

INVITATION TO SUBMIT AN EXPRESSION OF INTEREST (EOI) for AIF CONSULTANT POOL: Service Providers for Financial, Legal, and Other Consulting Services

Alitheia IDF is calling for interested individuals and organisations to submit profiles in order to form the pool of service providers which will support the Fund's pre and post-investment activities.

The Alitheia IDF Fund (AIF) is a private equity fund that invests in high growth small and medium enterprises (SMEs) by applying a gender lens investing strategy. The Fund provides access to growth capital and other resources to fuel SME expansion and scale, and deliver superior financial and social returns. Using equity and quasi-equity instruments, AIF invests between \$2million and \$5million in a range of sectors for companies operating in Western and Southern Africa.

Our investment objectives include but are not limited to:

- strengthening and increasing the participation of and improving outcomes for women-owned businesses, women in business, women in the supply chain, and women customers across economies on the African continent;
- providing financial and non-financial support to investee companies to enable them to grow into sustainable and profitable businesses with expanded market reach; and
- developing local economic activity that benefits local communities and involves substantial participation by local enterprises.

AIF's gender lens identifies businesses where there is:

- women ownership, leadership and/or management - a business is considered woman-owned when a minimum of 50% stake is owned by women;
- opportunity to impact women as producers and/or consumers along the business' value and supply chain;
- diversity in management teams to drive growth; and
- significant opportunity for businesses growth by leveraging gender diversity.

Thus, AIF provides expansion capital and value-add to businesses that:

- operate in South Africa, Lesotho, Zambia, Zimbabwe, Nigeria or Ghana;
- qualify as small or medium sized enterprises, meeting any 2 (two) of the following 3 (three) criteria: less than 250 (two hundred and fifty) employees; total value of assets of less than \$10million; and/or total annual turnover of less than \$10million;
- are commercially viable with an operational track record of at least 2 (two) years and proven revenues;
- have significant participation of women in their business as either owners, managers, producers, distributors or consumers; and
- possess the potential to deliver developmental impact in terms of jobs created, increased and sustained incomes in the value chain and for women in particular; and increased tax generation.

In the post investment value creation, AIF supports investee companies in developing business strategies and models to access new markets and opportunities, capitalising on efficiencies and in securing follow-on finance.

AIF now invites Expressions of Interest (“EOI”) from qualified professional Service Providers, Advisors and Consultants for the provision of consulting and other services as detailed in the Appendix attached. Shortlisted Consultants will be part of a pool of service providers from which AIF will select on an as-needed basis.

The EOI should at least contain the required information and documents on the following:

- Description of the core business of the firm including the range of relevant services offered;
- Years of experience in each service;
- High-level technical and managerial organogram/structure of the team/firm including qualifications and a brief job description;
- The headquarters and other support offices including the geographical catchment area of the firm;
- The willingness and ability to travel for the provision of the services;
- A track record and experience of the firm in a similar assignment including:
 - a list of major clients served;
 - the services provided for each client;
 - the size of each project (the monetary value, preferably in USD) including the outreach including the number of people impacted by that project;
 - period of the project including total hours;
 - where possible, a reference letter from the client; and
 - any awards or recognition of your firm;
- A rate/costings card or an indicative pricing structure;
- Valid or applicable registration and incorporation documents
- Where applicable, confirmation of your firm as a subsidiary or part of another company as well as the details of that company;
- Where applicable, confirmation of whether your firm has merged or acquired other companies in the past 3 years;
- Where applicable, confirmation of valid licences for the provision of the services;
- The latest Tax Clearance Certificate as well as evidence of financial stability; and
- Primary contact information.

The EOI shall be submitted via email to Temilade Denton at tdenton@alitheiaidf.com no later than 26 November 2020 by 18:00 (CAT). On the basis of the above information, AIF shall draw up the shortlist of Service Providers who will be invited to submit proposals for specific engagements as and when they arise. AIF reserves the right to accept or reject any Expression of Interest, and to annul the selection process and reject all EOIs at any time, without thereby incurring any liability to the affected firms/companies/service providers.

Sincerely,

Temilade Denton
Impact and ESG Manager
Alitheia IDF Fund

Appendix A: AIF's Non-Exhaustive List of Required Services

The categories and related requirements below are indicative of the services which may be requested during the pre-investment process, the investment implementation phase and the value creation leading up to AIF's exit from an investment. The required outputs and timelines will be agreed-upon per specific engagement in order to suit the specific investment.

Environmental, Social and Governance ("ESG")

- Provide an independent ESG due diligence of the proposed investment according to a reference framework to be confirmed in detail by AIF.
- Independently assess all ESG aspects of the investment which may be material to its operations, beginning with a risk categorization using the IFC categorization framework, and as guided by the IFC Performance Standards.
- Identify compliance gaps, necessary mitigation and follow-up actions;
- Provide the ongoing evaluation and supervision of portfolio projects according to AIF's environmental and social management policies and procedures.

Legal

- Provide legal transaction (mergers & acquisitions) advisory services.
- Conduct a legal due diligence of the company including the assessment of the company's compliance with all applicable laws and regulation for the specific jurisdictions and industries/sectors.

Financial, Tax and Audit

- An independent audit and review of the historic and forecast financial performance of the company in accordance with the applicable regulatory standards.
- A review, including any recommendations, of the company's compliance with regulatory authorities, including specific governance codes.
- A review, including any recommendations, of the company's tax position, pension position, and related compliance.
- A review, including any recommendations, of the adequacy of the overall financial, tax and audit structures of the company in meeting the existing company strategy.

Technical and Operations

- A 'fit for purpose' review of the assets of the business with a focus on functionality; specification, capacity and usefulness.
- A review including any recommendations, of compliance with regulatory authorities, regulatory approvals and regulatory standards.
- Identify potential operational inefficiencies including areas such as sales, marketing, production, finance, HR, supply chain, ICT, legal and compliance.
- Identify and improve operational efficiencies.
- Any organisational requirements to reconcile overall strategy and technical aspects of the business.

Technology

- Wholistic technological due diligence including the identification of any gaps as well as the valuation of any existing intellectual property and technology infrastructure.
- Confirm the technological requirements for the achievement of company strategic objectives.
- Manage and implement the planned technological strategies.
- Project lead on any projects to be implemented, for example, enterprise resource planning systems applications including any process management and systems integration.

Human Resources

- Confirm the capacity or gaps relating to the human capital and HR department of a company.
- Assess human resource provisions and practices in comparison to industry standards and best practice, and applicable country laws.
- Plan for training and/or recruitment to ensure human capital adequacy.
- Optimise organisational culture, terms of employment, learning & development, talent management and retirement in accordance with the applicable Labour Law in that specific jurisdiction and sector.
- Implement change management strategies including improvements in organisational design, processes and systems as well as other relevant aspects of the business.
- Any organisational requirements to reconcile overall strategy and technical aspects of the business.

Commercial

- Provision of a thorough understanding of the company's position in the market by assessing the external market landscape and what effect this may have on the company's ability to reach its forecast results.
- Analysis of competitors' performance and market share.
- A commercial due diligence report can be used by the company to show to their bank to provide comfort and reassurance that the business will not fail.

Strategy

- Analyse business practices and goals with the objective of driving improvement and direction.
- Lead in driving a desired strategic impact within an organisation by focussing on structurally solving a defined problem which is clearly defined, analysed, structured for resolution and then communicating for impact.
- Monitor market trends to help a company to adjust to changing conditions and risks potentially impacting its goals and value-add.
- Assist in the decision-making process.
- Advisors should display of strong analytical, time management, collaboration and communication skills.
- Advisors should also display orientation to detail, forward thinking, project management skills and creativity.
- For example, define a company's markets, identify trends within that market, analyse competitors and identify cost reduction & efficiency optimisation opportunities.