

# INNOVATION FUND PROGRESS UPDATE

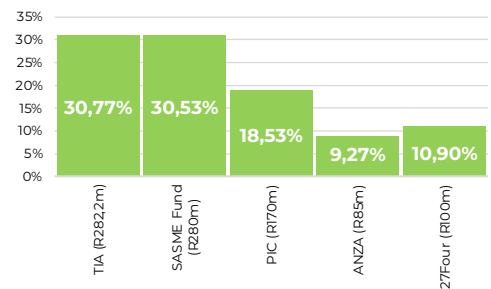
October 2020 - March 2024

## CAPITAL INVESTMENT

**OVER  
R900  
MILLION**

The Innovation Fund (IF) has committed **R917,2 million** to its implementing partners, i.e. the Technology Innovation Agency (TIA), the Public Investment Corporation (PIC), 27four, Anza Capital and the SA SME Fund.

Innovation Fund Implementing Partners



## IF VC FUND INVESTMENT PORTFOLIO

The fund has supported a total of **12 Venture Capital (VC) funds**. Of the 12 VC funds, six are managed by emerging fund managers, and six are overseen by established fund managers.

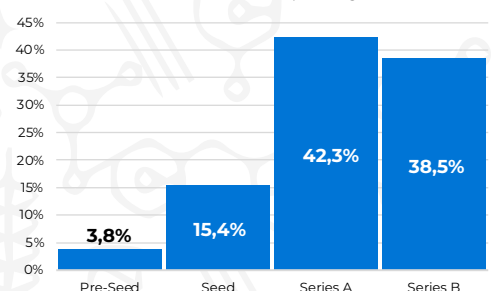
## LEVERAGING EFFECT

- 1.7x** leveraging/gearing effect at the investment intermediary level with R524,8 million committed.
- 4.7x** leveraging/gearing effect at the VC fund portfolio level for R378,5 million invested.

## INVESTMENT PER BUSINESS STAGE

The 12 supported VC funds focus on at least two of the funding stages covered by the IF, i.e. Pre-seed, Seed, Series A and Series B.

Number of funds per stage



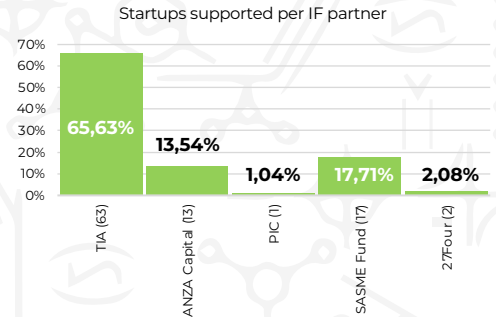
# START-UPS SUPPORTED

96

## STARTUP INVESTEEES

To date, **96 South African startups** received support.

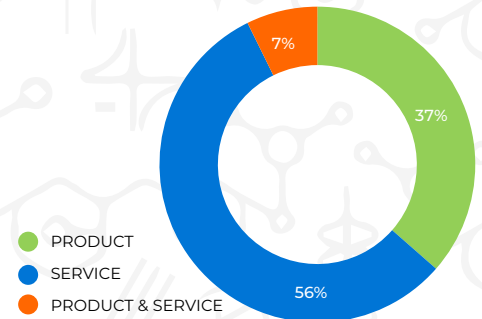
Of the 96 startups supported, 63 received investment through TIA, 17 from the SA SME Fund, 13 from Anza Capital, two from 27four and one from the PIC.



## NATURE OF START-UP OFFERING

Of 96 startups supported:

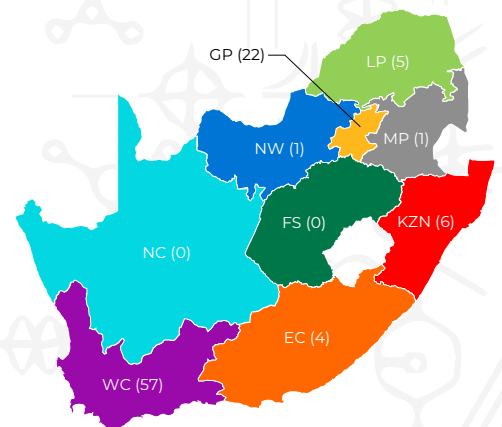
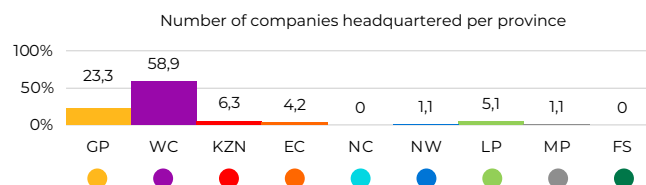
- 54 focus primarily on services,
- 35 products, and
- 7 on both business offerings.



## DISTRIBUTION BY PROVINCE

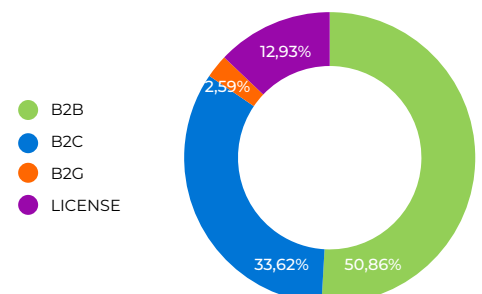
The startups distribution across South Africa shows a concentrated entrepreneurial activity in some regions.

The Western Cape (60%) and Gauteng (23%) account for more than 80% of the startups supported. There are no beneficiaries in the Northern Cape or the Free State.



## STARTUP BUSINESS MODELS

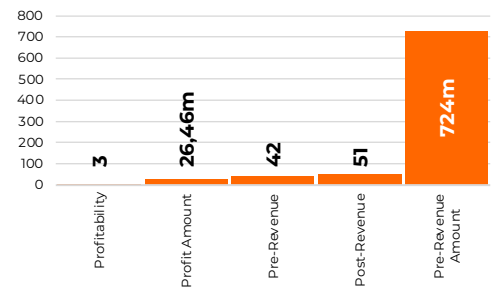
Of the 96 startups supported, 59 apply a **business-to-business (B2B)** model, 39 a **business-to-consumer (B2C)** model and three a **business-to-government (B2G)** model, while 15 startups applied **licensing** as a business model.





## REVENUE GENERATION AND PROFITABILITY

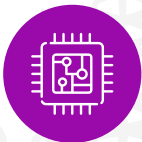
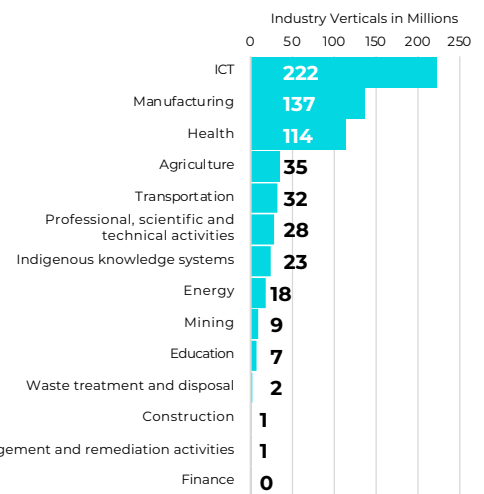
- Pre-revenue stage = 42 startups,
- Post-revenue = 51 startups (total income is R742 million),
- Profitable income = Three startups (total profit amount of R26,47 million)



## FUNDING BY SECTOR

Startups in the following five sectors received the bulk of the funding:

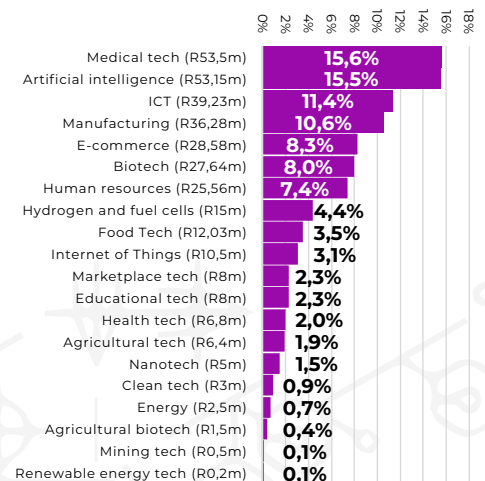
- ICT
- Manufacturing
- Health
- Agriculture
- Transportation



## ENABLING TECHNOLOGY

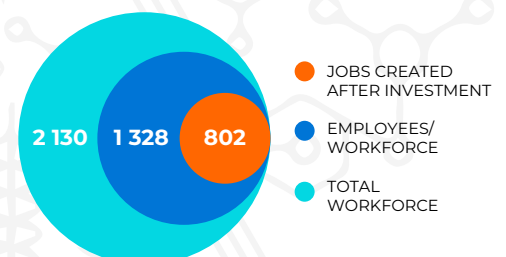
Some of the dominant enabling technologies underlying the supported startups were:

- MediTech
- BioTech
- AgriTech
- CleanTech
- AI



## WORKFORCE

- At the time of investment, the total workforce combined was **1 328** employees.
- After investment, an additional **802 jobs** were created.
- Total workforce is currently at **2 130** employees.

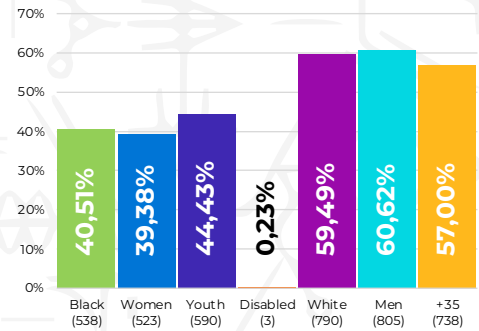




## WORKFORCE DIVERSITY

Workforce breakdown before investment (n=1 328)

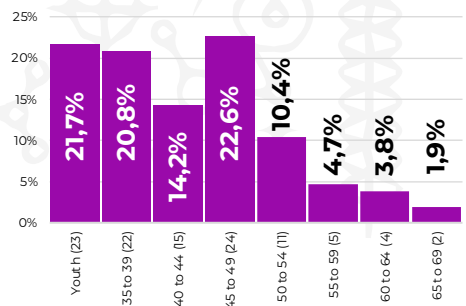
- Race: White (59,49%) and black (40,51%)
- Gender: Men (60,62%) and women (39,38%)
- Age: Youth (44,43%), adults (57%)
- Disability: 0,23%



## LEADERSHIP TEAM (BY AGE)

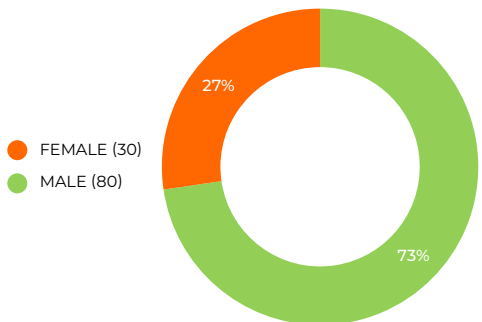
Of the leadership team:

- Under 35 (youth) 21,7%
- 30 to 39 (20,8%)
- 40 to 44 (14,2%)
- 45 to 49 (22,6%)
- 50 or over (20,7%)



## LEADERSHIP TEAM (BY GENDER)

Of the startup leaders, 72,7% are men and 27,3% are women.



## SUCCESSFUL EXITS

### Womvest

Venture debt matured and serviced

**Investment from IF**  
R250 000

**IF partner**  
Anza



### Artisan Biomed

Secondary exit - strategic acquisition

**Investment from IF**  
R5 000 000

**IF partner**  
TIA



### Stone Three

Fund exit – royalty payment

**Investment from IF**  
R5 500 000

**IF partner**  
TIA

