Coast, Western US and was founded by Abasi Ene-Obong, Damilola Oni, Gatumi Aliyu and Ogochukwu Francis Osifo. According to Crunchbase, 54gene has raised a total of \$19.7M in funding over 3 rounds. Their latest funding was raised on Apr 14, 2020 from a Series A round. 54gene is funded by 15 investors. Aera VC and Better Ventures are the most recent investors. The CEO of 54gene is Abasi Ene-Obong.

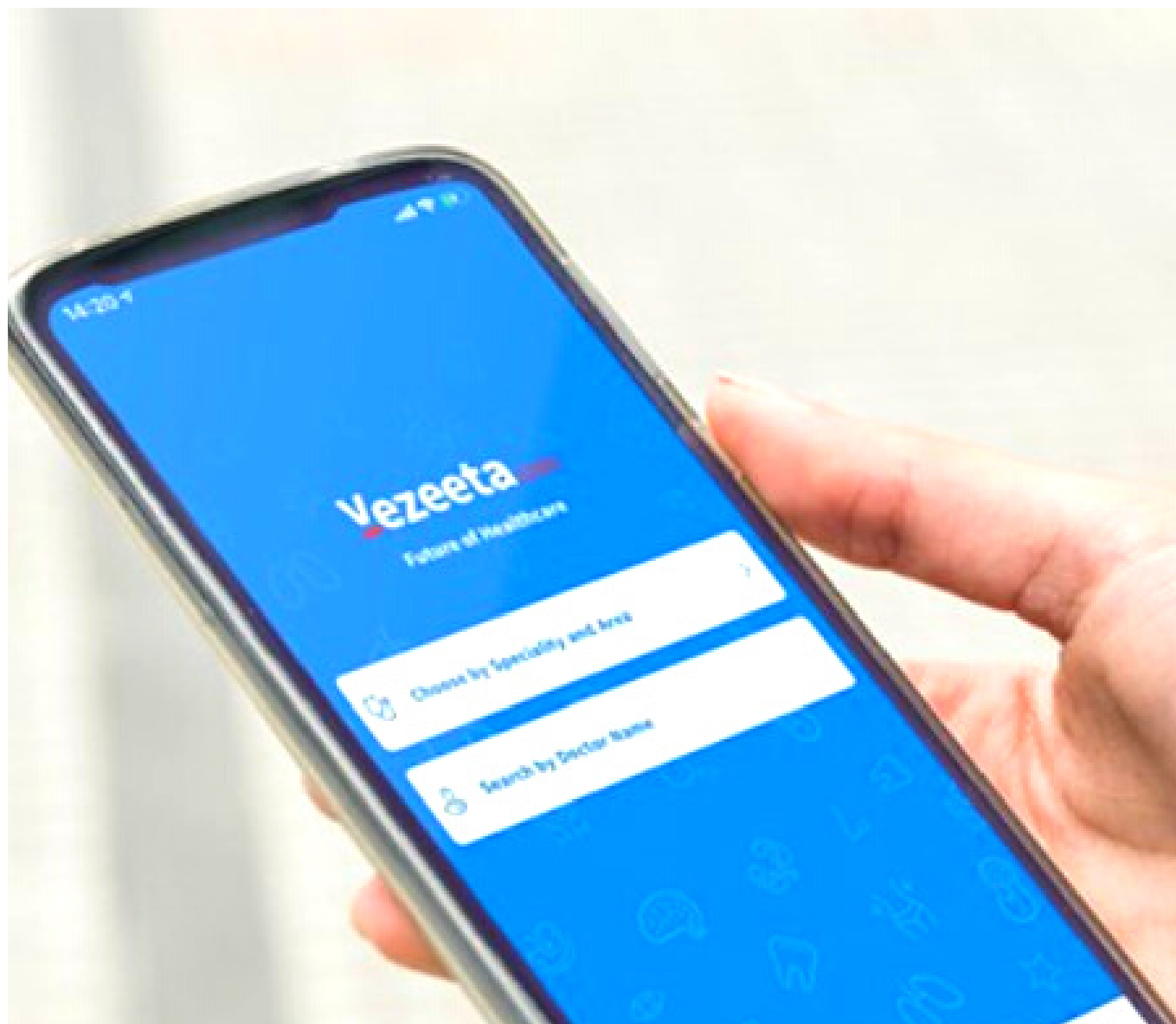
The Cheapest Way To Send Money



CHIPPER CASH

Chipper Cash is a fintech platform that offers cross-border money transfer services through their mobile app. Aside from that, it also offers discounted airtime purchases, payment of bills for free and cryptocurrencies trading services, enabling its users to buy and sell cryptocurrencies including U.S. stocks like Apple and Amazon. According to Crunchbase, Chipper Cash has raised a total of \$52.2M in funding over 6 rounds. Their latest funding was raised on Nov 19, 2020 from a Series B round. Chipper Cash is funded by 11 investors. 500 Fintech and 500 Startups are the most recent investors. Their headquarters is in San Francisco, California, United States. The CEO of Chipper Cash is Ham Serunjogi.

Movie yester



VEZEETA

Vezeeta is a healthcare platform that facilitates increased access to healthcare services in the Middle East and North Africa. It allows its users to find Doctors online, buy medications online and book in-person or teleconsultation appointments. Vezeeta allows users to compare between more than 20,000 Doctors in different specialties. According to Crunchbase, Vezeeta has raised a total of \$67.5M in funding over 8 rounds. Their latest funding was raised on Feb 11, 2020 from a Series D round. Vezeeta is funded by 10 investors. Endeavor Catalyst and VNV Global are the most recent investors. Their headquarters is in Dubai, United Arab Emirates and their CEO is Amir Barsoum.



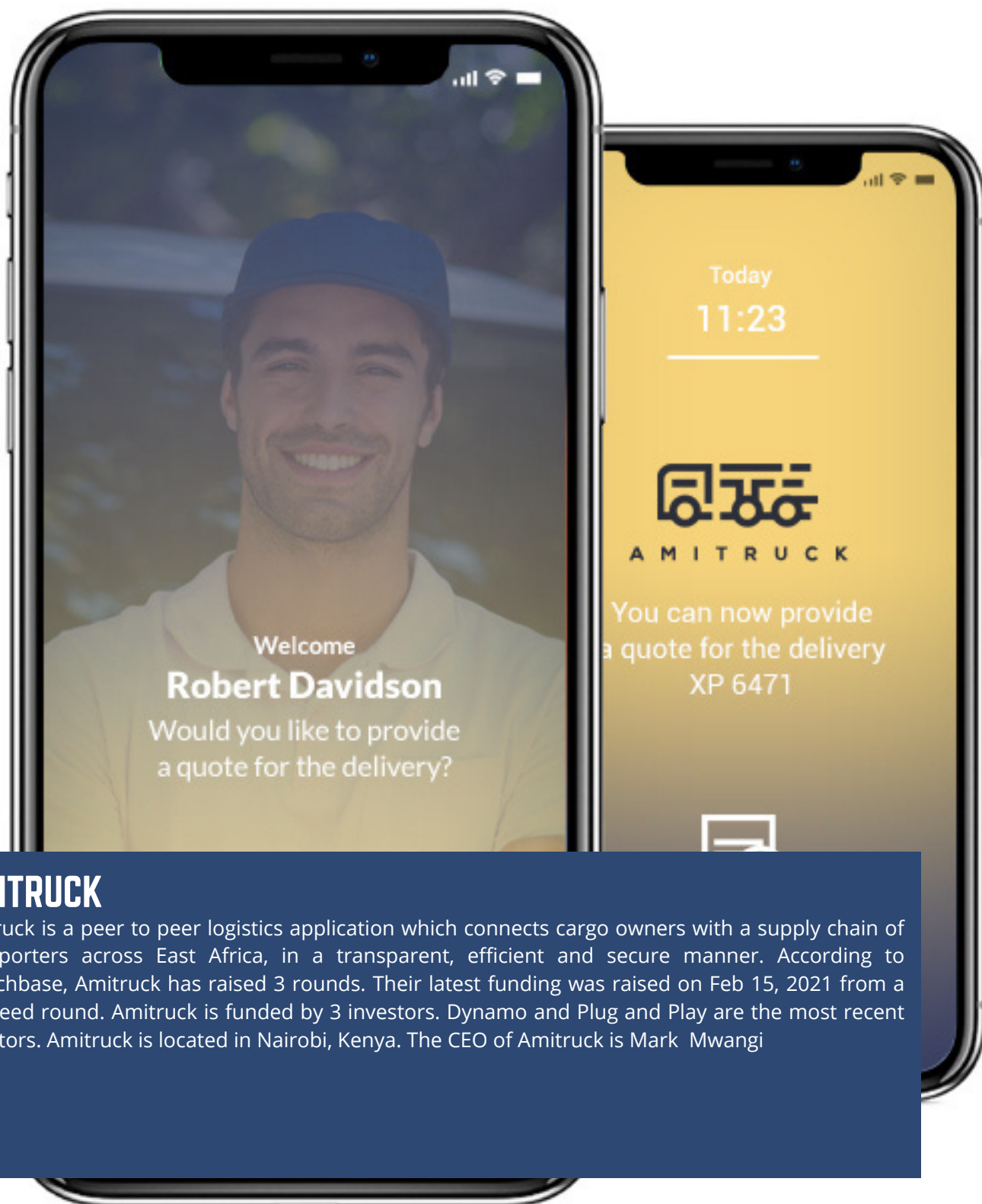
KOMAZA

Komaza, is a forestry business specifically designed to get small-scale farmers in Africa out of poverty. It is considered the largest commercial tree planter in Africa, with over 6,000 farmers planting 2 million trees. Komaza derives both economic and socially sustainable value for its customers. According to Crunchbase, Komaza has raised a total of \$37.9M in funding over 3 rounds. Their latest funding was raised on Jul 14, 2020 from a Series B round. Komaza is funded by 4 investors. Mirova and FMO are the most recent investors. Komaza's headquarters is located in Kilifi, Kenya and their CEO is Tevis Howard. Africa and the world in general need more social enterprises like Komaza that also produce economic value.



SENDY

Sendy is a B2B platform that offers on-demand door-to-door package delivery services. It offers same-day delivery to clients and all goods are insured against loss and damage. Customers are also informed of expected delivery time and they can track their orders. According to Crunchbase, Sendy has raised a total of \$26.5M in funding over 7 rounds. Their latest funding was raised on Jan 29, 2020 from a Series B round. Sendy is funded by 13 investors. Toyota Tsusho and Atlantica Ventures are the most recent investors. Sendy's headquarters is located in Nairobi, Kenya. The CEO of Sendy is Meshack Alloys.



AMITRUCK

Amitruck is a peer to peer logistics application which connects cargo owners with a supply chain of transporters across East Africa, in a transparent, efficient and secure manner. According to Crunchbase, Amitruck has raised 3 rounds. Their latest funding was raised on Feb 15, 2021 from a Pre-Seed round. Amitruck is funded by 3 investors. Dynamo and Plug and Play are the most recent investors. Amitruck is located in Nairobi, Kenya. The CEO of Amitruck is Mark Mwangi



Publiseer

PUBLISEER

Publiseer is one of Africa's largest online publishers of digital content. They distribute, protect, promote, and monetize the creative works for independent African writers, musicians, filmmakers, and video game developers. Their headquarters is in Lagos, Nigeria and their CEO is Chidi Nwaogu



PLAYFRE

Playfre is a musical streaming platform, much like Spotify, which allows users stream unlimited African music for free. Users can build and share playlists with others if they want to. Playfre gives you free instant access to over 50 million African songs. As an African startup, it is growing pretty fast and we won't be surprised if someone comes knocking on their door pretty soon. Playfre's headquarters is in Lagos, Nigeria and their CEO is Chika Nwaogu



EMPAWA AFRICA

emPawa Africa is a label services company that provides distribution, publishing administration and marketing for independent African artists and labels. Their aim is to empower the next generation of African artists with the tools, knowledge, network and investment to enable them become independent music entrepreneurs. Some of the recording artists under the emPawa label include, Joeboy, J.Derobie and their own founder and CEO, Mr.Eazi.



SOKOWATCH

Small and informal shops in Africa suffer the most when it comes to stock availability, which impacts the communities they serve. Sokowatch provides the means, infrastructure and logistics for these shop owners to easily place orders and restock their inventory, all from their mobile phone. They also offers financing to microentrepreneurs. According to Crunchbase, Sokowatch has raised a total of \$18.6M in funding over 8 rounds. Their latest funding was raised on Feb 24, 2020 from a Series A round. Sokowatch is funded by 18 investors. Quona Capital and Golden Palm Investments are the most recent investors. Sokowatch is based in Nairobi Kenya and their CEO is Daniel Yu.

BUSINESS LESSON 1

Valuing a company's shares using the Net Asset Value approach and the Intrinsic Share Value.



In the digital age, buying and selling of shares can be done by anyone who knows their way around a computer, has an internet connection and access to an online trading platform like Robinhood, Plus500 or Trading 212. Companies like Robinhood took online trading a step further by introducing zero commission trading. This attracted a lot of **retail investors, also known as non professional investors**, because it meant they didn't have to pay a commission when they sold or bought shares on a trading platform. Hence, the risk associated with trading commissions were eliminated but the ***Systematic Risks** associated with trading remained.

Why are we talking about shares and trading? Put simply, most retail investors don't know the true worth of a company before buying their shares. Instead they rely on historic trends of share prices and other factors to inform their decision to buy or sell a share. While a lot of retail traders have made money this way, recent events like the alleged market manipulation of GameStop shares have shown that there are many cases when share prices don't reflect the true value of a company. There are two common techniques of calculating the value of a company.

The first, is called market capitalisation, where a company's value is determined by multiplying the company's outstanding shares by the unit market price of its share. For example, if a company has a 100 outstanding shares and the current market price of each share is \$2, the company's market capitalisation value is $[100 \times 2] = \$200$.

The second technique of calculating the value of a company is called the Net Asset Value method. This technique is more pragmatic because it relies on actual accounting numbers.

To calculate the company's value with this technique, you will need to the company's balance sheet as shown below. Identify their net assets and their net liability from the balance sheet. Then subtract the net liabilities from the net assets to calculate how much equity there is in the company. That becomes the company's value.

For example, if the balance sheet shows a net asset of \$2000 and net liability of \$1200. $\text{Equity} = \text{Asset} - \text{Liability} = \800 . Therefore the company is valued at \$800.

Balance Sheet			
As of December 31, 2016 (000s)			
Assets		Liabilities	
Cash	481	Accounts Payable	625
Marketable Securities	1,346	Current Portion L-T Debt	1,021
Accounts Receivable	1,677	Taxes Payable	36
Inventory	2,936	Accrued Expenses	157
Prepaid Expenses	172	Total Current Liabilities	1,839
Other Current Assets	58		
Total Current Assets	6,670	Long-term Debt	2,332
		Total Liabilities	4,171
Gross Value of Property, Plant & Equipment	2,019	Owner's Equity	
Accumulated Depreciation	(664)	Common Stock and Paid-in Cap	194
Net Property, Plant, Equipment	1,355	Retained Earnings	4,009
Note Receivable	340	Total Shareholders' Equity	4,203
Total Assets	8,374	Total Liabilities and Equity	8,374



DID YOU KNOW?

Systematic risks are risks which cannot be reduced or eliminated by diversifying your investment portfolio. These are external risks associated with things like inflation, increase in interest rate by the central bank, recession or even increase in tax by the government.

When using the Market Capitalisation technique, you need to remember that the share market takes time to reflect the true value of a company. The speed at which share prices fluctuate makes it difficult to rely on such data as an indicator of a company's worth. Meaning share prices could easily be over valued or under valued in the space of 5 mins.

So, how do you know if a share price is over valued or under valued? The answer lies in using a base line indicator called Intrinsic share value. Unlike your normal share value which is subject to market fluctuations, intrinsic share value is derived from the company's balance sheet using the Net Value Asset technique. To calculate the Intrinsic share value, you will need to calculate the company's equity, and the number of outstanding shares the company.

Intrinsic share value = $\frac{\text{Net Asset} - \text{Net Liability}}{\text{No. of outstanding shares}}$

Once you have calculated your intrinsic share value, you compare this share value to the market share price.

If your share price is higher than your Intrinsic share value, that means the share price is over valued, so don't buy, rather sell your shares because you know the price is inflated and will come down sooner rather than later.

If the market share price is lower than the Intrinsic share value, then that means the share price is undervalued. So it is a good time for you to buy more shares while it's cheaper because you know the share price will eventually go up to reflect its true value.

For example, you calculated the Intrinsic share value to be \$3.8 per share but the market share price is \$6. Your decision should be "don't buy" because the market price will eventually come down to the intrinsic share value and you will lose money. But if the market share price was \$2 per share, your decision would be to buy more shares because you know the share price will go up to match the Intrinsic share value eventually.

There are scenarios where the market share price is equal to the intrinsic share value. In such a scenario your decision could be "do nothing". That is, don't buy or sell.

To conclude, always ensure you know what the Intrinsic value of a share is before buying it. For short term trading you might get away with not knowing what the Intrinsic share value is but for investment portfolios and long term trading, always check the Intrinsic share value as it corresponds to the company's worth on paper. Not knowing the true worth of a company before buying its shares is no different from driving a car blindfolded.



DID YOU KNOW?

A share or stock (in America) is a percentage ownership of a company. When you buy a share you own part of the company. The larger the share you own in a company, the larger the risk and liability you are accountable for. But you also get the associated benefits such as a larger dividend.



DID YOU KNOW?

A company's equity represents how much value it is worth on paper.

Companies are sometimes valued by comparing them to other companies offering similar products and services in a similar market.



CHANGEINAFRICA.COM

Place your advert in our magazines

Email - admin@changeinafrica.com

Phone - +447730405624

CHANGEINAFRICA.COM

AN INSIGHT INTO THE THOUGHT PROCESS OF CEOS AND ENTREPRENEURS

