THE TONY ELUMELU FOUNDATION



TEF PARTNER (TRANSCORP GROUP) MONITORING REPORT 2026

Table of Contents

Table of Content	**2**
Figures	**4**
Tables	**5**
Acronyms and Abbreviations	**6**
AI – Artificial Intelligence	**6**
TEF – Tony Elumelu Foundation	**8**
Executive Summary	**8**
Section 1: Introduction & Overview	**11**
Programme Context	**11**
Overview of the 2025 Cohort	**11**
Rationale for the Monitoring Exercise	**12**
Monitoring Objectives	**12**
Section 2: Methodology & Approach	**14**
Monitoring Framework	**14**
Data Collection Approach	**15**
Survey Administration	**15**
Response Monitoring and Data Quality Assurance	**15**
Data Analysis	**16**
Ethical Considerations	**17**
Challenges and Limitations to the Monitoring Exercise	**17**
Section 3: Findings	**19**
Beneficiary Demographic & Business Profile (Context & Stratification)	**19**
Geographic Reach	**19**
Demographic Profile of Beneficiaries	**21**
Business profile and Operational status	**22**
Detailed Findings by Monitoring Domain	**25**

Table of Contents

Programme Participation and Engagement (Inputs / Outputs)	25
The 5-R Outcomes (Results, Role, Relationships, Resources, Rules)	30
Impact of TEF online assets on revenue	40
Adaptive Management & Rapid Alerts: Challenges and Support Needs	47
Financial Verification: Performance, Verification and Access to Finance	53
Alignment with the TEF Track's Programme Framework & Key Indicators	58
Section 4: Conclusion and Recommendations	61
Overall Conclusion & Programmatic Impact	61
Challenges, Risks and Mitigation	61
Lessons Learned	62
Strategic Recommendations	62
Immediate Actions (Current Reporting Cycle)	62
Structural Recommendations (Current Reporting Year)	62

Figures

Figure 1: Geographical reach

Figure 2: Nigeria Sample Reach

Figure 3: Urban -Rural Classification

Figure 4: Gender Distribution

Figure 5: Business Profile-current business stage

Figure 6: Closure reasons (Thematic)

Figure 7: Training Completion-modules completed

Figure 8: Mentorship Influence rate

Figure 9: Share of seed Capital deployed

Figure 10: Capital Usage Categories

Figure 11: Revenue Trend

Figure 12: Job Creation

Figure 13: Leadership/Mentorship Role

Figure 14: MSME Advocacy/Awareness actions

Figure 15: New B2B/Supply chain contracts (Relationship

Figure 16: TEF Digital Assets/Tools leveraged

Figure 17: Table 5: Resources Indicators

Figure 18: Policy Reform Participation

Figure 19: Bottleneck scan-ranked roadblocks

Figure 20: Rapid alert Flag Distribution

Figure 21: Single most urgent support needs

Figure 22: Record keeping Practice

Figure 23: Net Profit Margin Check

Figure 24: Cash-flow runway

Figure 25: Business Contribution to household Income

Figure 26: Financial -data confidence classification

Tables

Table 1: Participation & Engagement Key Performance Indicators

Table 2: Results Indicators

Table 3: Role Indicators
able 4: Relationship Indicators

Table 5: Resources Indicators

Table 6: Summary of the 5-R Dimensions

Acronyms and Abbreviations

AI – Artificial Intelligence

B2B – Business-to-Business

BRS- Business Name Registration

CAC – Corporate Affairs Commission

FAO- Food and Agricultural Organization

IATA- International Air Transport Association

ICT- Information and Communication Technology

KPI- Key Performance Indicators

MSME – Micro, Small, and Medium Enterprises

NAFDAC- National Agency for Food and Drugs Administration Control

NSA- Nigerian Startup Act

NTA- National Trade Association

SMEDAN- Small and Medium Enterprises Development Agency of Nigeria

TEF – Tony Elumelu Foundation

TOC – Theory of Change

EXECUTIVE SUMMARY

INTRODUCTION & PROGRAM FOOTPRINT

This monitoring report assesses the current performance, operational status and emerging enterprise outcomes of the Transcorp Group-supported Tony Elumelu Foundation (TEF) Entrepreneurship Program cohort (2025 Cohort, Q1 2026 First Panel Monitoring Wave).

The monitoring exercise N = 287 eligible consenting beneficiaries of 440 onboarded entrepreneurs in Nigeria (76.0%, n = 218) and Benin (24.0%, n = 69).

Among the respondents, 95.8% were operational at the time of monitoring (275 of 287), while 4.2% (12 businesses) were not operational at the time of monitoring.

Most of the non-operational status is temporary and linked to pre-launch setup, app store reviews, and facility construction (75.0% of non-operational cases), with 91.7% of inactive entrepreneurs believing they will be operational by next quarter.

BUSINESS & DEMOGRAPHIC PROFILE

- Distribution by Age & Sex: The cohort is strongly anchored by young and mid-career working-age entrepreneurs, with 97.6% (280 of 287) aged 15–45 years (51.6% aged 31–45; 46.0% aged 15–30). Male beneficiaries comprised 63.8% (183) and female beneficiaries comprised 36.2% (104).
- Sectoral Distribution: Agri-food value chains are the main economic driver with 39.0% (n = 112) of supported enterprises (Primary Agriculture: 14.6%, Agribusiness: 9.4%, Food Processing: 8.7%, Livestock: 3.5%, Fisheries: 2.8%). The largest non-agricultural sector is Technology/ICT (11.1%, n = 32), followed by Fashion & Textiles (6.6%), Education & Training (4.5%) and Manufacturing (4.2%).
- Developmental Maturity: More than half of the enterprises are in Early Operation (52.3%, n = 150), 39.7% (n = 114) are in Growth/Scaling, and 8.0% (n = 23) are still in the Idea/Prototype stage. The average age of the businesses is 2.8 years, amounting to a total approximately 803 aggregate years of reported business age.
- Geographic Dynamics: The majority of businesses are located in urban settlements (65.2%, n = 187), with a significant presence in rural (28.6%, n = 82) and peri-urban (6.3%, n = 18) areas. In Nigeria, the cohort is focused on Delta State (28.2% of overall cohort; 30.0% of valid Nigerian state records), followed by Rivers State (10.7%) and Lagos State (8.1%).

PROGRAM INPUTS, CAPITAL DEPLOYMENT & CAPACITY BUILDING

- Seed Capital Disbursement & Deployment: The programme achieved a 100.0% reported receipt of seed capital among the 275 operational respondents assessed, deploying $5,000 USD in seed capital

to each of the 275 active operational beneficiaries, totalling $1,375,000 USD in total financial input. Capital deployment efficiency was extremely high, with 98.5% (271 of 275) 100.0% reported receipt of seed capital among the 275 operational respondents assessed, operations and 59.8% (162 deployers) utilising 76%–100% of their grant.

- Asset Allocation: The majority of funds were allocated to Fixed Assets (53.1%; 144 deployers), led by machinery/equipment (91.0%), followed by Labour/Wages (38.7%), Office & Operating Expenses (35.1%) and Expendable Supplies (26.6%). Single-choice tracking shows Working Capital (48.3%) and Direct Equipment Purchase (42.1%) are the main drivers of spending.

- Training & Mentorship Absorption: Beneficiaries completed an average of 2.05 training modules, with Business Management (92.0% completion), Artificial Intelligence (68.0%), and Green/ Sustainability (44.7%) leading. Practical knowledge application was 4.01 out of 5.0 and 72.7% applied learning to a high or very high extent. Additionally, 76.4% (210 beneficiaries) reported that TEF mentorship influenced a key strategic business decision this quarter.

THE 5-R SYSTEMIC OUTCOMES FRAMEWORK (COHORT PULSE: 3.28 / 5.00)

The cohort was assessed against the 5-R systemic outcome pillars, resulting in an overall composite score of 3.28 out of 5.00

- Rules (265 out of 275, 96.4% compliance): On statutory formalisation, it approached universality, with 95.6% (263 businesses) having registered with the Corporate Affairs Commission (CAC), or complied with tax or sector licensing. Furthermore, 20.4% (56 businesses) were actively participating in policy reform dialogues (e.g. Nigerian Startup Act domestication, SMEDAN forums).

- Results (82.2% Adherence; 226/275):
* Revenue growth: 65.5% (180 businesses) grew monthly revenue from the previous quarter, Net Growth Score = +59.7 percentage points (76.3% revenue growth in Growth stage firms).

* Job Creation: The total workforce increased from reported workforce of 1,045 workers to 1,655 workers (828 full-time, 827 part-time), representing a reported net increase of 610 workers (+2.22 workers per operational respondent). More than half (53.1 per cent, n=146) were net job creators.

- Role (57.8% Compliance; 159/275): 50.2% (138 businesses) took on formal community/industry leadership or peer mentoring roles. 27.6% (76 businesses) led local MSME advocacy campaigns. Observed 16.0 percentage point gender leadership gap with 56.0% male versus 40.0% female leadership uptake.

- Resources (54.5% Compliance; 150/275): A multi-tiered digital stack of TEFConnect networking portals, TEF financial projection models, and Generative AI models (34.0% AI/digital mentions; e.g., ChatGPT, Gemini, Claude) were deployed by active tool adopters for marketing collateral, copywriting, and customer service automation.

- Relationships (37.5% Alignment; 103/275): Market linkages are the main commercial bottleneck. 37.5% (103 businesses) signed new B2B or supply chain contracts (81.6% local; 11.7% regional; 6.8% international). (H8) Inferential testing indicated a statistically significant positive association between the acquisition of new supply-chain contract and reported revenue

growth (p = 0.003).

FINANCIAL RESILIENCE AND VERIFICATION LANDSCAPE

Profitability & Performance: 50.9% (138 businesses) reported a net-profit position, 37.1% (101 businesses) are break even and 12.0% (32 businesses) are operating at a loss. Among businesses reporting revenue growth, 67.2% (121 of 180) reported a net-profit position.

Record Keeping Infrastructure: 50.9% (138 businesses) have formal accounting practices in place, with 28.0% (76 businesses) employing digital applications/software and 22.9% (62 businesses) using structured spreadsheets.

However, 39.3% use informal paper ledgers, and 9.8% have no financial documentation.

Runway Exposure & Financing Mismatch: 45.1% (124 businesses) are operating on a critical cash-flow runway of 0-3 months.

The external finance market still faces a significant demand-supply gap: 66.9% (184 businesses) are in dire need of follow-on funding to mitigate macro-inflation, but only 6.9% (19 businesses) received external financing after the grant.

RISK SCREENING AND MACRO BOTTLENECKS

- Risk tiers – Risk tiers – rapid alert: Under the TEF screening framework, 7.3% of cases (21 cases) are RED flagged (12 closed businesses, 9 severely distressed ventures with depleted runways and contracting revenue), 58.9% of cases (169 cases) are AMBER flagged (heightened working capital and cash-flow vulnerability) and 33.8% of cases (97 cases) are GREEN flagged. Risk classification is particularly concentrated in the Idea/Prototype stage(30.4% RED rate) and early tech/ education ventures.

- Major macro-level barriers: These include high cost of raw materials/production inflation (42.5%, n=117), Market Access constraints (39.3%, n=108), and Working Capital/Liquidity friction (26.2%, n=72).

- Urgent Support Needed: Follow-on Additional Funding (66.9%, n = 184), Market Linkages (23.6%, n = 65) and Tailored Coaching/Mentorship (9.1%, n = 25).

SECTION 1: INTRODUCTION & OVERVIEW

PROGRAMME CONTEXT

The Tony Elumelu Foundation (TEF) Entrepreneurship Programme is an entrepreneurship development initiative that supports African entrepreneurs with seed capital, business management training, mentorship and networking opportunities.

The programme is designed to strengthen entrepreneurs' capacity to establish, manage and grow sustainable businesses, create employment opportunities and contribute to broader economic development across Africa.

The programme combines both financial and non-financial support to equip entrepreneurs with the knowledge, resources and networks they need to navigate business challenges and improve their operational capabilities.

Through training, mentorship and access to capital, TEF supports entrepreneurs in strengthening their business management practices, improving their resilience and responding more effectively to market and operational challenges.

As part of its commitment to supporting entrepreneurship and economic empowerment, Transcorp group has partnered with the Tony Elumelu Foundation to support entrepreneurs participating in the TEF Entrepreneurship Programme.

Through this partnership, Transcorp group contributes to expanding access to entrepreneurship support and enabling selected beneficiaries to receive the resources and capacity-building opportunities required to develop their enterprises.

This independent monitoring exercise focuses specifically on Transcorp group-supported TEF beneficiaries.

The assessment seeks to understand the current status, progress and development needs of these enterprises, including their business performance, operational capacity, employment contribution, financial practices, market engagement and key challenges affecting sustainability and growth.

The findings from this report give insight into the outcomes and experiences of Transcorp group-supported entrepreneurs, highlighting areas where continued support, learning and engagement can further strengthen enterprise development.

OVERVIEW OF THE 2025 COHORT

The monitoring exercise provides an opportunity to examine the current position of entrepreneurs supported by the TEF programme and to understand how their businesses are progressing after programme participation.

The assessment considers beneficiaries not only in terms of whether their businesses remain operational but also in relation to the broader dimensions of enterprise development.

These include business performance, employment, financial management, access to markets, access to finance, programme engagement, adoption of digital tools and the ability of businesses to respond to operational challenges.

The monitoring approach recognises that entrepreneurs may be at different stages of business development. Some may be operating

at an early stage, while others may have progressed towards growth and scaling.

The assessment therefore considers the different circumstances of participating businesses and seeks to identify both areas of progress and constraints that may affect their continued development.

For Transcorp group, this focused reporting provides an opportunity to understand the business-level outcomes and support needs of the beneficiaries associated with its contribution to the TEF Entrepreneurship Programme.

It also provides evidence that can inform future engagement and help identify areas where additional interventions could strengthen enterprise sustainability and growth.

The monitoring exercise covered 440 beneficiaries supported by Transcorp group who were participating in the TEF Entrepreneurship Programme.

These entrepreneurs constituted the population assessed through this independent third-party monitoring exercise, which was undertaken to examine their current business status, performance, operational progress, sustainability and emerging enterprise development needs.

RATIONALE FOR THE MONITORING EXERCISE

The monitoring exercise provides an evidence base for understanding the current condition and progress of supported entrepreneurs.

While programme participation provides entrepreneurs with access to financial and non-financial support, monitoring is important for understanding what happens beyond the point of support and how businesses are progressing in their operating environment.

The exercise therefore goes beyond measuring programme participation alone. It examines the current operational status of Transcorp group-supported TEF beneficiary businesses, including their financial and commercial position, employment contribution, market access, application of business support received and the challenges that may affect their ability to sustain or expand their operations.

The monitoring also provides an opportunity to identify areas where Transcorp group-supported beneficiaries may require further support to strengthen their enterprises.

These areas may include access to finance, market opportunities, business development support, digital tools, mentorship and other forms of enterprise assistance that can contribute to business resilience and growth.

For this study, the findings are intended to provide a clear and practical understanding of the outcomes, progress and emerging needs of Transcorp group-supported TEF entrepreneurs, while generating insights that can support programme learning, future engagement and decision-making.

MONITORING OBJECTIVES

The monitoring exercise was undertaken to assess the progress and current performance of Transcorp group-supported TEF entrepreneurs participating in the 2025 TEF programme and to understand the factors affecting the operation and growth of their businesses.

Specifically, the monitoring exercise sought to:
Assess the current operational status and sustainability of participating businesses;

- Understand entrepreneurs' participation in training, mentoring, and other programme activities;
- Assess business performance, including revenue, cash flow, profitability,

employment, and business expansion;

- Identify the main challenges affecting business operations and growth;
- Examine employment levels and changes in employment among participating businesses;
- Assess entrepreneurs' access to customers, markets, and new business opportunities;
- Examine access to loans, grants, investments, and other sources of business finance;
- Assess the use of digital tools and artificial intelligence within participating businesses;
- Understand the adoption of sustainable business practices; and
- Identify areas where additional support may be required to strengthen business performance and growth.



TEF Beneficiary (Agribusiness) Benin

SECTION 2: METHODOLOGY & APPROACH

The monitoring exercise employed a structured quantitative approach to assess the progress and status of Transcorp group-supported beneficiaries participating in the TEF Entrepreneurship Programme.

The approach was designed to capture information across key areas of programme participation and enterprise performance, including business operations, financial performance, employment, market access, access to finance, and the challenges affecting business sustainability and growth.

The monitoring relied primarily on a structured questionnaire administered to the 440 Transcorp group-supported beneficiaries included in the assessment.

The questionnaire was designed to capture both information about business performance and entrepreneurs' experiences of participating in the programme.

This provided a consistent basis for assessing the status of supported enterprises while also capturing information on the challenges, opportunities and additional support needs reported by beneficiaries.

The monitoring process incorporated measures for ensuring data quality throughout the data collection and analysis stages.

Submitted questionnaires were reviewed for completeness and consistency while responses were tracked to monitor participation and identify any outstanding submissions.

The cleaned dataset was subsequently analysed to identify patterns relating to enterprise performance, programme engagement, operational challenges and areas requiring further support among Transcorp group-supported TEF beneficiaries.

MONITORING FRAMEWORK

The monitoring framework covered the key areas considered relevant to assessing the progress, performance and development needs of Transcorp group-supported TEF beneficiaries.

- Programme participation and engagement

This area examined beneficiaries' participation in TEF programme activities, including training completion, application of acquired knowledge, mentorship engagement, utilisation of available support and interactions with programme advisors.

- Business operations and status

The assessment captured information on the current status and stage of Transcorp group-supported enterprises, including whether businesses were active, growing, paused or closed. It also considered business registration and compliance practices, adoption of digital tools and artificial intelligence, and the extent to which enterprises implemented sustainable business practices.

- Financial performance and revenue

Information was collected on key financial indicators, including business revenue, cash-flow position, ability to meet recurring operational costs, profitability considerations and other factors influencing the financial sustainability of supported enterprises.

- Employment and staffing

The monitoring examined the employment contribution of Transcorp group-supported

businesses, including the number and type of workers engaged, full-time and part-time employment, changes in staffing levels, use of family or informal labour and jobs created through enterprise activities.

- Market access and business growth

This area focused on the customers served by supported enterprises, distribution channels, access to new markets, customer acquisition, business expansion activities and factors influencing enterprise growth.

- Access to finance

The exercise assessed beneficiaries' access to loans, grants, investments and other financing sources. It also considered savings, business reinvestment practices and the challenges encountered by enterprises when seeking additional financial support.

- Challenges and support need

The monitoring captured the key constraints affecting the operations and growth of Transcorp group-supported enterprises, including financial, operational, market, technological and regulatory challenges. It also identified areas where beneficiaries may require additional support, including business development assistance, mentorship, market linkages, digital support and access to finance.

DATA COLLECTION APPROACH

The monitoring exercise adopted a structured quantitative approach. This approach provided a consistent basis for collecting information from participating entrepreneurs across the key areas included in the monitoring framework.

A structured questionnaire was used as the primary data collection instrument. The use of a standardised questionnaire ensured that the same core indicators were collected from all participating entrepreneurs.

SURVEY ADMINISTRATION

The Transcorp group Supported Beneficiary Monitoring Survey was administered to 440 beneficiaries who were participating in the TEF Entrepreneurship Programme.

The survey used a structured monitoring instrument designed to assess beneficiary progress, understand the outcomes of programme support and identify areas requiring further intervention to strengthen enterprise sustainability and growth.

The questionnaire was administered using Survey CTO, providing a consistent approach to data collection and management among the assessed beneficiaries.

The instrument collected information on beneficiary and business profiles, engagement with TEF support activities, training completion and application, mentorship engagement, seed capital receipt and utilisation, business performance, employment, market access, business formalisation and other relevant enterprise development indicators.

The survey also captured information on business constraints, emerging support needs and key financial indicators, including profitability, revenue consistency, cash-flow capacity, access to external financing and financial record-keeping practices.

The resulting dataset provided the evidence base for assessing the status, progress and challenges of Transcorp group-supported TEF beneficiaries, while generating insights to inform future programme support, engagement and enterprise development interventions.

RESPONSE MONITORING AND DATA QUALITY ASSURANCE

Response monitoring was incorporated into the data collection process for the Transcorp group-supported beneficiary assessment to track participation, monitor survey completion and

identify any outstanding submissions requiring follow-up. The survey was administered to 440 Transcorp group-supported TEF beneficiaries, of which 287 beneficiaries successfully completed the survey, representing a response rate of approximately 65.2%.

Submitted questionnaires were reviewed for completeness, accuracy and consistency.

Where necessary, individual records were examined to identify missing responses, inconsistencies or areas requiring clarification before the dataset was prepared for analysis.

Following the response review process, the dataset was cleaned to address identified data quality issues and to improve the reliability, completeness and consistency of the information collected from participating Transcorp group-supported TEF beneficiaries.

These quality assurance measures strengthened the evidence base used to generate the monitoring findings and assess beneficiary progress, enterprise performance, challenges and support needs.

DATA ANALYSIS

Data analysis focused on the key monitoring indicators relevant to the Transcorp group-supported TEF beneficiaries and was used to identify patterns relating to enterprise performance, programme engagement and business development outcomes.

Quantitative responses were analysed to generate descriptive findings on beneficiaries' participation in programme activities, business operational status, revenue performance, employment contribution, market access, access to finance and reported business challenges.

Where appropriate, findings were presented using frequencies, percentages and other relevant summary measures to provide a clear understanding of the current status, progress and emerging support needs of Transcorp group-supported enterprises.

INDICATOR DEFINITIONS, DENOMINATORS AND SCORING

Unless otherwise stated, percentages in the findings are calculated using the valid denominator for the specific indicator.

The report distinguishes between the 440 beneficiaries targeted for monitoring, the 287 beneficiaries who provided valid responses, the 275 respondents who reported that their businesses were operational, and the 271 operational respondents who reported deployment of seed capital.

Tables and figures should retain the relevant N alongside each percentage.

The 5-R dimensions are reported as indicator-level proportions among the 275 operational respondents.

The composite score of 3.28 out of 5.00 is described as an average 0–5 flag count.

The report does not treat this composite as an independently validated psychometric scale; the component criteria and scoring rules should therefore be interpreted as a monitoring index.

Where survey questions allowed multiple responses, percentages represent the proportion of respondents selecting each option and therefore may not sum to 100%.

Where qualitative responses were coded into themes, the denominator is identified as respondents or coded mentions as applicable.

INFERENTIAL ANALYSIS

The report includes inferential findings only where the underlying statistical test can be documented. For the reported association

between new B2B/supply-chain contracts and revenue growth (p = 0.003), the final statistical test name, test statistic, sample size, coding of variables and assumptions should be confirmed from the analysis output before publication.

Until that verification is completed, the finding is presented as an association rather than a causal effect.

Similarly, statements concerning differences in 5-R scores across business-development stages should be retained only with the corresponding test, p-value and sample sizes.

If these statistical outputs are unavailable, the finding should be reported descriptively.

ETHICAL CONSIDERATIONS

Confidentiality and responsible handling of information were considered throughout the monitoring exercise. Respondents were informed of the purpose of the exercise and how the information collected would be used.

Information obtained through the electronic questionnaire was handled in line with established data protection and confidentiality requirements.

The data were reviewed and analysed for monitoring purposes, and appropriate measures were taken to protect respondents' personal and business information.

CHALLENGES AND LIMITATIONS TO THE MONITORING EXERCISE

- Reliance on beneficiary-reported information: The monitoring exercise relied primarily on information provided by Transcorp group-supported TEF beneficiaries through the structured survey. While the questionnaire captured key enterprise indicators, including business performance, employment, revenue, seed capital utilisation, financial practices, programme engagement and operational challenges, the accuracy and completeness of some responses depended on beneficiaries' available records, knowledge and ability to recall and report relevant business information.

- Variability in financial documentation: The assessment sought to strengthen understanding of enterprise financial performance by capturing information on record-keeping practices, profitability, revenue consistency, cash-flow position and supporting documentation among Transcorp group-supported enterprises. However, the availability, quality and level of formal financial documentation varied across businesses, limiting the extent to which some of the reported financial information could be independently verified.

- Beneficiary response rate: The monitoring exercise experienced challenges in achieving responses from all targeted Transcorp group-supported beneficiaries. Although efforts were made through follow-ups and engagement activities to encourage participation, some beneficiaries did not complete the survey, reducing the number of responses available for analysis.

- Difficulty locating and reaching beneficiaries: Some Transcorp group-supported beneficiaries were difficult to reach during the monitoring exercise due to changes in contact details, relocation of business operations, changes in business circumstances or limited accessibility. These challenges affected the ability to obtain responses from some targeted enterprises within the assessment period.

- Beneficiary willingness to participate: While many beneficiaries provided valuable information and insights, some were hesitant or unwilling to participate fully in the monitoring exercise. This affected the completeness of some

responses and, in some cases, limited the depth of information available on enterprise performance, challenges and support needs.

- Differences in enterprise maturity and record-keeping practices: The assessed Transcorp group-supported businesses operated at different stages of development and had varying levels of formalisation, financial management practices and documentation. These differences influenced the availability and comparability of information across enterprises.

- Non-response bias: Of the 440 beneficiaries targeted for monitoring, 287 provided valid responses, representing a 65.2% response rate. Because 34.8% did not participate, non-response bias cannot be ruled out; respondents may differ systematically from beneficiaries who could not be reached or did not participate.

- No counterfactual: This first monitoring wave does not include a comparison group or counterfactual. Consequently, observed differences or associations should not be interpreted as causal programme impacts.

- Cross-sectional/first-wave interpretation: Unless a measure is explicitly linked to a verified prior observation for the same business, changes reported against a baseline or previous period should be treated as beneficiary-reported comparisons rather than independently verified longitudinal change.

- Interpretation of findings: The findings presented in this report should be interpreted within the context of the participating Transcorp group-supported TEF beneficiaries and the information available at the time of the assessment. While the exercise offers useful information about beneficiary experiences, business progress and emerging needs, the findings may not fully represent the circumstances of beneficiaries who were not reached or did not participate in the monitoring exercise.



TEF Beneficiary (Food processing) Benin

SECTION 3: FINDINGS

The analysis presented in this report is based on 287 consenting beneficiaries from the 440 Transcorp group-supported beneficiaries, of whom 275 reported that their businesses were operational. The respondents were onboarded into the 2025 cohort of the TEF programme.

These enterprises represent the businesses successfully reached and assessed as part of the independent monitoring exercise conducted to understand the current status, performance and development progress of entrepreneurs supported through the Transcorp group partnership with the Tony Elumelu Foundation Entrepreneurship Programme.

BENEFICIARY DEMOGRAPHIC & BUSINESS PROFILE (CONTEXT & STRATIFICATION)

Based on the data from the TEF 2026 Partner-Based Monitoring Survey dataset for Transcorp group (N = 287 eligible beneficiaries), this section describes the geographical reach, settlement dynamics and the operational status of the business.

GEOGRAPHIC REACH

The initiative still has a bi-national footprint across both Nigeria and Benin. Nigeria is the dominant market with 76.0% (218 beneficiaries) of the cohort, and the remaining 24.0% (69 beneficiaries) is from the Republic of Benin.

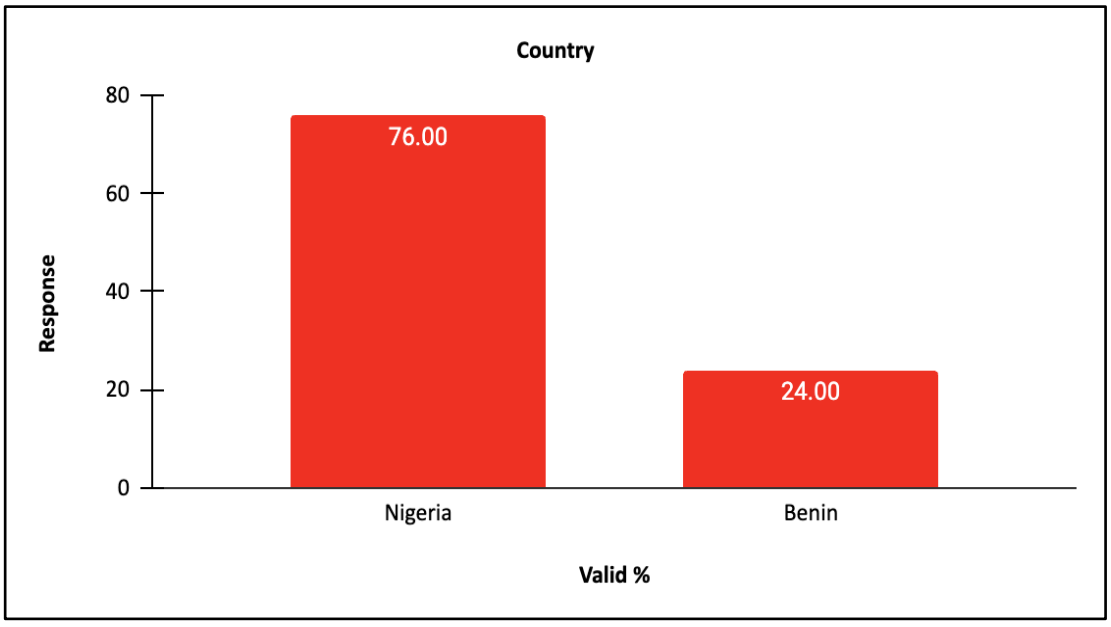


FIGURE 1: GEOGRAPHICAL REACH

In Nigeria (218 businesses), there is a strong skew in beneficiary distribution toward the Niger Delta, and particularly Delta State, which accounts for 81 beneficiaries, 28.2% of the overall cohort and 30.0% of valid state records. Secondary commercial clusters are found in Rivers State (29 beneficiaries, 10.7%), Lagos State (22 beneficiaries, 8.1%), Akwa

Ibom State (9 beneficiaries, 3.3%) and Cross River State (8 beneficiaries, 3.0%). Outside these focal centres, the programme has a wide geographical spread covering 20 other states and territories in Nigeria, which include Abuja/FCT (7 beneficiaries), Ogun State (6 beneficiaries), Oyo State (5 beneficiaries), Ondo State (4 beneficiaries), Benue State (4 beneficiaries), Abia State (4 beneficiaries), Borno State (3 beneficiaries) and Katsina State (3 beneficiaries). The non-listed state records (64, 22.3%) are mostly representative of the international cohort based in Benin.

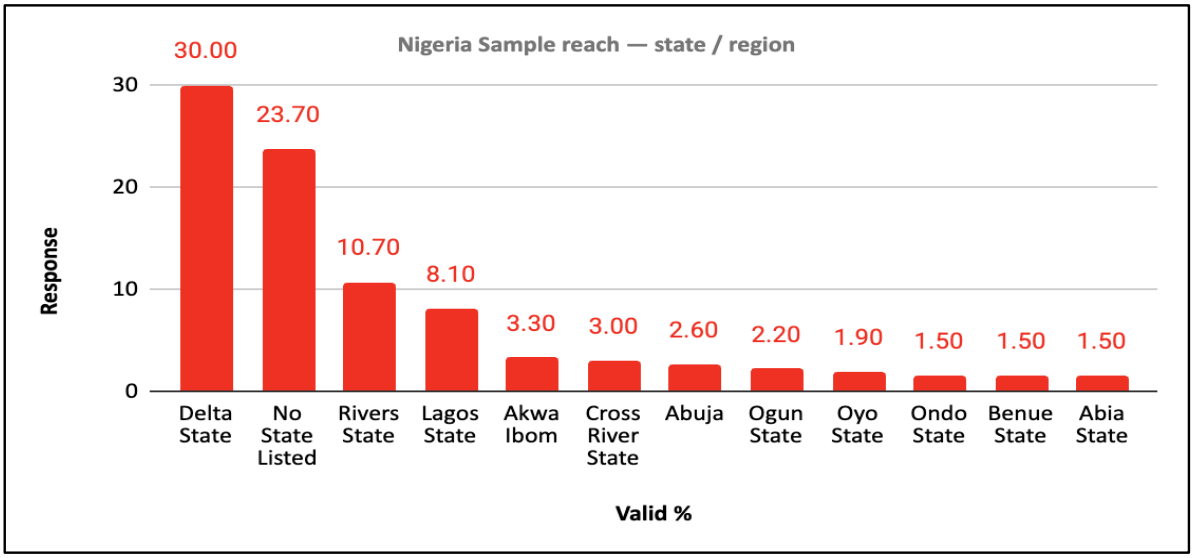


FIGURE 2: NIGERIA SAMPLE REACH

The analysis of settlement typologies shows a concentration in urban centres, with significant penetration into rural and peri-urban areas. Supported enterprises are mostly located in urban settlements (187 beneficiaries, 65.2%) and rural areas (82 beneficiaries, 28.6%), while peri-urban areas account for 6.3% of beneficiaries (18 beneficiaries).

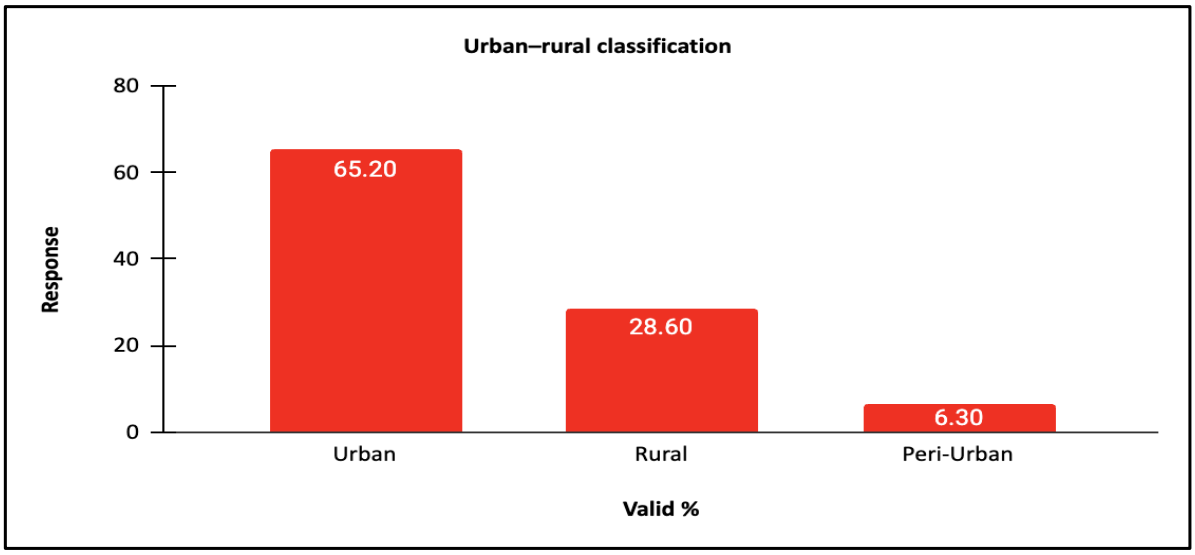


FIGURE 3: URBAN - RURAL CLASSIFICATION

DEMOGRAPHIC PROFILE OF BENEFICIARIES

The demographic profile analysis of the beneficiaries shows a core of young to mid-career working-age entrepreneurs, with 97.6% (280 of 287) being between the ages of 15 and 45 years. The population is dominated by the 31-45 years' age group, 51.6% (148 beneficiaries), followed by the 15-30 years' youth, 46.0% (132 beneficiaries). Older entrepreneurs are a small proportion of the cohort. Those aged 46-50 years account for 1.4% (4 beneficiaries), and those aged 51-65 years represent 1.0% (3 beneficiaries).

In terms of gender composition, male beneficiaries constitute 63.8% (183 of 287), and female beneficiaries constitute 36.2% (104 of 287).

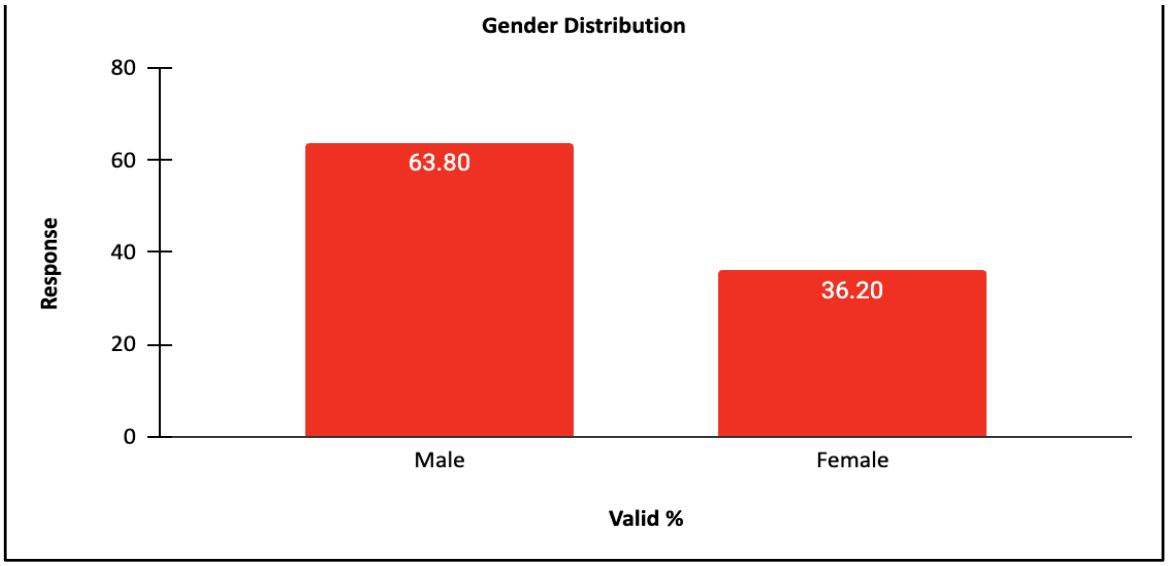


FIGURE 4: GENDER DISTRIBUTION

BUSINESS PROFILE AND OPERATIONAL STATUS

The entrepreneurship of the cohort's beneficiaries is mostly driven by Agri-food value chains and technology/ICT.

Agriculture and food-supported businesses are the most common, comprising 39.0% (n=112) of all ventures tracked. Within this cluster, the main sectors are Agriculture (14.6% n = 42), Agribusiness (9.4%, n = 27), Food Processing (8.7%, n = 25), Livestock (3.5%, n = 10) and Fisheries/Aquaculture (2.8%, n = 8).

The largest single sector outside of agriculture is Technology/ICT at 11.1% (n = 32), followed by Fashion & Textiles (6.6%, n = 19), Education & Training (4.5%, n = 13), Manufacturing (4.2%, n = 12) and Health/Healthcare (3.5%, n = 10).

Regionally, 76.0% of the businesses are in Nigeria, while 24.0% are in Benin. The businesses are located in urban areas (65.2%), n=187), rural areas (28.6%), n=82) and peri-urban areas (6.3%, n=18). This means program interventions have the highest impact, providing sector-specific support such as supply chain and post-harvest equipment for agri-food ventures or incubation and digital infrastructure for tech startups.

By stage of development, the largest share of enterprises is in the Early Operation stage (52.3%, n = 150), while 39.7% (n = 114) have reached the Growth/Scaling stage. Only 8.0% (n=23) are still at the Idea/Prototype stage. The mean age of the businesses was 2.8 years with a total of 803 years of commercial experience.

However, there are clear differences in maturity between sectors: Technology/ICT enterprises are more fragile at the early stage, with 25.0% (8 of 32) remaining in the Idea/Prototype phase, compared with only 2.4% (1 of 42) in Agriculture and 4.0% (1 of 25) in Food Processing.

Operational continuity was observed alongside stage maturity: 100% (114/114) of Growth/Scaling enterprises and 96.7% (145/150) of Early Operation businesses are currently active, whereas 30.4% (7/23) of Idea/Prototype ventures are inactive or closed.

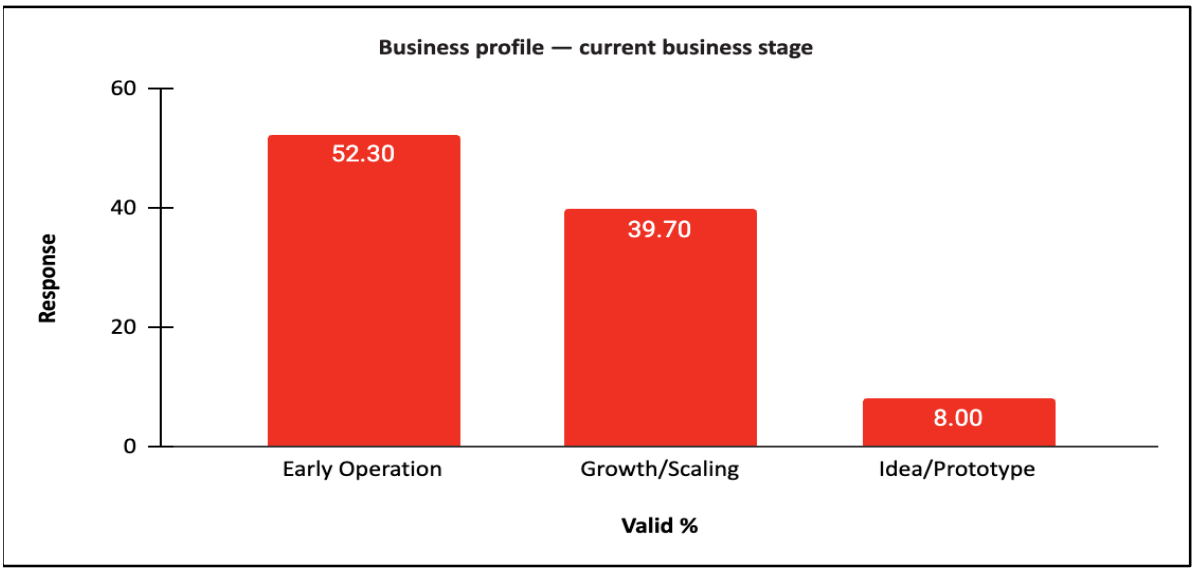


FIGURE 5: BUSINESS PROFILE-CURRENT BUSINESS STAGE

The Transcorp group partner cohort is characterised by a overall operational rate of 95.8%. Of the 287 consenting beneficiaries, 275 were operational at the time of monitoring and 12 businesses (4.2%) were non-operational.

Operational rates were fairly uniform by demographic and geographical context. Female-led enterprises are 96.2% operational (100 out of 104) compared to 95.6% for male-led enterprises (175 out of 183).

Urban settlements have a 96.3% operational rate (180 out of 187), rural areas have a 95.1% operational rate (78 out of 82), and peri-urban areas have a 94.4% operational rate (17 out of 18). But the danger of a business failure is heavily skewed toward those in the early stages.

Enterprises in the Idea/During the prototype stage, 7 of 23 businesses closed, resulting in a closure rate of 30.4%, during the early operation stage, 5 of 150 businesses closed, resulting in a closure rate of 3.3% and during the growth/scaling stage, 0 of 114 businesses closed, resulting in a closure rate of 0.0%.

The non-operational status is less a sign of permanent commercial failure and more a reflection of pre-launch setup, app store approvals and capital friction.

Most (75.0% or 9 beneficiaries) of the non-operation cases are attributed to developmental and life-stage pauses as entrepreneurs deal with facility expansion, platform compliance or personal obligations.

As beneficiaries said in verbatim feedback, ventures are still paused

"Still constructing for more expansion and still putting other things into place"

or waiting for platform deployment, were

"Our application is LIVE on the Play Store and Apple while we await approval from Apple for some minor changes."

Others have disruptions to their personal life stage, for example,

"Still a nursing mother, business is not in Uyo and lots of stress."

In addition, 16.7% of non-operational cases (2 mentions) are attributed to capital shortfalls and inflationary overheads, where a high shop rent and increasing accessory costs mean active trading is delayed despite receipt of a grant.

"Due to the prices of accessories and rent for the shop going very high."

Beneficiaries reported that

"I have 5000 dollars, but I need more money to start. I hope I'll get started before the end of the year."

Despite the temporary closures, the intention to reopen is very high: 91.7% of beneficiaries that are currently not operational (11 out of 12) are confident to restart operations by next quarter, 8.3% (1 beneficiary) is still undecided, and no one has indicated permanent closure.

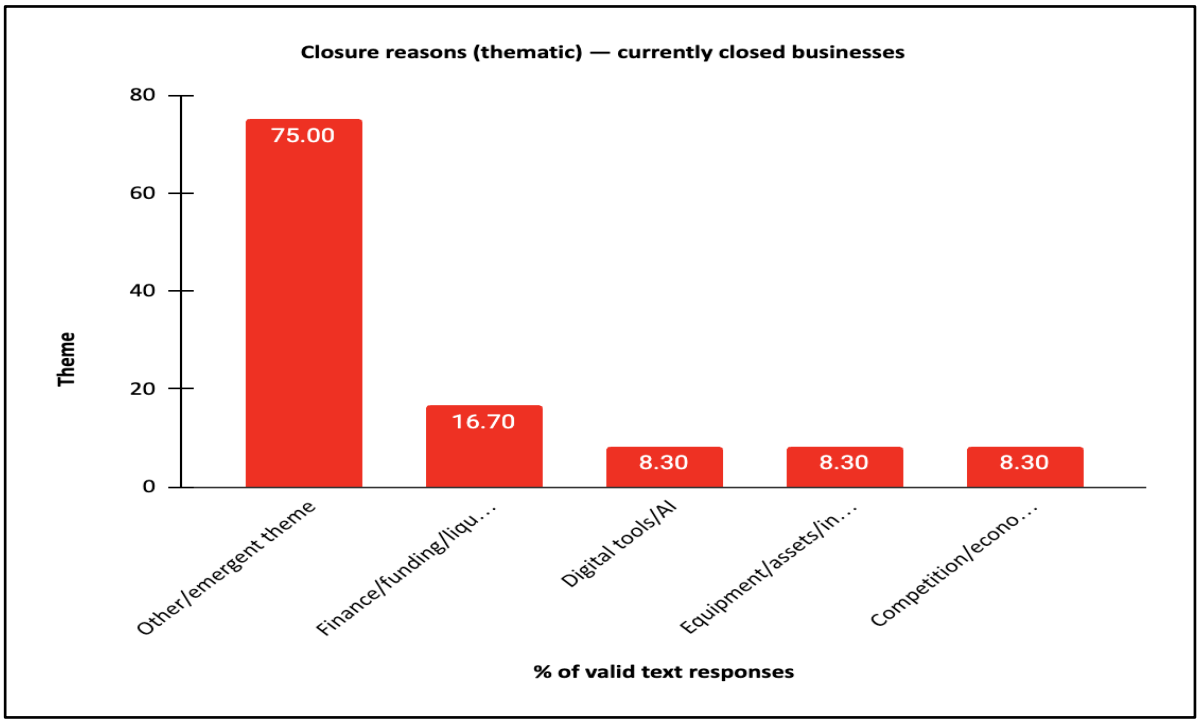


FIGURE 6: CLOSURE REASONS (THEMATIC)

Among the Operational MSMEs, temporary closures are influenced by different cash flow, seasonal and environmental factors.

The single largest barrier is the limitation on working capital and cash flow liquidity, which comprises 22.1% of mentions (50 mentions) among active beneficiaries who experienced temporary quarterly suspensions. Beneficiaries reported experience of

"occasional operational instruction mainly due to limited working capital, delay in marketing and client accusation and difficulty covering from recurring operational cost".

Seasonality and personal or maternity obligations account for 12.4% of mentions (28 mentions), with family obligations or health requirements temporarily stopping production. Others reported,

"I was pregnant and couldn't juggle business with family pressure."

As beneficiaries shared,

"The problem I had was when I put to birth I couldn't cope, so I took a break which slowed down production, but I am back to business fully, and we are trying to grow."

Finally, 10.2% of temporary interruptions are caused by bottlenecks in infrastructure, energy and supply chain (23 mentions), led by

"Power outage and government policy", "The cost of transport and vehicles"

and challenges in

"Access to suppliers of the equipment and health conditions."

Such operational challenges notwithstanding, inferential hypothesis testing reveals that business survival is not sex dependent, demonstrating that ventures led by women are as resilient as ventures led by men at the baseline.

DETAILED FINDINGS BY MONITORING DOMAIN

The following subsections provide empirical evidence across the core monitoring domains, using the survey dataset of Transcorp group-supported beneficiaries, with a focus on training engagement, business performance, operational resilience and financial sustainability.

PROGRAMME PARTICIPATION AND ENGAGEMENT (INPUTS / OUTPUTS)

High Training completion and mentorship adoption drive strong capacity building. An average of 2.05 modules per Transcorp group beneficiary was completed in TEF capacity building programs, signifying high participation by the beneficiaries.

Overall, 92.0% (253 of 275 operational beneficiaries) completed the core Business Management module, 68.0% (187) completed training in Artificial Intelligence, and 44.7% (123) completed Green/Sustainability modules.

Additionally, beneficiaries indicated a high level of practical application of learnings, with a mean score of knowledge application of 4.01 out of 5.0.

In total, 72.7% (200 of 275) of respondents applied training to a high or very high extent, with 121 (44.0%) applying to a high extent and 79 (28.7%) to a very high extent.

Twenty-six-point nine percent (74) applied to a moderate extent and only one (0.4%) reported low application.

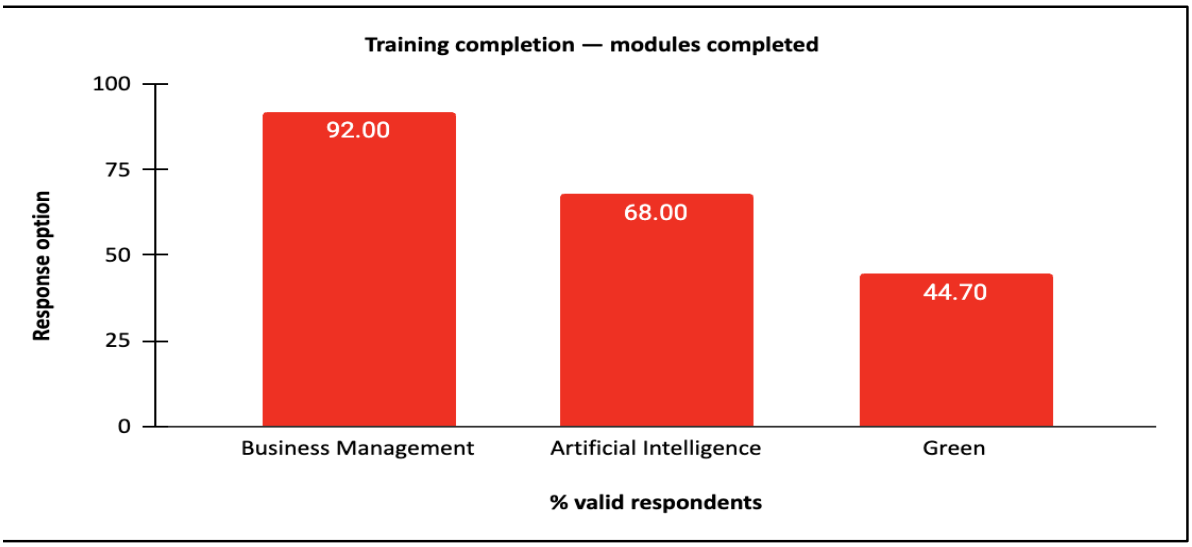


FIGURE 7: TRAINING COMPLETION-MODULES COMPLETED

Mentorship emerged as a key driver of decision-making, with 76.4% of operational beneficiaries (210/275) confirming mentorship directly influenced a major business decision this quarter.

Mentorship influence rates were consistently high across genders: 77.0% (77 of 100) for females and 76.0% (133 of 175) for males.

In terms of adopting specific practices, improved business planning and management was the most common operational improvement adopted by 66.2% of beneficiaries (182 of 275), followed by integration of artificial intelligence tools (22.5%, 62 beneficiaries) and green business practices (10.5%, 29 beneficiaries).

When asked to rank the single most helpful module, 68.4% (188) ranked Business Management, followed by Digital/Tech (17.8%, 49), Financial Literacy (8.0%, 22) and Climate/ Green (5.8%, 16).

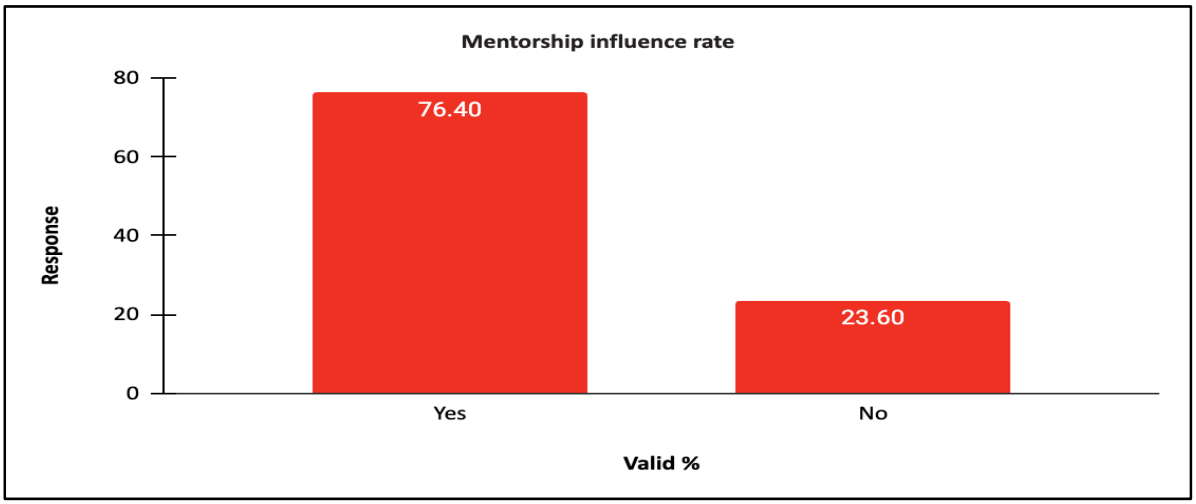


FIGURE 8: MENTORSHIP INFLUENCE RATE

Fast capital distribution and capital utilisation stress on productive fixed assets and operating expenses.

Capital disbursement was 100.0% of operational beneficiaries (275 of 275), each receiving their $5,000 USD TEF seed capital grant.

This is a total financial input of $1,375,000 USD deployed into the enterprise ecosystem.

The deployment efficiency has been extremely high, with 98.5% (271 out of 275) of the capital recipients actively deploying funding into operations.

Specifically, 59.8% of deployers (162 of 271) deployed between 76% and 100% of their seed capital, 25.5% (69) deployed between 51% and 75%, 11.8% (32) deployed between 26% and 50%, and 3.0% (8) deployed between 0% and 25%.

Only 2 beneficiaries (0.7%) have not yet used their funds, as they are holding them for future expansion or waiting for the start of operations.

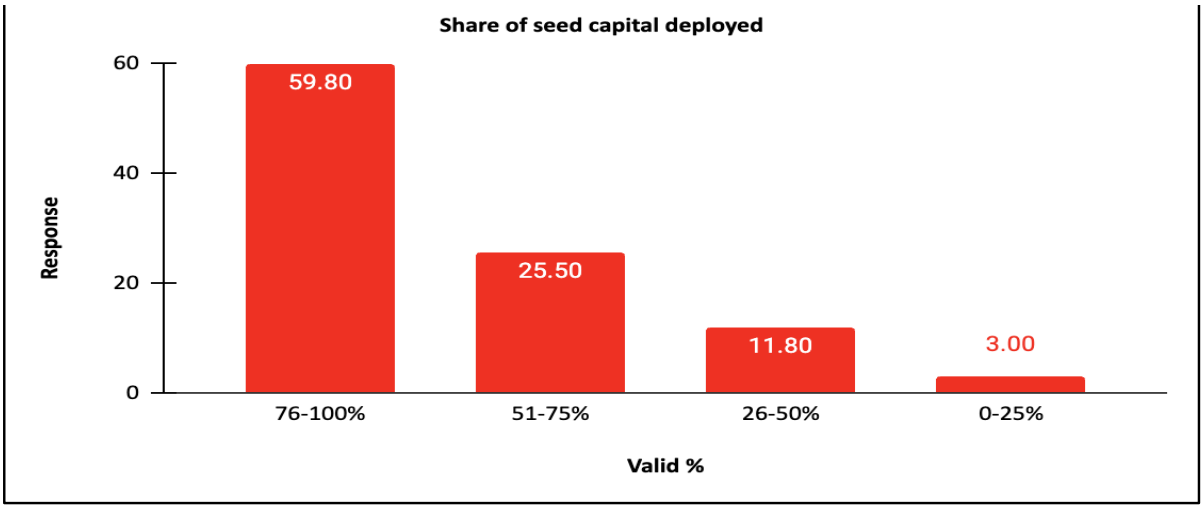


FIGURE 9: SHARE OF SEED CAPITAL DEPLOYED

The bulk of the funding was deployed on core productive assets and operational overheads as reflected in figure 10 below. Most deployers targeted Fixed Assets (144, 53.1%) with 91.0% (131) of these investing in machinery and

operational equipment, 21.5% (31) in buildings and facilities, and 19.4% (28) in land.

38.7% (105) of deployers reported spending on labour and human capital.

35.8% (97) of all deployers specifically spent on capital for wage payments.

82.0% (82 of 100) of labour spenders funded employee wages, while 40.0% (40) funded marketing/sales staff.

Deployers (95) paid for office and utility expenses 35.1% of the time with the major operational expenses being rent (84.2%, 80 of 95) and utilities (83.2%, 79 of 95).

Finally, in single-choice tracking, 48.3% (131 deployers) selected general Working Capital as their primary expenditure category and 42.1% (114 deployers) selected Direct Equipment Purchase as their primary expenditure category.

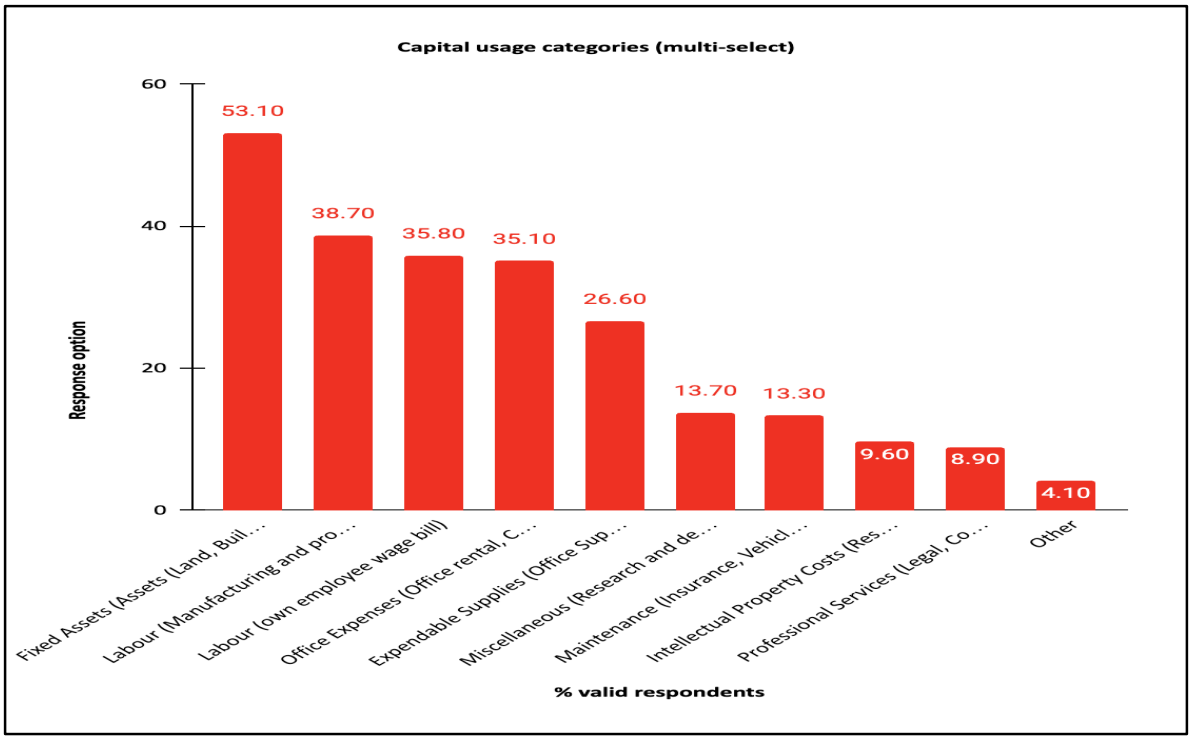


FIGURE 10: CAPITAL USAGE CATEGORIES

High institutional formalisation and multi-dimensional ecosystem engagement

The majority of the cohort was formally registered with the Corporate Affairs Commission (CAC), tax compliant and licensed by the industry (57.7% of qualitative mentions or 142 instances) as 95.6% of operational beneficiaries (263 out of 275) formalised their status.

Additionally, 54.5% (150 out of 275) of operational beneficiaries used TEF digital resources and external platforms, such as generative AI tools like ChatGPT and Gemini (34.0%, 51 mentions), TEFConnect networking

portals, and digital financial management templates (12.0%, 18 mentions).

"Yes. I have used some of the Tony Elumelu Foundation (TEF) digital products and tools to improve efficiency, including TEF Connect for networking and business collaboration..."

noted one beneficiary on the use of TEF digital platforms. Others focused on practical applications, citing

"Deployment of Artificial intelligence in my works"

and explaining how AI was
"used in creating public awareness to create messages for digital marketing."

The most common purpose entrepreneurs mentioned was using the

"Financial and Business Management Template"

to increase the efficiency of administrative and financial tasks.

Ecosystem leadership and market expansion were more visible across the cohort: 50.2% (138 of 275) took on formal community or industry leadership positions to mentor local youth, employees and peers; 37.5% (103 of 275) obtained new B2B or supply chain contracts (81.6% local [84], 11.7% regional [12], and 6.8% international [7]); 27.6% (76 of 275) engaged in MSME advocacy within their communities; and 20.4% (56 of 275) participated in policy reform activities, including SMEDAN stakeholder forums and trade association dialogues.

TABLE 1: PARTICIPATION & ENGAGEMENT KEY PERFORMANCE INDICATORS

Indicator / Metric	Cohort Value / Count	Denominator Base	Percentage (%)
Operational Business Rate	275	287 Consenting	**95.8%**
Seed Capital Disbursement Rate	275	275 Operational	**100.0%**
Seed Capital Deployment Rate	271	275 Recipients	**98.5%**
High Deployment Share (76–100% Deployed)	162	271 Deployers	**59.8%**
Business Management Training Completion	253	275 Operational	**92.0%**
Artificial Intelligence Training Completion	187	275 Operational	**68.0%**
Green / Sustainability Training Completion	123	275 Operational	**44.7%**
Mentorship Decision Influence Rate	210	275 Operational	**76.4%**
High/Very High Knowledge Application	200	275 Operational	**72.7%**
Business Formalisation Rate (Wave 1)	263	275 Operational	**95.6%**
TEF Digital Assets / AI Tool Adoption	150	275 Operational	**54.5%**
Community Leadership / Mentorship Roles	138	275 Operational	**50.2%**
New B2B / Supply Chain Contracts Secured	103	275 Operational	**37.5%**
MSME Advocacy Actions	76	275 Operational	**27.6%**
Policy Reform Participation	56	275 Operational	**20.4%**

THE 5-R OUTCOMES (RESULTS, ROLE, RELATIONSHIPS, RESOURCES, RULES)

The results are based on two key quantitative indicators of the Results pillar; Revenue Trends and Job Creation, supplemented by thematic insights and quotes from beneficiaries.

Resilient revenue growth across the cohort powered by scaling enterprises and market access. The Results dimension demonstrated broad-based revenue growth across active enterprises in the cohort. 65.5% of operating businesses (180 of 275) reported higher monthly revenue than the prior quarter, 28.7% (79 of 275) reported flat revenue, and only 5.8% (16 of 275) reported lower revenue, resulting in a Net Growth Score (% Increased – % Decreased) of +59.7 percentage points.

Among High and Medium Financial Confidence records (n = 242), revenue growth is even more pronounced, with 71.1% (172 of 242) reporting revenue growth and only 4.5% (11 of 242) reporting a decline

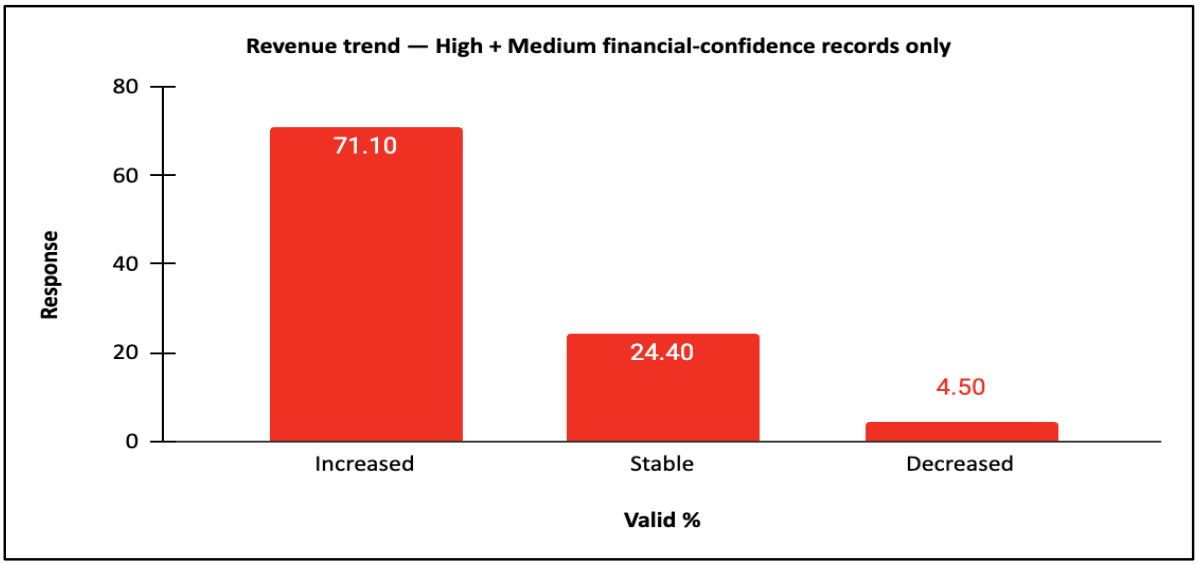


FIGURE 11: REVENUE TREND

Revenue performance was varied by business stage, gender and sector. Performance was led by Growth/Scaling enterprises with 76.3% (87 out of 114) experiencing revenue growth, versus 59.3% (86 out of 145) of Early Operation businesses (33.8% [49 out of 145] remained stable) and 43.8% (7 out of 16) of Idea/Prototype ventures (50.0% [8 out of 16] remained stable; n < 30).

From a gender perspective, female entrepreneurs had a slightly higher expansion rate of 69.0% (69 out of 100) than 63.4% (111 out of 175) for male-led businesses. The best performers by sector were Fashion/Textiles (78.9%; 15 of 19), Food Processing (76.0%; 19 of 25), Beauty/Cosmetics (75.0%; 6 of 8) and Fisheries/Aquaculture (75.0%; 6 of 8).

The main statistical drivers of this growth were market access and supply chain integration. Inferential analysis of the data revealed a statistically significant positive association between the acquisition of new B2B/supply chain contracts and revenue growth with 47.0% of growing companies acquiring new supply chain contracts.

The qualitative feedback demonstrates how the beneficiaries leveraged TEF digital resources, AI assets and infrastructure upgrades to tap into market demand. "Yep, definitely," the entrepreneurs told us.

"I have aggressively leveraged TEF's digital resources, mainly the TEFConnect portal and the online SME training modules, to drastically improve my business operations,"

noting the

"Deployment of Artificial intelligence in my works... Done social media marketing and AI to attract customers,"

while others noted operational investments:

"We modernised our water system by drilling a new borehole to have adequate water supply within the farm. "I have a contract to supply 200 chickens to an IDP camp."

SIGNIFICANT JOB CREATION AND WORKFORCE GROWTH

The cohort also helped create significant job creation, in addition to financial returns. The total workforce across the 275 operational enterprises grew from a baseline of 1,045 employees (3.80 per business in November 2025) to 1,655 workers in Q1 2026, made up of 828 full-time (3.01 per business) and 827 part-time employees (3.01 per business).

This figure represents a net addition of 610 new jobs or an average net creation of +2.22 jobs per enterprise (median = 1.0; range: −16 to +35 jobs).

Overall, 53.1% (146 of 275) of businesses were net job creators, 42.5% (117 of 275) of businesses maintained their headcount the same and only 4.4% (12 of 275) of businesses had workforce contractions.

Inferential analysis indicated that employment growth was evenly spread across the business stages and gender of beneficiaries, suggesting that workforce expansions are consistent regardless of the enterprise maturity or founder gender.

Beneficiaries observed use of business expansion for local skills development, mentoring and employment of vulnerable populations, stating goals such as: Creating employment opportunities and skills in the event industry for the vulnerable and less privileged, youth, women while others highlighted structured internal training. In the beneficiaries' own words;

"I have students learning from me so I can say I am a mentor...", *"we give them knowledge after training called the mentorship class where we teach them how to go about business, and yes, I have training for my employees and customers..."*.

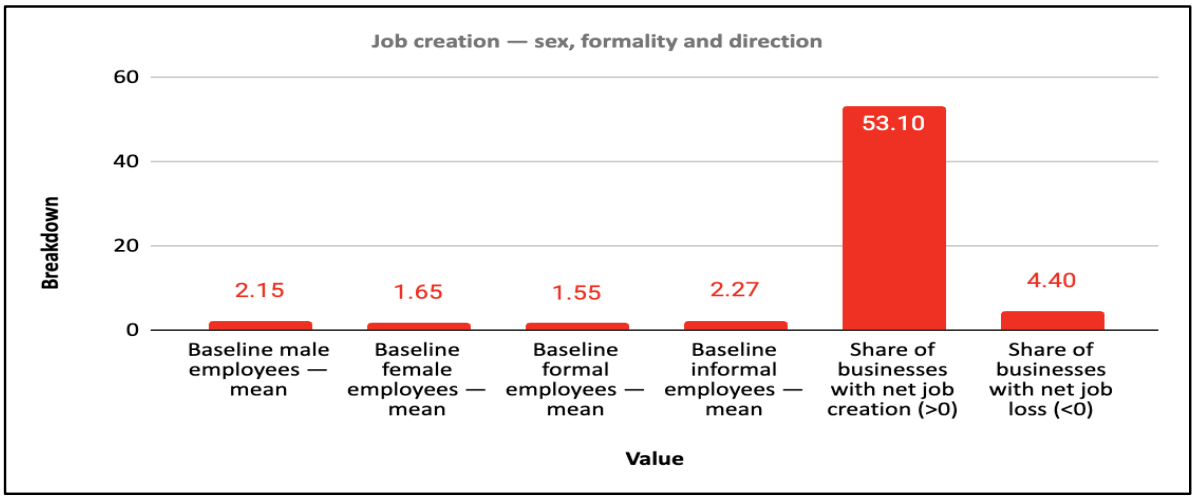


FIGURE 12: JOB CREATION

Despite these positive performance trends enterprises faced significant macro and operational constraints. The key barriers are high raw material and production costs (42.5%, 117 of 275), lack of market access (39.3%, 108 of 275), liquidity and cash flow friction (26.2%, 72 of 275), and strong market competition (21.1%, 58 of 275).

Qualitative accounts elaborate on how inflationary pressure, facility overheads and

personal life transitions cause temporary operational shocks:

"Due to prices of accessories and rent for shop went very high. I got 5000 dollars but I have to get more money before I start."

Family obligations

"

The problem I had was when I put to birth I couldn't cope so I took a break which slowed down production but am back to business fully and we are trying to grow."

Infrastructure deficits

"Cost of materials, transport and Electricity... Power outage and Government policy."

TABLE 2: RESULTS INDICATORS

Indicator / Metric	Sample Size (N)	Quantitative Result	Top Category / Key Finding
Operational Status	287	**95.8% Operational** (n=275)	4.2% Closed (n=12)
Revenue Trend (Overall)	275	**65.5% Increased** (n=180)	28.7% Stable (n=79), 5.8% Decreased (n=16)
Revenue Trend (High/Med Conf.)	242	**71.1% Increased** (n=172)	24.4% Stable (n=59), 4.5% Decreased (n=11)
Growth Stage Revenue Increase	114	**76.3% Increased** (n=87)	Highest expansion rate by business stage
Female Entrepreneur Revenue Increase	100	**69.0% Increased** (n=69)	Higher expansion vs Male (63.4%, n=111/175)
Total Current Workforce	275	**1,655 total workers**	828 Full-Time, 827 Part-Time
Net Jobs Created	275	**+610 net new jobs**	Mean of **+2.22 jobs** per enterprise
Share of Net Job Creators	275	**53.1% (>0 net jobs)** (n=146)	42.5% Stable (n=117), 4.4% Loss (n=12)

STRONG ENGAGEMENT IN COMMUNITY LEADERSHIP AND MENTORSHIP

Within the Transcorp group cohort, 57.8% (159 of 275 operational beneficiaries) activated the overall Role dimension of the 5-R framework through activities such as leadership, mentorship, or advocacy. Specifically, 50.2% (138 of 275) were in formal leadership or mentorship roles in their communities or industries.

However, descriptive monitoring indicates a considerable gender gap in the uptake of leadership roles: 56.0% (98/175) of male entrepreneurs or role models took a leadership or mentorship role, compared to 40.0% (40/100) of female entrepreneurs or role models, a gap of 16.0 percentage points and an important target area for female empowerment efforts. Mentorship had a particularly large impact beyond formal leadership: 76.4% (210 of 275) of beneficiaries said mentorship directly helped them make a key business decision, with female (77.0%) and male (76.0%) entrepreneurs benefiting at nearly identical levels.

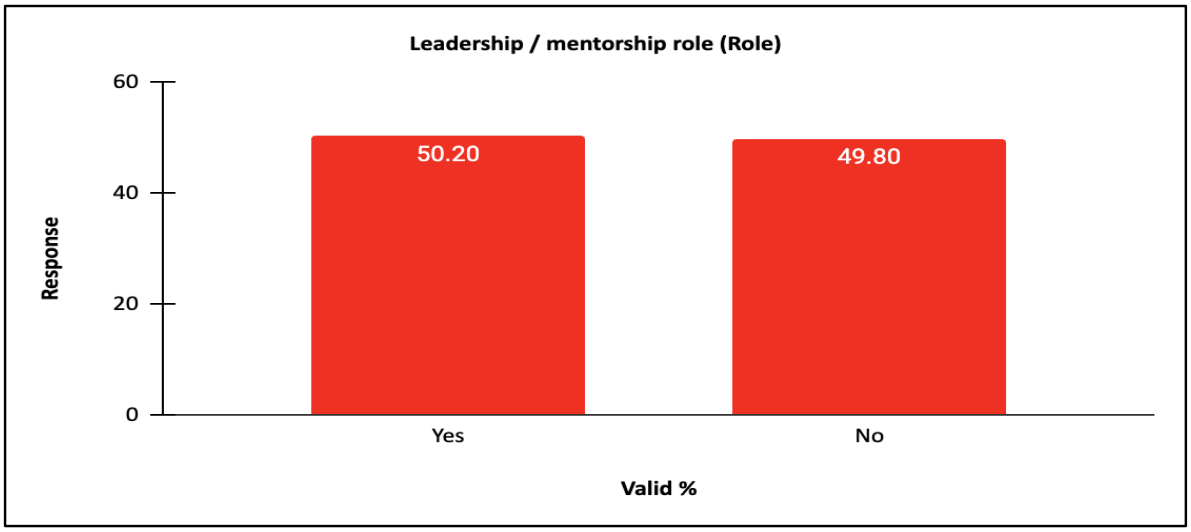


FIGURE 13: LEADERSHIP/MENTORSHIP ROLE

Qualitative feedback from beneficiaries in active leadership positions (n=138) indicates that the engagement revolved around peer-to-peer training (27.5%, 38 mentions), networking and community partnerships (17.4%, 24 mentions), and climate or clean energy leadership (17.4%, 24 mentions), as well as digital skills development (12.3%, 17 mentions).

Entrepreneurs often established structured apprenticeship programs.

"I have students learning from me so I can say I am a mentor and not only learning, we give them knowledge after training called the mentorship class where we teach them how to go about," one beneficiary said. while others offered practical advice:

"Advise on how to work with clients on marketing skills".

Leaders actively promoted local economic participation in community outreach:

"There are some individuals that came to learn from me, have also done advocacy in my community to go into fish business. "Because, in my place, fish is a necessity because of the distance..."

and civic engagement:

"Community member that I am, I raise awareness on the importance of reporting and

civic participation."

Beneficiaries also took up roles as local sustainability champions to promote energy transition:

"*Encouraging my community that solar is cheaper and more economical, encouraging them to not rely on NEPA.*"

while others progressed into formal institutional leadership roles:

"*I was appointed as the Programs Officer for Sustainability at a technology foundation driving technological advancements in underserved communities across Nigeria and Africa at large.*"

GROWING ADVOCACY FOR MSMES AND PROACTIVE PUBLIC AWARENESS ACTIONS

During the quarter, 27.6% (76 out of 275 operational beneficiaries) were actively involved in grassroots MSME advocacy and public awareness campaigns in collaboration with leadership to promote wider enterprise inclusion, policy awareness and civic participation.

Active advocates (n = 76) mostly focused on networking and investment promotion (14.5%), youth and vulnerable group skill development (14.5%), awareness of digital resources (11.8%), climate adaptation (11.8%) and education around regulatory or tax policy (10.5%).

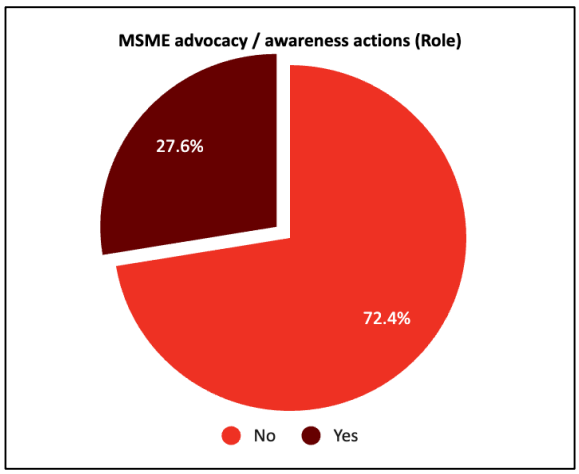


FIGURE 14: MSME ADVOCACY/AWARENESS ACTIONS

Qualitative reports underscore the importance of social inclusion and empowerment of persons with disabilities (50.0% of emergent/ inclusive themes, 38 mentions), with one advocate stating:

"We had a gathering of persons with disabilities; I had to talk on doing things that will improve their lives, and also the TEF foundation was mentioned."

Another focused on workforce inclusion:

"Creating employment opportunities and skills in the event industry for the vulnerable and less privileged youth women."

The advocates also said national regulatory policy connected to local business owners,

"Yes. I did advocacy and awareness creation activities for Micro, Small and Medium Enterprises (MSMEs) during this quarter. I engaged entrepreneurs through community outreach..."

and

"I have done trainings for entrepreneurs on the new tax reform and how to position themselves for grants." opportunities." "I also interviewed secondary school students."

Additionally, 2.6% (2 mentions) of advocates participated in international trade and regional policy dialogues through platforms such as the "Africa Digital Health Summit" and the "AfCFTA Digital Trade Forum."

TABLE 3: ROLE INDICATORS

Indicator / Metric	Sample Base (N)	Count (n)	Percentage (%) / Score	Key Context / Disaggregation
5-R Role Dimension Score	275	159	**57.8%**	Activated either leadership or advocacy
Overall, 5-R Systemic Pulse Score	275	—	**3.28 / 5.00**	Composite pulse mean across all 5 dimensions
Leadership / Mentorship Role Uptake	275	138	**50.2%**	Took on community/industry leadership
— Male Leadership Rate	175	98	**56.0%**	Gender disaggregation
— Female Leadership Rate	100	40	**40.0%**	Gender disaggregation (16.0% gap)
Mentorship Decision Influence	275	210	**76.4%**	Mentorship informed business decisions.
MSME Advocacy / Awareness Actions	275	76	**27.6%**	Executed inclusion/awareness actions

RELATIONSHIPS: MARKET LINKAGES

The Relationships dimension, which is one of the five dimensions of the 5-R evaluation framework (Results, Role, Relationships, Resources and Rules), measures market linkages, i.e., new B2B or supply-chain contracts secured by supported enterprises.

LOCAL MARKETS DOMINATE B2B LINKAGES, BUT SCALED VENTURES REACH REGIONAL AND GLOBAL HORIZONS

During the monitoring period, 37.5% of the operating companies (103 out of 275 companies) managed to sign new commercial contracts. This market integration is a major commercial driver of the entrepreneurs' businesses.

The reach of the market is very much tied to the immediate domestic supply chain. Local supply agreements were secured by 84 businesses (81.5% of the contract-holding ventures; 30.5% of total operational enterprises), indicating deep current market reach. But more established businesses did manage to reach beyond their frontiers.

Regional contracts across state or national borders were secured by 11.7% (12 businesses; 4.4% of total), while penetration of international supply chains was 6.8% (7 businesses; 2.5% of total), giving an overall average market reach score of 1.25 out of 3.00 amongst contract holders.

Acquisition of market linkage was focused on operationalised ventures in their development stages.

Growth/Scaling stage businesses secured 50 total contracts (41 local [82.0%], 6 regional [12.0%], and 3 international [6.0%]), and Early Operation stage firms secured 47 contracts (38 local [80.9%], 6 regional [12.8%], and 3 international [6.4%]).

Conversely, ventures in the Idea/Prototype stage won only 6 contracts (5 local [83.3%] and 1 international [16.7%]).

By sector, Agribusiness & Agriculture had the highest contract volume with 23 linkages combined, followed by Food Processing (12 contracts) and Technology/ICT (11 contracts). Specialised sectors exhibited a high level of international export orientation.

For example, 50.0% of all contracts in Manufacturing (2 out of 4) were international.

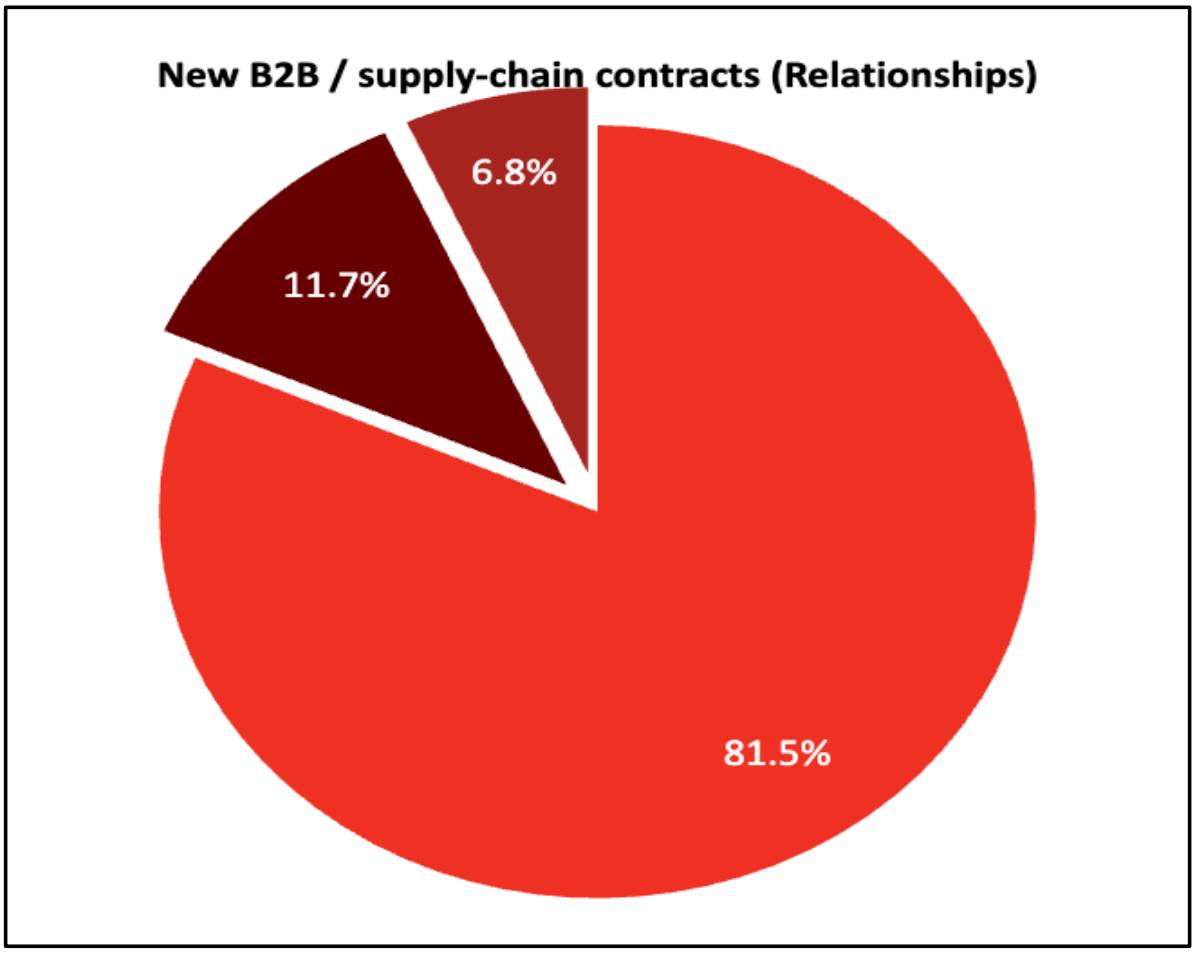


FIGURE 15: NEW B2B/SUPPLY CHAIN CONTRACTS (RELATIONSHIP)

STATISTICALLY SIGNIFICANT LINK BETWEEN MARKET CONTRACTS AND REVENUE GROWTH

Inferential analysis indicated a statistically significant association between the attainment of new supply-chain contracts and reported revenue growth ($p = 0.003$). The exact statistical test and effect estimate should be inserted from the analysis output before final publication.

Descriptively, 47.0% of businesses reporting revenue growth had new B2B or supply-chain contracts, compared with a lower proportion among non-growing enterprises.

The qualitative evidence points to the fact that these commercial linkages were opened up by advances in infrastructure, regulatory accreditations and foundation online resources such as TEFConnect.

For example, an agricultural beneficiary narrated how the upgrading of infrastructure enabled institutional supply directly:

"*We modernised our water system by drilling a new borehole to have adequate water supply within the farm. "I got a contract to supply 200 chickens to an IDP camp.*"

In Food Processing, there was a recurring demand through a

"*supply agreement to be supplying local supermarket*",

under formal agreements. Similarly, international reach was dependent on formal accreditations, as one logistics venture pointed out the need to

"*acquire an International Air Transport Association (IATA) licence to help operate on a global scale.*"

Digital resources mattered, too: entrepreneurs highlighted the value of using

"TEF Connect for networking and business collaboration".

But for some MSMEs, market constraints exist, as beneficiaries reported low patronages or

"*occasional operational interruption primarily due to limited working capital, delay in marketing and client acquisition.*"

TABLE 4: RELATIONSHIP INDICATORS

Market Scope / Metric	Beneficiaries (n)	% of Valid Contract Holders (n=103)	% of Total Operational (n=275)
Local Contracts	84	81.5%	30.5%
Regional Contracts	12	11.7%	4.4%
International Contracts	7	6.8%	2.5%
Total Operational Businesses with Contracts	**103**	**100.0%**	**37.5%**

RESOURCES: DIGITAL ASSETS AND TOOL ADOPTION

In the 5 R framework (Results, Role, Relationships, Resources, and Rules), Resources captures programme fidelity and capacity-building uptake, specifically assessing how micro, small, and medium enterprises (MSMEs) leverage programmatic assets, institutional portals, and external digital/technological tools to enhance operational efficiency.

MULTI-TIERED DIGITAL TOOL STACK: FROM FOUNDATION PORTALS TO GENERATIVE AI

Of the active and operational enterprises within the Transcorp group cohort (n=275 (out of 287 consenting beneficiaries), 54.5% (150 enterprises) were actively using Tony Elumelu Foundation (TEF) digital resources, toolkits and emerging technologies. In this monitoring quarter, 45.5% (125 enterprises) indicated that they had not yet implemented digital resources.

Active tool adopters (n=150) were using a complex, multi-tiered digital stack that included basic administrative software, foundational platforms, artificial intelligence, operational templates, and digital marketing. Beneficiaries actively used the TEFConnect portal as an institutional anchor for peer-to-peer networking, B2B engagement and self-paced management courses. A technology and professional services entrepreneur confirmed this platform adoption, saying,

"Yes, absolutely. I have taken full advantage of the digital resources of TEF, especially the TEFConnect portal and the online SME training modules, to transform my business operation significantly. "

An enterprise beneficiary of the farm also spoke about the significance of these core digital resources to promote ecosystem cooperation, stating,

"Yes. I have leveraged various Tony Elumelu Foundation (TEF) digital resources and tools to increase efficiency, such as TEF Connect for networking and business collaboration... The resources on the TEF Connect platform."

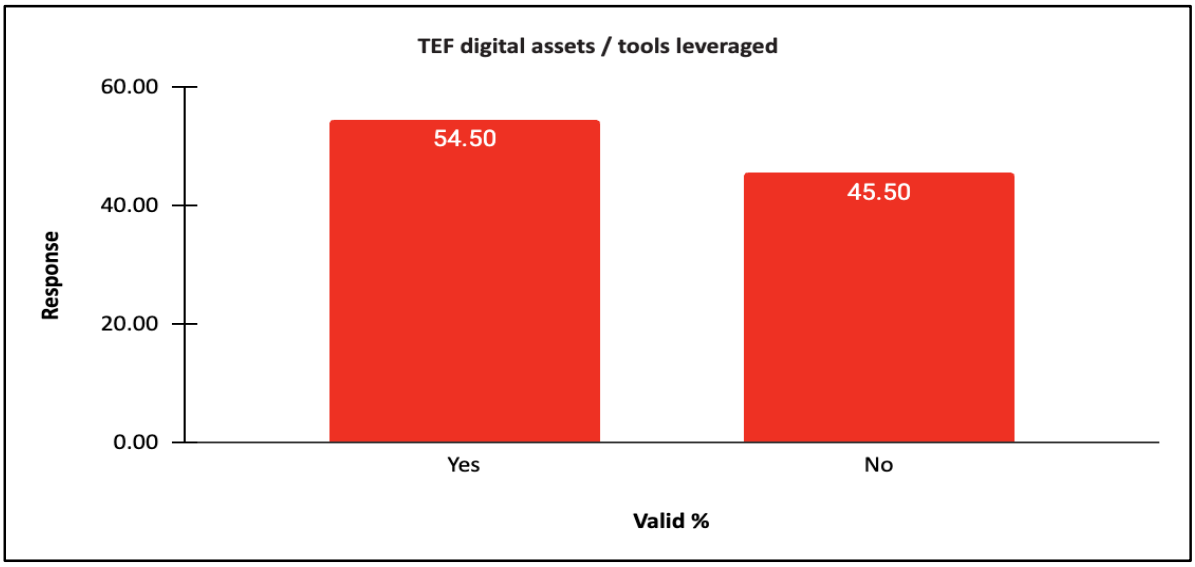


FIGURE 16: TEF DIGITAL ASSETS/TOOLS LEVERAGED

More significantly, in this monitoring wave, generative AI and modern automation are organically becoming infused into everyday enterprise activities (34.0% of digital/AI mentions, 10.0% of ChatGPT/LLM mentions).

Beneficiaries regularly applied tools such as ChatGPT, Google Gemini, Anthropic Claude and Grok to execute tasks such as automated copywriting, marketing collateral generation and virtual business advisory. A creative media entrepreneur said their technology stack is

"Artificial intelligence, Claude, Canva, ChatGPT, and Grok."

An early-stage MSME said they used

"Deployment of Artificial intelligence in my works... Use of AI to gain more customers outside the state."

In e-commerce and retail, entrepreneurs directly drove automation to client interfaces; one online retailer described how

"AI automation and AI agents give full knowledge about my business; chatbots are AI assistants to give answers that are needed on my website."

Technology ventures recorded institutional readiness, complementing front-end automation, with one ICT founder saying,

"We have registered our business with the CAC, and also domain names and hosting have been procured for the web application."

Beyond automation and marketing, standardised financial and business templates provided structural support for operations (12.0% operations, 6.0% finance).

Entrepreneurs used TEF forecasting models and budgeting tools to improve financial control, which is consistent with financial triangulation data indicating that 50.9% of the cohort maintains formal records.

"I used the Financial Projection Model for my business accounting,"

said a manufacturing entrepreneur.

A food processing entrepreneur explained how using the

"Financial and Business Management

Template"

helped shape the structure of the business and marketing.

ASSOCIATION BETWEEN TEF ONLINE ASSET USE AND REPORTED REVENUE PERFORMANCE

To determine if the use of TEF online assets is related to a different revenue trend, inferential testing was used to understand the direct impact of technology use on revenue performance.

The result indicates that digital asset adoption is largely an efficiency baseline and not a standalone driver for immediate top-line revenue growth as early-stage ventures continue to navigate macro factors such as working capital constraints and inflation.

TABLE 5: RESOURCES INDICATORS

Digital Asset / Tool Theme	Mentions (n)	% of Valid Responses (n = 150)	% of Total Operational Cohort (n = 275)	Primary Use Case Identified
Digital tools / AI (General)	51	34.00%	18.50%	General automation, training skills, workflows
Other digital tools/software	46	30.70%	16.70%	Sector-specific software, communication apps
Equipment, assets & platforms	39	26.00%	14.20%	TEFConnect platform, hardware integration
Market access & customer outreach	20	13.30%	7.30%	Lead generation, digital advertising, audience growth
Operations & business management	18	12.00%	6.50%	Standard operating templates, project tracking
ChatGPT & Generative AI models	15	10.00%	5.50%	Copywriting, customer engagement, strategy support
Social media marketing	11	7.30%	4.00%	Promotional campaigns, social presence
Finance, funding & projection models	9	6.00%	3.30%	TEF financial projection models, cost tracking
Training & mentorship resources	8	5.30%	2.90%	SME knowledge modules, masterclasses
Networking & ecosystem partnerships	4	2.70%	1.50%	B2B supplier collaboration via TEFConnect
Graphic design & media (e.g., Canva)	2	1.30%	0.70%	Brand identity, marketing visual collateral

RULES: FORMALISATION AND POLICY ENGAGEMENT

In the 5-R Systemic Pulse composite framework, the Rules dimension is a binary indicator that is satisfied if an operational business either completes business status formalisation or participates in entrepreneurship policy reforms.

FORMALISATION & POLICY REFORM DYNAMICS

The data shows that official status formalisation largely drives the structural foundation for entrepreneurs. In this monitoring wave, 263 of the 275 operational businesses (95.6%) were actively formalising their operations, while 12 businesses (4.4%) remained informal.

Statutory compliance was near-universal across sectors, with 100% formalisation achieved in Technology/ICT (27 out of 27), Food Processing (25 out of 25), Fashion/ Textiles (19 out of 19), Beauty/Cosmetics (8 out of 8), Fisheries/Aquaculture (8 out of 8) and Livestock (9 out of 9), while remaining high in Agribusiness (24 out of 26, 92.3%) and Agriculture (36 out of 41, 87.8%).

The inferential analysis further supported that formalisation is statistically independent of business stage, indicating that entrepreneurs value legal standing irrespective of their enterprise's maturity.

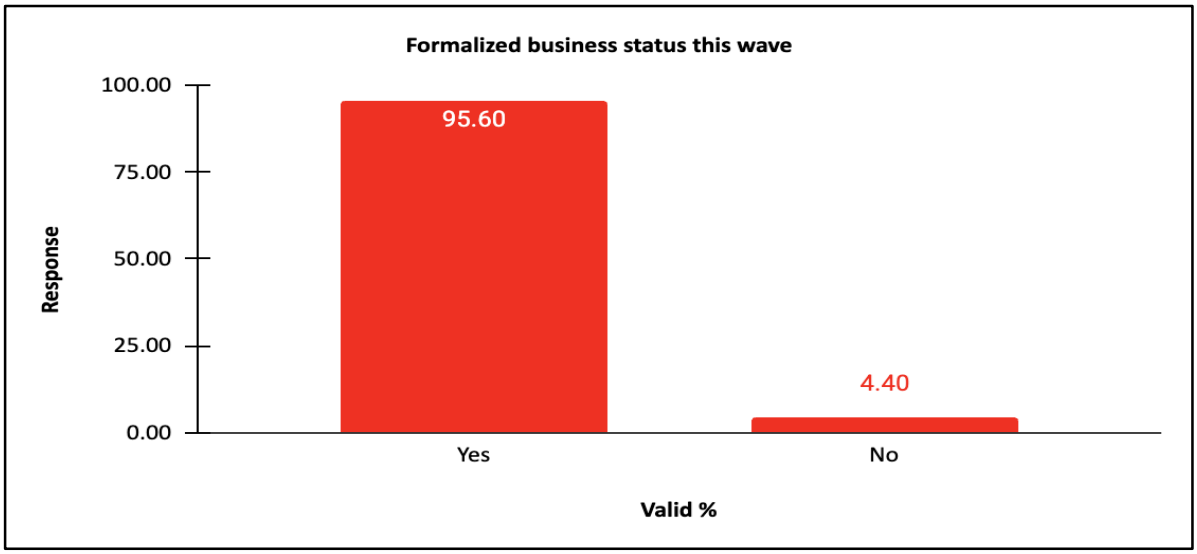


FIGURE 17: FORMALIZED BUSINESS STATUS THIS WAVE

Thematic analysis of qualitative accounts suggests that statutory corporate registration, tax upgrades and specialised industry licensing are the main drivers of formalisation.

Of the 246 valid qualitative responses, 142 (57.7%) were directly related to Corporate Affairs Commission (CAC) and Business Name Registration (BRS) filings, with the beneficiaries saying,

"Registered with CAC, BRS | My business is officially registered."

Some sought wider market entry via trade body accreditations and sector associations:

"CAC Registration, registered with the palm oil business association, registered with the vendors association, and SMEDAN registration, was able to acquire an International Air Transport Association (IATA) licence to help operate on a global scale. "

Simultaneously, an expanding subgroup of 8 responses (3.3%) referred to digital formalisation, combining statutory setup with web infrastructure:

"Registration with CAC, corporated, registered website | Business is registered with the CAC and also domain name and hosting have been procured for the web application."

Statutory registration of business is almost universal. Active participation in policy reform, however, is a selective, strategic extension of rule participation, involving 56 of the 275 operating businesses (20.4%).

Thematic Areas of Policy Reform Engagement (n=56) 2. Climate & Environment Policy (7 mentions, 12.5%) 2. Training, Mentorship & Policy Awareness (6 mentions, 10.7%) 3. Registration, Regulation & Tax Reform (6 mentions, 10.7%) 4. Networking & Institutional Coalitions (5 mentions, 8.9%) 5. Labour & Legislative Domestication (1 mention, 1.8%)

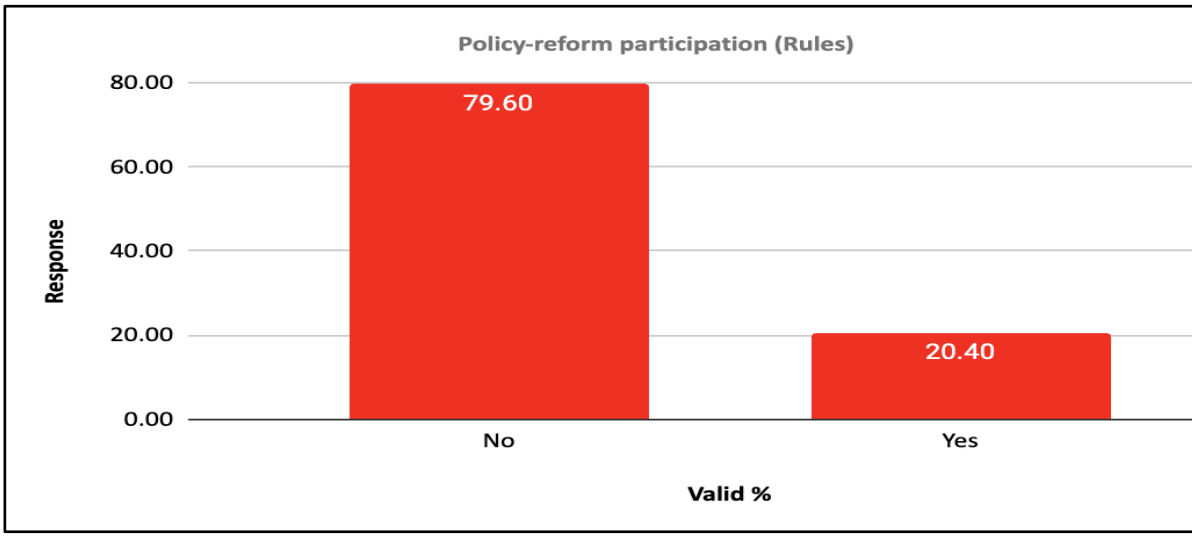


FIGURE 18: POLICY REFORM PARTICIPATION

Qualitative evidence suggests that entrepreneurs participate in policy reform through direct institutional advocacy and media dialogue and legislative frameworks.

"I was part of the team that domesticated the Nigerian Startup Act in Enugu and Kano State," said one beneficiary, speaking on direct policy domestication."

Others engaged through government MSME coalitions and environmental awareness programmes:

"In SMEDAN we have an association that formulates policies to help entrepreneurs within our community, and I am one of the stakeholders.

We also do sensitisation on the FAO. Finally, entrepreneurs utilised broadcast media and digital platforms to inform peers on macroeconomic developments:

"Through my content on policy reforms and how they affect business owners and entrepreneurs

I have contributed to policy reforms for entrepreneurship... I speak on radio as a co-host, where I serve as an in-house business and economic analyst."

COMPOSITE 5-R SYSTEMIC PULSE

The Composite 5-R Systemic Pulse for the Transcorp group partner cohort (2025 Cohort, Q1 2026 monitoring wave) showed an overall mean systemic pulse score of 3.28 out of 5.00 across active enterprises (N = 275 operational businesses out of 287 consenting beneficiaries).

The 5-R outcome framework measures five fundamental pillars of enterprise viability and systemic integration: Rules, Results, Role, Resources and Relationships.

Compliance and revenue performance are significant determinants of current enterprise performance across the cohort.

Almost all enterprises were formalised under the Rules pillar, with 96.4% (265 of 275) of operational enterprises meeting the benchmark.

Formal registration status was held by 263 firms (95.6%), and 56 firms (20.4%) were actively involved in policy-reform initiatives.

Likewise, the Results dimension also shows strong commercial momentum, with 82.2% (226 firms) growing through increased revenues or job creation.

180 enterprises (65.5%) reported higher revenues for the month over the previous

quarter, with an average increase of 2.22 employees per enterprise.

Meanwhile, leadership engagement and digital asset adoption are making moderate but promising strides across the ecosystem.

Active community leadership is found in 57.8% (159 enterprises) of the Role pillar, with 138 (50.2%) founders actively involved in direct peer mentorship and 76 (27.6%) founders leading local MSME advocacy campaigns.

In terms of Resources, 54.5% (150 operating companies) regularly leverage Tony Elumelu Foundation (TEF) digital resources, business planning software and digital marketing/AI tools to build their internal capabilities.

In contrast, market linkages under the Relationships pillar represent the main commercial bottleneck, lagging behind other dimensions at 37.5% (103 out of 275 operational firms securing new B2B or supply-chain contracts). Market access is limited (average rating of 1.25 out of 3.0).

Contract attainment heavily skews toward mature early- and growth-stage firms (81.6% of new contracts) compared to idea-stage ventures (6.8%).

While these market reach differences exist, The analysis did not identify a statistically significant difference in overall 5-R pulse scores across business-development stages (Idea, Early and Growth/Scaling).

The statistical test, p-value and sample sizes should be reported with this finding before publication. The descriptive findings should not be interpreted as evidence that systemic strength is equally distributed across all stages without considering the different stage sample sizes.

TABLE 6: SUMMARY OF THE 5-R DIMENSIONS

5-R Dimension	Defining Metric / Criteria	Fulfilling Businesses (n)	Eligible Cohort (N)	Adoption Rate (%)
Rules	Business formalisation / registered status or policy engagement	265	275	**96.40%**
Results	Positive quarterly revenue trend or net job creation	226	275	**82.20%**
Role	Peer mentorship / leadership or MSME advocacy activity	159	275	**57.80%**
Resources	Leverage of TEF digital platforms and enterprise tools	150	275	**54.50%**
Relationships	Execution of new B2B or supply chain contracts	103	275	**37.50%**
Composite Mean Score	**Average 0–5 flag count among operational businesses**	—	**275**	**3.28 / 5.0**

ADAPTIVE MANAGEMENT & RAPID ALERTS: CHALLENGES AND SUPPORT NEEDS

This section examines the key operational challenges and support requirements facing beneficiaries within the Transcorp group cohort.

By synthesising quantitative rankings of market and macroeconomic bottlenecks, rapid-alert risk classifications, and evolving enterprise support needs, the following analysis establishes an evidence-based framework for proactive program intervention and adaptive management.

The data explores Bottleneck Scan to reveal the convergence of macro-level inflationary pressures, operational friction points and urgent capital needs across beneficiary businesses in the Transcorp group partner cohort (2026 Quarterly Monitoring Wave).

It uses quantitative ranking of constraints and qualitative narratives to show how operational hurdles evolve as ventures grow and to identify rapid-alert risk flags that require targeted support.

MACRO-INFLATIONARY COST SPIKES AND MARKET ACCESS CONTRACTIONS DOMINATE ENTERPRISE ROADBLOCKS

Production and Input Inflation as Primary Friction Inflationary pressures on raw materials and operational inputs are the single most common bottleneck, impacting 44.8% of operational respondents (117 businesses) (N=261 (valid respondents).

This scenario means systemic macroeconomic volatility, with capital grants eroded by inflation before being deployed in full.

Market access barriers are strong across all sectors, with customer acquisition and commercial distribution networks in second place, affecting 41.4% of operational respondents (108 businesses). Younger companies, by contrast, have a particularly challenging time getting customers, and expanding ones run into distribution bottlenecks.

Data also shows that working capital and liquidity constraints directly affect 27.6% of active respondents (72 enterprises); cash flow deficits and elevated unit costs create a compounding cycle of financial strain.

Qualitative evidence reveals that beneficiaries describe how the costs of inputs combine with fixed overheads to suspend or slow down business operations. In their words

"Due to the prices of accessories and rent for shops going very high. I got $5000, but I need to get some more money before I start..." "Cost of materials, transportation and electricity"

And

"occasional operational interruption mainly due to shortage of working capital, delay in marketing and client acquisition and difficulty in covering from recurring operational cost"

BOTTLENECKS SHIFT DYNAMICALLY ACROSS PHASES OF BUSINESS AND INDUSTRY PROFILES

The main operational bottlenecks dynamically shift at different stages of business development, depending on the maturity of the enterprise.

The main challenge in the phase of Early Operation (n=145) is to get market access, as indicated by 46.2% of the companies, (n=67), followed by high costs of raw materials (42.1%, n=61) and liquidity constraints (27.6%, n=40).

However, Growth/Scaling stage ventures (n=114) are mainly held back by input costs, with 43.9% (50 ventures) citing the high cost of raw materials as their biggest constraint.

Of these scaling firms, 33.3% (38 businesses) are still worried about market access, followed by competition and liquidity constraints (21.1%, or 24 businesses, respectively).

Operational requirements in some sectors also mean they have different vulnerability profiles. Fashion & Textiles enterprises (n=19) are under severe multi-dimensional pressure, led by input costs (73.7%, 14 businesses), market access barriers (57.9%, 11 businesses) and multiple taxation (31.6%, 6 businesses).

For Food Processing (n=25), heavily focused challenges are raw material costs (68.0%, 17 businesses) and market access (40.0%, 10 businesses). Agriculture (n=41) is most affected by input inflation (58.5%, 24 businesses) and market access challenges (43.9%, 18 businesses).

Meanwhile, Agribusiness (n=26) is clearly liquidity-constrained, with 53.8% (14 businesses) identifying working capital as the key barrier to scaling. Technology/ICT (n=27) The primary challenge is customer acquisition Market access is cited by 40.7% (11 businesses)

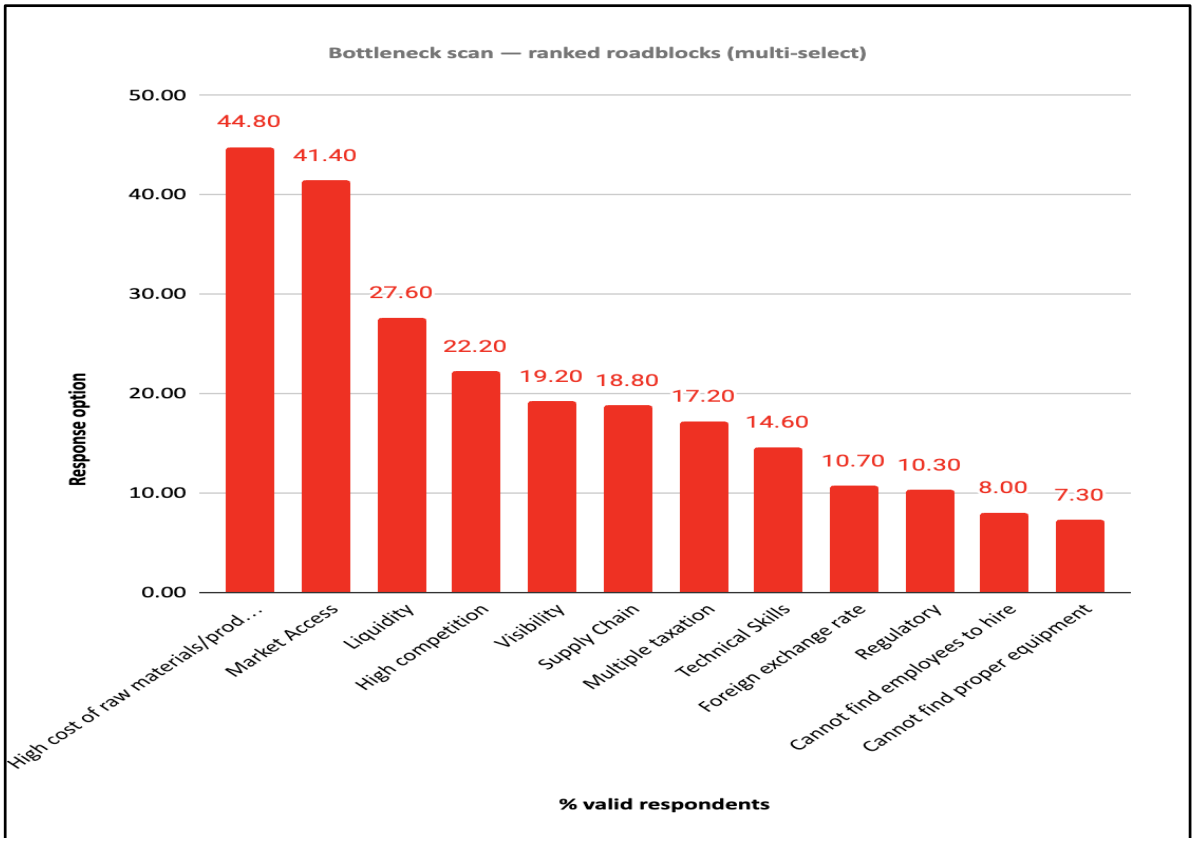


FIGURE 19: BOTTLENECK SCAN-RANKED ROADBLOCKS

Apart from the dynamics of stage and sector, gender-specific drivers are important for business operational continuity.

Female entrepreneurs are significantly more likely to face interruptions due to maternal health, caregiving duties, and domestic pressures.

"When I put to birth I couldn't cope so I took a break which slow down production but am

back to business fully and we are trying to grow,"

one of the beneficiaries shared. Other female founders echoed these constraints saying,

"I was pregnant and couldn't juggle business with family pressure."

They also pointed out the challenge when their

"Business is not in Uyo still a nursing mother and lots of stress."

Finally, there is a great deal of friction in regulatory and statutory compliance that acts as a barrier to enterprises looking for formalisation and continuity.

Multi-layered taxation, complex licensing requirements, and wider policy and infrastructure deficits are issues entrepreneurs have to grapple with.

"Licence from NAFDAC and upgrade of tax ID to Promax"

and

"Power outage, and Government policy"
are bottlenecks entrepreneurs often face.

RAPID-ALERT SCREENING AND RISK REGISTER ANALYSIS

The Rapid-Alert Screening framework systematically evaluates operational status, revenue trajectories, cash-flow runways and macroeconomic bottlenecks across all 287 consenting beneficiaries in the Transcorp group cohort.

Based on this multi-dimensional evaluation, we classify enterprises into three different risk tiers representing their short-term support needs:

- RED Risk Flag (21 beneficiaries, 7.3%): Immediate targeted intervention required, due to complete business closure or severe, compounding revenue and liquidity distress.
- AMBER Risk Flag (169 beneficiaries, 58.9%): Shows increased operational risk, largely because of acute cash-flow runway issues and market liquidity problems.
- GREEN Risk Flag (97 beneficiaries, 33.8%): Shows consistent operations with steady or increasing revenue and adequate financial runway.

Risk gradient by stage: Early stage and pre-revenue MSMEs are critically vulnerable

The stability and survival of business across the cohort are directly related to the stage of enterprise development, indicating acute exposure to early-stage shocks in execution among less mature ventures:

- Vulnerability: Concept/Prototype Stage RED is the flag for 30.4% (7 of 23 ventures flagged RED) of the beneficiaries in the Idea/Prototype phase with a total risk flag rate of 87.0% (20 of 23 ventures flagged RED or AMBER). Critically, all 7 of the RED-flagged Idea-stage ventures are completely defunct.
- Impacted Sectors: The seven high risk cases are in Nigeria (Education/Training, Healthcare and Technology/ICT) and Benin (Agribusiness and Technology/ICT).
- Early Operation Intervention: Volume Ventures in Early Operation have the largest absolute volume of intervention needs with 11 RED alerts (7.3% of 150) and 96 AMBER alerts (64.0% of 150).
- Affected Sectors: The major RED alert cases in this category are clustered around ventures in the Livestock, Fashion & Textiles, Technology/ICT and Education/ Training sectors in Nigeria.

- Growth/Scaling Stage Resilience: Conversely, Growth/Scaling stage enterprises are highly structurally resilient, with only a 2.6% RED alert rate (3 of 114 ventures) and 44.7% GREEN status rate (51 of 114).

- Impacted sectors: The current three RED cases are confined to Beauty/Cosmetics and Education/Training in Nigeria only, and a diversified venture in Benin.

AMBER FLAGS TRIGGERED BY TWO RISK DRIVERS: WORKING CAPITAL DEPLETION AND MACROECONOMIC BOTTLENECKS

The rise in risk flags across the cohort is largely driven by acute working capital depletion and material macro-environmental pressures including foreign exchange volatility, persistent inflation and regulatory compliance costs:

- Short cash-flow runway Operational trigger shortfalls: Cash-flow runway (0–3 months) is the single largest operational trigger, impacting 115 AMBER beneficiaries (68.0% of all AMBER alerts) and 9 RED beneficiaries.

- Impacted sectors: This group of vulnerable entities mainly includes food processing, arts & crafts, and light manufacturing enterprises.

- Compounding Macro bottlenecks: Liquidity constraints, FX shocks and tax friction, together with an urgent need for follow-on capital, affect 84 AMBER beneficiaries (45 for which it is the only primary trigger and 36 for which it compounds a <3-month cash runway).

- Sectors affected: Fisheries/Aquaculture, Education/Training, Food Processing and Technology/ICT ventures in Nigeria and Benin have been most affected.

- 9 RED alerts are triggered by a dual compounding signal: contracting revenue and an exhausted cash runway (0-3 months), signalling imminent operational shutdown without rapid liquidity support. Dual Signal Failure Risks:

- Impacted Sectors: These critical cases are found in Fashion/Textiles, Beauty/Cosmetics, Education/Training, Waste Management, Manufacturing, and Livestock.

SECTORAL CONCENTRATION OF RISK IN THE TECHNOLOGY, EDUCATION AND AGRICULTURE VALUE CHAINS

Risk intensity differs across industry sectors because they have different capital needs, operational complexity and market frictions:

- Technology/ICT Closure Concentration: Technology/ICT is the highest absolute number of non-operational business closures (5 RED alerts out of 32 ventures, 15.6% RED failure rate).

- Geographic Scope: These closures span 4 businesses in Nigeria and 1 business in Benin.

- Education & Training Disruption: Education/Training is very vulnerable with a 23.1% RED alert rate (3 of 13 ventures non-operational or severely distressed).

- Geographic Reach: The three troubled education ventures are based in Nigeria.

- Agricultural Value Chain AMBER Density: Agriculture and Agribusiness has the highest volume of AMBER flags (45 AMBER alerts out of 69 total ventures, or 65.2% AMBER rate), mainly due to working capital shortfalls during seasonal production cycles.

- Key Sub-sectors: Includes primary crop production, poultry and agricultural input distribution businesses in Nigeria.

- Geographic Risk Comparison: RED alert rates are comparable across operational markets (Nigeria: 7.3%, 16 of 218; Benin: 7.2%, 5 of 69). However, the share of AMBER flags is higher for Benin (65.2% versus 56.9% for Nigeria), which suggests higher working capital friction in cross-border trading contexts.

* Benin RED cases are spread across Agriculture, Agribusiness, Technology/ICT, and diversified services.

* Nigeria RED Cases: Clustered in Livestock, Education/Training, Fashion/Textiles, Health, Technology/ICT.

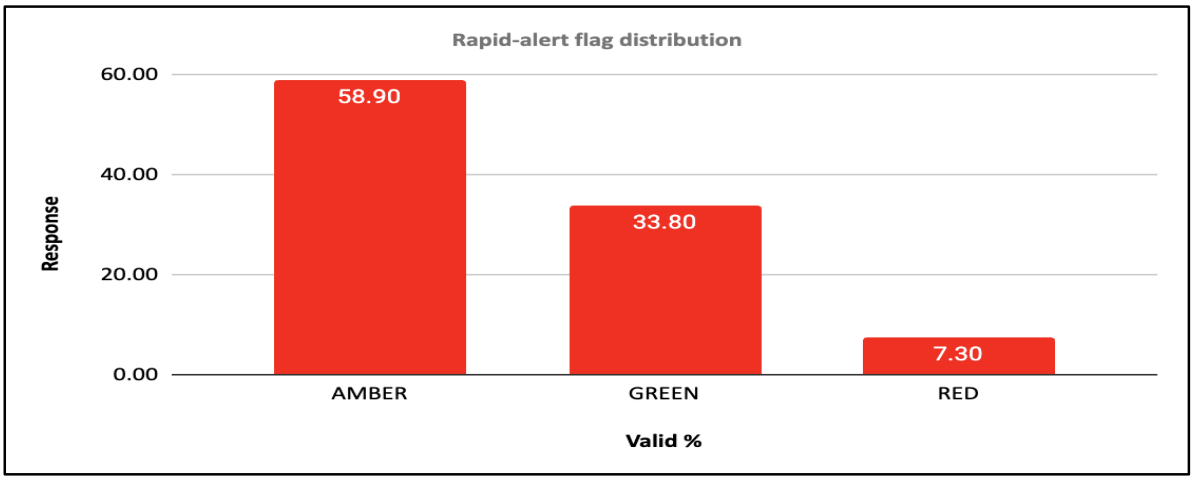


FIGURE 20: RAPID ALERT FLAG DISTRIBUTION

The analysis shows that, although liquidity and capital remain crucial issues at every stage of business development, the needs for support change in a predictable way as the enterprises develop.

Ventures move from needing just enough capital to survive to needing structural market access and strategic growth advisory.

INFLATIONARY MACRO PRESSURES DRIVE A BROAD-BASED DEMAND FOR ADDITIONAL CAPITAL

- High demand for additional funding: Over the next three months, the single most pressing support need identified by 66.9% of operational beneficiaries (n=184) within the cohort was additional funding, far surpassing any other type of assistance.

- Cost inflation impact: The main operational obstacle to growth is the high cost of raw materials and production (42.5%, n = 117), followed by general liquidity constraints (26.2%, n = 72). The beneficiaries also said that the sustained inflationary trends in the macroeconomy and currency devaluation have eroded the real value of their seed disbursement.

- Cash runaways' universal need: Limited cash runways (0–3 months) were not significantly associated with identifying additional funding as the primary urgent need in inferential testing. This evidence

suggests that demand for capital is pervasive across the cohort. Distressed firms require capital to extend their operational runway, while financially healthy firms require capital to finance expansion.

Qualitative feedback from the beneficiaries highlighted these pressures, with founders noting,

"Periodic operational interruptions happen mostly due to lack of working capital, delays in marketing and client acquisition, and difficulty in meeting recurrent operational costs..."

Others pointed to wider environmental issues, saying there was

"a lack of capital and insecurity in my operational area."

ENTERPRISE MATURITY CHANGES PRIORITIES FROM SURVIVAL CAPITAL TO MARKET LINKAGES

- Different Support Needs According to Business Stage: The most critical need at all stages is still additional funding, but the need for market linkages grows significantly with the advancement of enterprises.

- Early Operation (n = 145) 71.7% (n = 104) prioritise additional funding 17.2% (n = 25) prioritise market linkages

- Growth / Scaling (n = 114) The need for additional funding falls to 60.5% (n = 69) The need for market linkages almost doubles to 32.5% (n = 37)

- A critical bottleneck is market reach: limited market access (39.3%, n = 108) is the second most significant barrier to scaling across the entire cohort, followed by intense market competition (21.1%, n = 58) and low brand visibility (18.2%, n = 50).

- Need for advisory and mentorship: 9.1% of operational beneficiaries (n = 25) requested financial and digital expansion support; early-stage companies pointed to the importance of structured mentorship.

Reflecting on these growth strategies, one of the beneficiaries said,

"I'm looking to get more investors for my business and build a stronger social media presence to reach customers outside my state."

SECTORAL DIVERSITY: VULNERABILITIES AND REMEDIES

- Value Chain Capital Intensity in Agriculture: For enterprises in Primary Agriculture (n = 41) and Fisheries / Aquaculture (n = 8) which are highly capital dependent, 73.2% (n = 30) and 87.5% (n = 7) respectively asked for additional funding to manage the sharp increase in the price of feed, fertiliser and transportation.

- Technology & ICT Market Shift: The Technology / ICT sector (n = 27) shows the highest relative need for market linkages (40.7%, n = 11), implying a strategic focus on acquiring B2B commercial contracts and users, as well as capital support (55.6%, n = 15).

- Supply Chain Pressures in Manufacturing and Food Processing Recipients: Food Processing (n = 25) and Manufacturing (n = 12). Food Processing recipients report significant supply chain disruptions (17.8% overall) and higher raw material costs (68.0% for Food Processing).

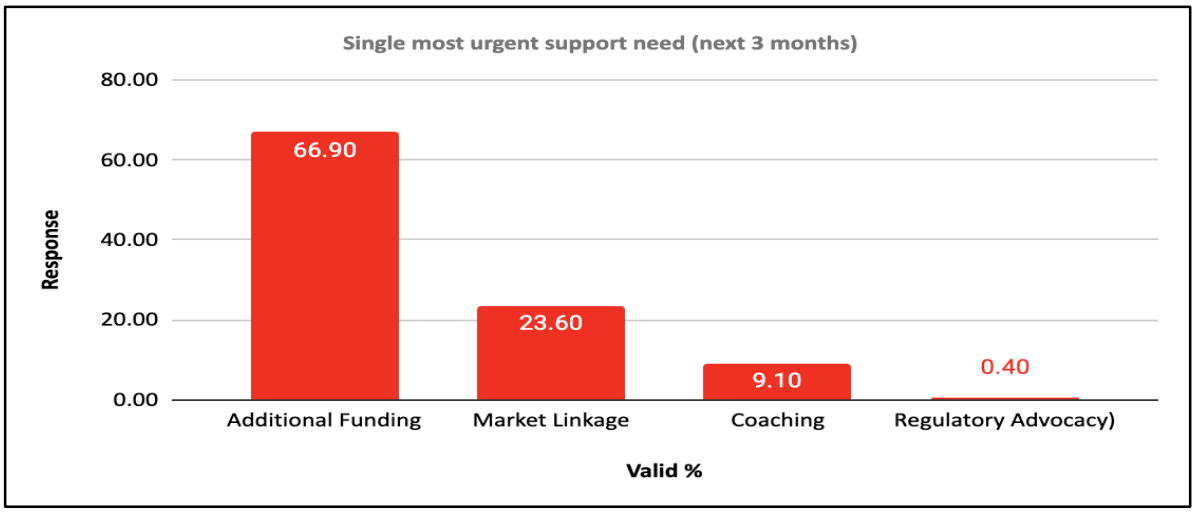


FIGURE 21: SINGLE MOST URGENT SUPPORT NEED

FINANCIAL VERIFICATION: PERFORMANCE, VERIFICATION AND ACCESS TO FINANCE

This section evaluates the financial dynamics and capital accessibility of supported enterprises within the cohort. It examines record-keeping practices, profitability trends, and cash-flow sustainability, while assessing the extent of documentary verification and external financing adoption across participating businesses.

RECORD-KEEPING, PROFITABILITY AND CASH-FLOW RUNWAY

Formal record keeping stands at 50.9%, but informal ledgers and non-recording persist in almost half the sample. Out of 275 operational businesses surveyed, 271 confirmed they have deployed their TEF seed capital.

Of these 271 beneficiaries, exactly half (138 of 271, 50.9%) of the cohort have adopted formal accounting practices.

This structured financial oversight involves 28.0% (76 beneficiaries) who operate with digital applications or dedicated accounting software and 22.9% (62 beneficiaries) who operate with structured spreadsheets.

More and more beneficiaries are citing this move to digital financial management and the use of software, with one entrepreneur saying,

"I used the Financial Projection Model to help with my business accounting."

Others also seamlessly integrate financial tracking into broader operational workflows, reporting that they use AI tools for marketing content, communication, inventory, planning, and record keeping.

However, still, informal financial record-keeping is prevalent among almost half of the sample. 39.3% (106 beneficiaries) use manual paper ledgers occasionally, and 9.8% (27 beneficiaries) do not keep any financial documentation at all.

However, wider adoption of formal record-keeping is strongly linked to program capacity-building outcomes, with 66.2% (182 out of 275 beneficiaries) reporting improved business planning and management practices after training.

Entrepreneurs apply these competencies not only internally but also actively disseminate them within their networks. As one founder said,

"I regularly post content on building and scaling MSMEs, including business policy awareness and financial management on social media."

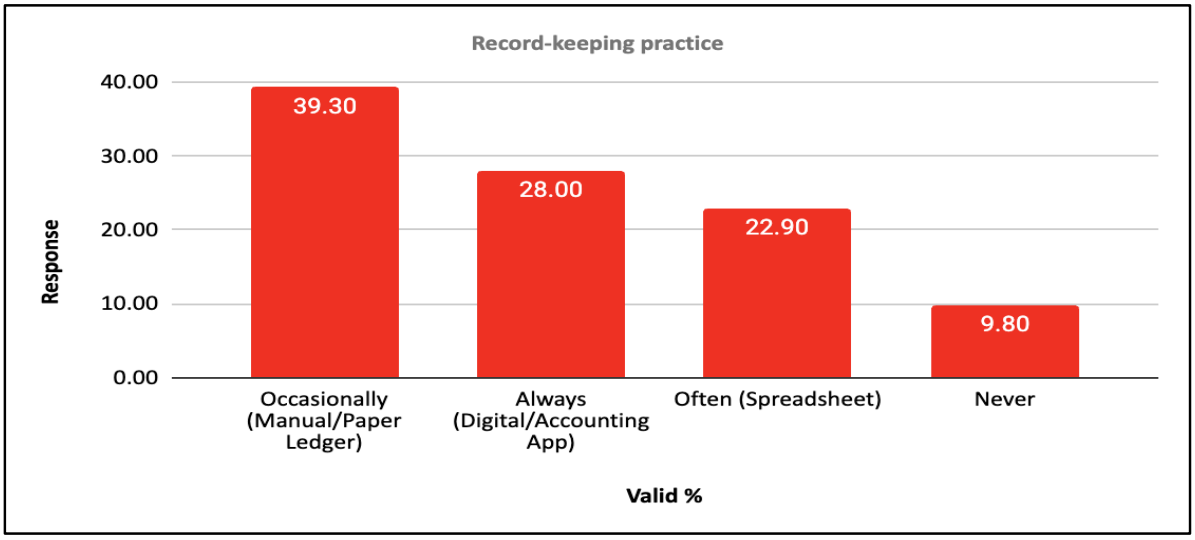


FIGURE 22: RECORD KEEPING PRACTICE

Over 50% of Beneficiaries Report a Net-Profit Position. The financial performance of the beneficiaries indicates that 50.9% (138 of 271 beneficiaries) are making a net-profit position, 37.1% (101 beneficiaries) are breaking even and 12.0% (32 beneficiaries) are operating at a net loss.

Enterprises reported an average of 2.97 profitable months (median 3.0), 1.72 break-even months (median 1.0) and 1.45 loss-making months (median 1.0) during the previous six months.

When we triangulate profitability status with top-line performance, it shows that revenue expansion is the main driver of consistent bottom-line returns.

Of the enterprises that have increased revenue (180 beneficiaries), 67.2% (121 beneficiaries) make a net profit, 28.3% (51 beneficiaries) break even and 4.4% (8 beneficiaries) are loss-making.

For companies with stable revenue (79 beneficiaries), profit generation decreases to 17.7% (14 beneficiaries), 57.0% (45 beneficiaries) break even, and 25.3% (20 beneficiaries) sustain losses. Of the businesses with declining revenue (16 beneficiaries), 31.2% (5 beneficiaries) are still profitable, 37.5% (6 beneficiaries) are breaking even and 31.2% (5 beneficiaries) are incurring a net loss.

In the Profitability Status Triangulated Across Revenue Trends chart, we see net-profit status varied across the reported revenue trajectories.

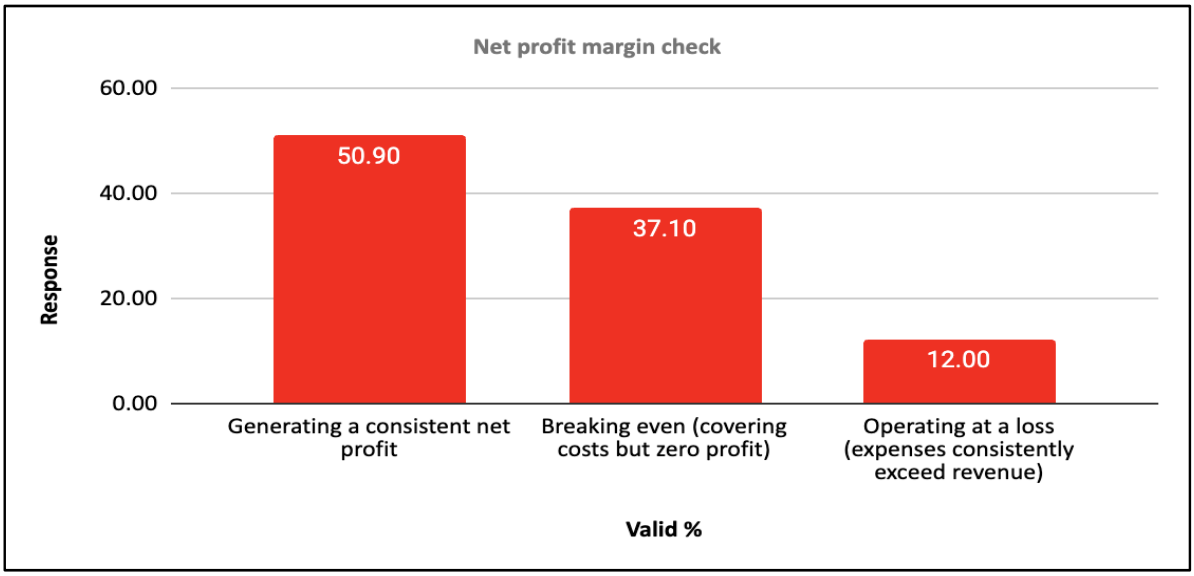


FIGURE 23: NET PROFIT MARGIN CHECK

Lack of Verification Reveals Heavy Reliance on Untested Data and Continuing Cash-Flow Risks.

One of the most critical weaknesses in tracking finances is the huge gap in documentary verification.

"Direct verification of documentary financial evidence was only obtained for 5.8% (16 out of 275 beneficiaries).

An additional 31.3% (86 beneficiaries) had records that could not be inspected, 41.1% (113 beneficiaries) indicated they would be providing documentation at a later time, 16.4% (45 beneficiaries) had no documentation, and 5.5% (15 beneficiaries) refused access.

The rates of internal-consistency classification were: Medium confidence (internally consistent self-reports without direct document inspection), 82.5% (227 beneficiaries); Low confidence, 12.0% (33 beneficiaries); and High confidence, 5.5% (15 beneficiaries).

The lack of verification is compounded by large working capital exposure across the cohort.

45.1% of beneficiaries (124 out of 275) have a cash-flow runway of 0-3 months, 34.5% (95 beneficiaries) have 4-6 months and 20.4% (56 beneficiaries) have 6+ months of runway, despite more than half of all enterprises operating profitably.

As narrated by beneficiaries, macro-economic shocks and cash constraints directly induce operational friction

"*Occasional operational interruption mainly due to limited working capital, delay in marketing and client acquisition and difficulty covering from recurrent operational costs...*"

The data also shows that liquidity pressures directly affect household welfare and livelihood security.

For 47.6% of beneficiaries (131 of 275) business income accounts for less than 25% of total household earnings, while for 37.1% (102 of 275) it accounts for 25% to 50%.

In total 84.7% (233 of 275) rely on the enterprise as a supplementary or shared source of livelihood.

But a critical high-dependency core of 15.2% (42 of 275) is heavily dependent on the business for day-to-day survival including 8.7% (24 beneficiaries) where business revenue

provides 51% to 75% of household income and 6.5% (18 beneficiaries) where it accounts for over 75%. For these high-dependency households, disruptions in cash flow directly endanger family subsistence.

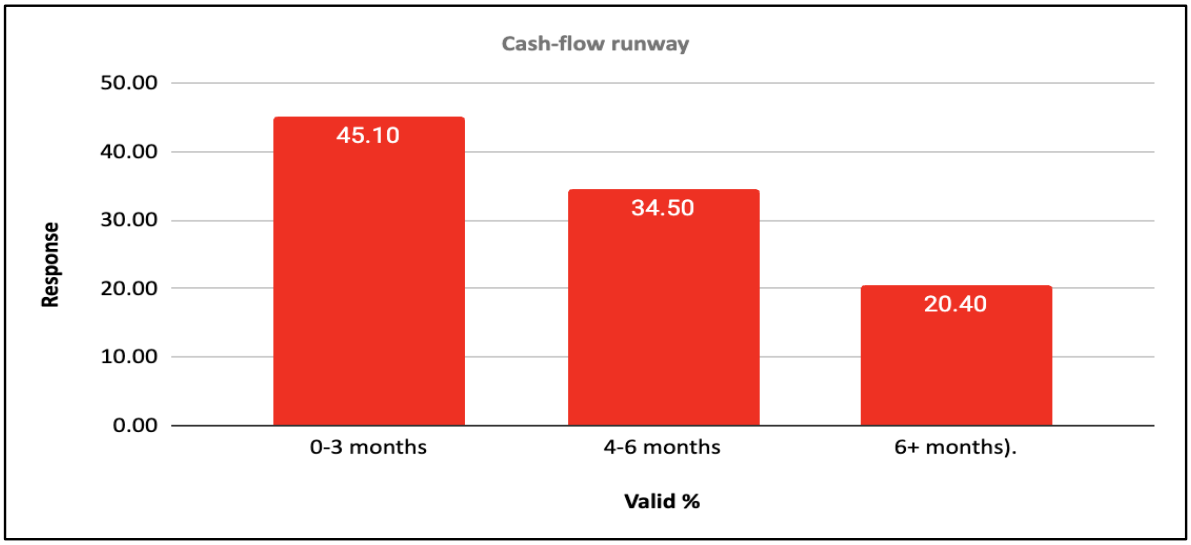


FIGURE 24: CASH-FLOW RUNWAY

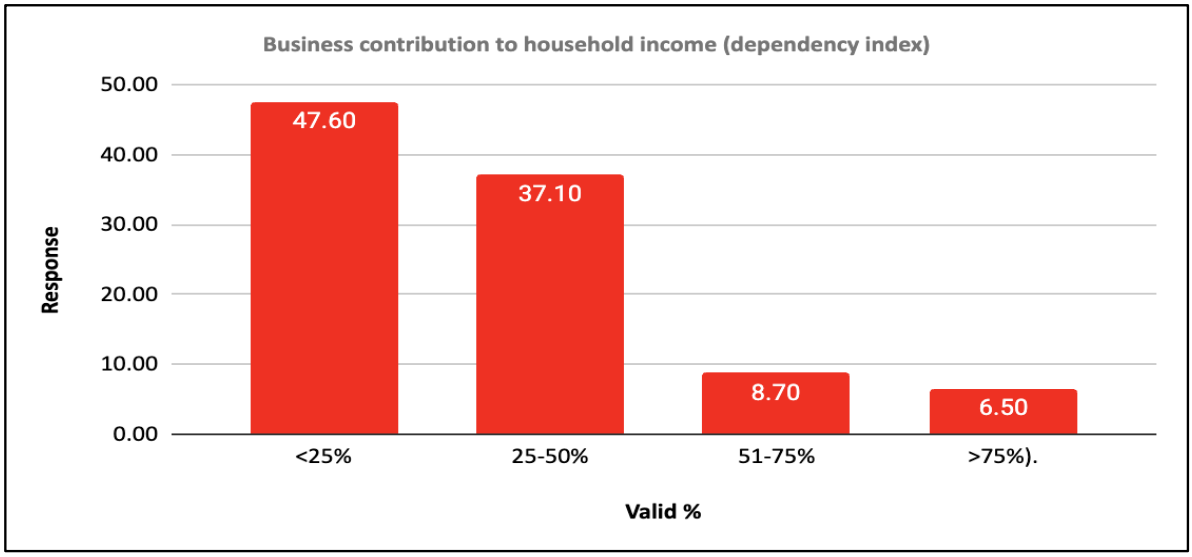


FIGURE 25: BUSINESS CONTRIBUTION TO HOUSEHOLD INCOME

EXTERNAL FINANCING AND DOCUMENTARY EVIDENCE

Analysis of the Transcorp group cohort (275 operational beneficiaries) reveals a significant gap between the high need for follow-on capital and the actual acquisition of external financing.

Capital constraints remain the biggest hurdle to scaling, but there is limited use of external funding after the seed grant.

Also a data-confidence constraint for impact monitoring is physical verification of financial records.

DEMAND–SUPPLY GAP IN EXTERNAL FINANCING AND SOURCES OF FUNDING

The cohort shows a large demand-supply mismatch in external financing. The rate of acquisition of post-seed grant is particularly low, with only 6.9% (19 out of the 275 operational beneficiaries) managing to access external financing, while the remaining 93.1% (256 out of the 275) rely entirely on internal cash flows or the original seed capital.

Such limited access to capital is in sharp contrast to enterprise needs: 66.9% (184/275) identify additional financing as the most urgent support they require in the next three months; 26.2% (72/275) highlight liquidity as a key scaling challenge; and 45.1% (124/275) have a critical runway of cash-flow of 0–3 months.

The 19 beneficiaries who managed to access external finance (17 of whom reported in detail) did so through a variety of institutional and informal channels.

The most cited source of debt (35.3%, 6 mentions) was commercial bank and microfinance loans, where entrepreneurs accessed formal debt through simple “Bank loan” arrangements. Institutional and international programs (29.4%, 5 mentions) such as “Financement de la banque mondiale” (World Bank funding) that gave important development financing.

Non-dilutive grants and informal family or friend networks were both mentioned 3 times (17.6%). Entrepreneurs used “Grant” capital or informal support such as a “Relative loan” or “loans from friends and family”.

Finally, 11.8% (2 mentions) were early stage angel and equity investment, where founders were raising capital through formal “Angel Investment” and “Equity” arrangements.

DOCUMENTARY EVIDENCE VERIFICATION AND TRUST IN DATA

Verification of documentary evidence reveals important data-confidence dynamics related to the record-keeping of financial information within the operational cohort (n = 275).

Enumeration of financial records was only directly physically verified in 5.8% of cases (16 beneficiaries).

While 41.1% (113 beneficiaries) were willing to provide financial documentation at a later date and 31.3% (86 beneficiaries) reported financial records available which were not physically inspected during field visits, 16.4% (45 beneficiaries) had no documentation available and 5.5% (15 beneficiaries) explicitly refused access.

Financial triangulation defines data confidence in three levels: High Confidence (5.5%, 15 businesses) when self-reports of revenue trends, profit margins, and monthly counts are internally consistent and verified by physical documentation;

Medium Confidence (82.5%, 227 businesses) when self-reports of revenue trends, profit margins, and monthly counts are internally consistent without direct inspection of physical documentation;

and Low Confidence (12.0%, 33 businesses) when self-reports of revenue trends, profit margins, and monthly counts are inconsistent or when records are missing and refused.

This verification landscape is contextualised by the overall record-keeping infrastructure: 50.9% of operational firms (138 out of 271) maintain formal records through digital accounting software (28.0%, 76 firms) or spreadsheets (22.9%, 62 firms), 39.3% (106 firms) use manual paper ledgers, and 9.8% (27 firms) do not keep financial documentation.

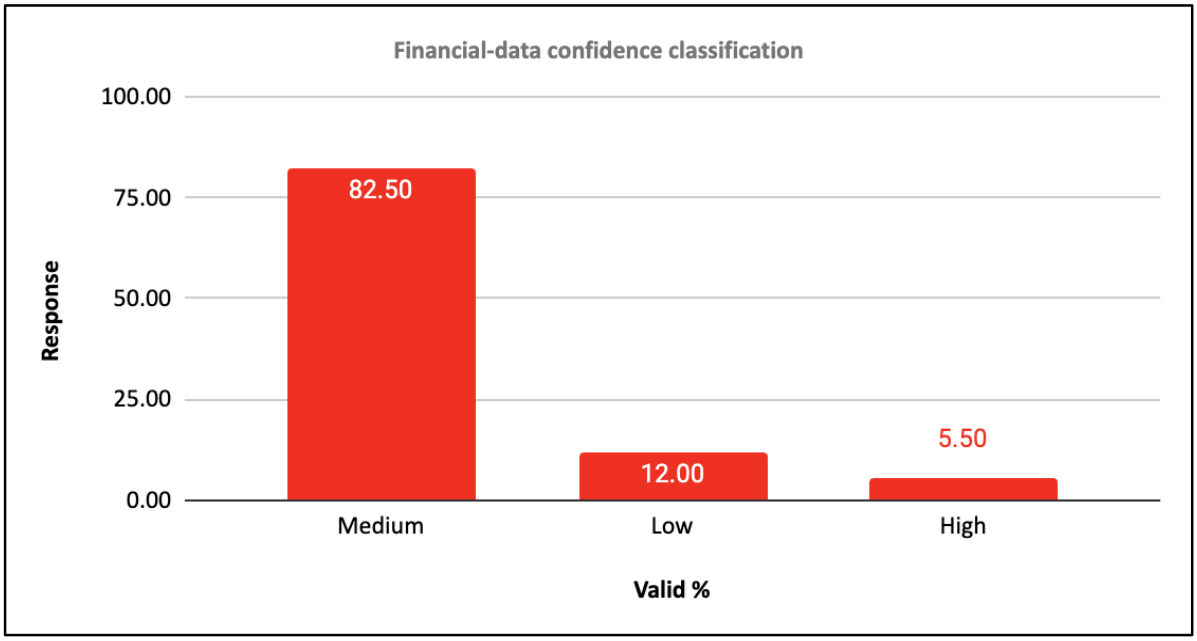


FIGURE 26:FINANCIAL -DATA CONFIDENCE CLASSIFICATION

ALIGNMENT WITH THE TEF TRACK'S PROGRAMME FRAMEWORK & KEY INDICATORS

This evaluation assesses the alignment of the Transcorp group Partner Cohort (2025 Cohort, Q1 2026 First Panel Monitoring Wave) with the Tony Elumelu Foundation (TEF) Track's Program Framework and Key Performance Indicators (KPIs).

Q1 2026 dataset measures the baseline panel wave post disbursement N=287 consenting beneficiaries across Nigeria and Benin.

Operational metrics in this entire section are calculated on the baseline of 275 active businesses, representing a 95.8% overall operational rate.

The analysis traces the full theory of change. The story unfolds via a sequence from Programmatic Inputs and Execution Fidelity to 5-R Systemic Outcomes and then Risk and Financial Resilience.

The Transcorp cohort is showing a very high level of alignment with core programmatic goals such as full disbursement targets, rapid deployment of capital post-grant receipt, and strong training absorption in both operational markets.

All 275 operational businesses received their allocated seed grant of $5,000 USD each, for a total of $1,375,000 USD disbursed and a Disbursement Rate of 100.0%.

Capital Deployment Efficiency was also high: 271 of 275 grant recipients have actively deployed their capital (98.5% Deployment

Rate) with 59.8% (162 businesses) deploying 76-100% of their funds.

Funding was predominantly targeted at key growth assets, with 48.3% (131 businesses) putting their capital into Working Capital, and 42.1% (114 businesses) investing directly in Equipment.

The top expenditure categories were: Fixed Assets (53.1%, 144 businesses), Labour/Wages (38.7%, 105 businesses), and Office/Operating Expenses (35.1%, 95 businesses).

In addition to investing capital, this cohort also demonstrated effective knowledge transfer and mentorship integration.

The mean score for knowledge application was 4.01 (out of 5.00) with 72.7% (200) of businesses applying TEF training to a "High" (44.0%, 121) or "Very High" (28.7%, 79) extent.

The most useful module was Business Management 68.4% (188 respondents), followed by Digital/Tech 17.8% (49) and Financial Literacy 8.0% (22).

Mentorship also made a difference, with 76.4% (210 businesses) saying TEF mentorship directly influenced strategic business decisions.

Beyond execution fidelity, the Transcorp cohort shows strong performance across the TEF 5-R Systemic Outcome Framework (Rules, Results, Role, Resources, Relationships) with a cohort composite mean pulse score of 3.28 out of 5.00. Of the five systemic dimensions,

Rules alignment had the highest compliance rate at 96.4% (265/275), with 95.6% (263 businesses) having completed formal business registration or formalisation during this wave.

Results alignment (82.2%, 226/275) showed a strong majority of businesses (65.5%, or 180/275) with monthly revenue gains compared to the previous quarter, with only 5.8% (16) reporting declines, resulting in a Net Growth Score of +59.7 percentage points. Reported workforce increased by 610 workers (2.22 additional workers per operational respondent on average), with 53.1% (146) actively growing their workforce.

Role alignment was 57.8% (159/275) as entrepreneurial leadership became well established: 50.2% (138/275) assumed formal community or industry leadership and mentorship roles, and 27.6% (76/275) actively led local MSME advocacy campaigns.

Resources alignment (54.5%, 150/275) with 150 respondents actively integrating TEF electronic tools, platforms or technical assets in their day-to-day workflow.

Finally, 37.5% of Relationships were aligned (103/275) with 37.5% (103/275) gaining new supply chain or B2B contracts (81.6% local, 11.7% regional and 6.8% international). Importantly, pre-specified inferential testing confirms that winning new B2B/supply chain contracts is strongly associated with positive revenue growth.

However, macroeconomic inflation and cash-flow constraints are operational risks that threaten long-term enterprise survival even with high delivery performance.

Regarding macroeconomic roadblocks, 42.5% (117 businesses) identified the high cost of raw materials and production as the major roadblock, consistent with prevailing inflationary pressures across Nigeria and Benin.

Market Access constraints affected 39.3% (108 businesses), followed by Liquidity shortages (26.2%, 72), High Market Competition (21.1%, 58) and Brand Visibility (18.2%, 50).

These bottlenecks feed directly into the risk escalation register. Using the TEF risk screening framework, 7.3% (21 cases) are classified as

RED alerts (including 12 closed businesses and 9 severely distressed enterprises requiring urgent support), 58.9% (169 cases) as AMBER alerts, and 33.8% (97 cases) as GREEN.

The largest vulnerability is cash runway exposure, with 45.1% (124 businesses) having 0–3 months of cash runway remaining and 34.5% (95) with 4-6 months.

Over the next 3 months in terms of forward support needs, 66.9% (184 businesses) requested Additional Funding, followed by Market Linkages (23.6%, 65) and Tailored Coaching (9.1%, 25) as the next most requested.

SECTION 4: CONCLUSION AND RECOMMENDATIONS

This section concludes the monitoring assessment for the 2025 cohort of the Tony Elumelu Foundation (TEF) Entrepreneurship Programme supported by Transcorp group.

It synthesises overall performance, evaluates strategic risks, articulates lessons learned, and outlines actionable recommendations to enhance long-term enterprise sustainability and observed programme-related outcomes..

OVERALL CONCLUSION & OBSERVED PROGRAMME-RELATED OUTCOMES

The third-party monitoring exercise of the 287 evaluated Transcorp group-supported beneficiaries demonstrates high reported operational continuity, execution fidelity, and enterprise vitality across Nigeria and Benin.

With an overall operational rate of 95.8% (275 active businesses), the cohort reflects strong commercial continuity despite severe macroeconomic and inflationary headwinds in both operating markets.

Key operational and monitoring findings achieved by the cohort include:

- Seed Capital Receipt and Utilisation:100% of the 275 operational respondents reported receiving the $5,000 seed grant, representing $1,375,000 USD across these respondents, with 98.5% reporting that they had deployed some funds primarily into fixed productive assets, equipment, and core

- Reported Workforce Change: Reported workforce increased from 1,045 to 1,655 workers, representing a reported net increase of 610 workers (an average increase of 2.22 workers per operational respondent), with 53.1% of enterprises reporting an increase in headcount.

- 5-R Systemic Vitality: The cohort achieved a composite 5-R pulse score of 3.28 out of 5.00, anchored by near-universal formalisation (95.6% CAC/statutory registration), 65.5% of operational respondents reporting higher current revenue than the comparison period defined in the survey, active leadership (50.2%), and digital tool/AI adoption (54.5%).

CHALLENGES, RISKS AND MITIGATION

Despite high operational continuity, systemic vulnerabilities threaten long-term enterprise growth and survival:

- Macroeconomic Inflation & Capital Erosion: 42.5% of enterprises cite raw material inflation as their primary constraint. Foreign exchange volatility and currency devaluation have significantly eroded the real purchasing power of the $5,000 USD seed capital.

- Working Capital Runway Depletion: 45.1% of active businesses possess a short cash-flow runway of 0–3 months. Under the rapid-alert screening, 58.9% (169 businesses) trigger AMBER risk flags and 7.3% (21 businesses) trigger RED risk flags due to compounding cash deficits and operational pauses.

- Commercial Market Access Bottlenecks: Market linkage (Relationships) remains the weakest 5-R dimension at 37.5%, with early-stage and tech ventures experiencing

reported customer acquisition constraints and limited access to off-taker networks

LESSONS LEARNED

- Post-Grant Capital Gap: Seed capital alone is insufficient to guarantee long-term scaling in inflationary environments. Only 6.9% of operational businesses reported accessing follow-on financing, highlighting an urgent structural need for debt/equity bridge facilities.

- Phase-Specific Vulnerability: Idea/ Prototype stage ventures exhibit the highest non-operational rates (30.4%), whereas Growth/Scaling stage businesses demonstrate 100% operational status at the time of monitoring, indicating that early incubation requires specialised risk mitigation.

- Gender-Specific Constraints: Among respondents, female-led firms had similar reported operational status to male-led firms (96.2% vs 95.6%) and revenue expansion (69.0% vs 63.4%), women face higher operational interruptions due to caregiving, domestic pressures, and a 16.0 percentage-point difference in leadership role uptake.

- Financial Record Verification Gap: While 50.9% of firms maintain formal records (digital app or spreadsheet), direct documentary evidence was physically verified for only 5.8%, underscoring the need for mandatory digital ledger integration.

STRATEGIC RECOMMENDATIONS

To strengthen the contribution of Transcorp group's partnership with TEF, the recommendations are structured as immediate emergency interventions and long-term structural enhancements:

IMMEDIATE ACTIONS (CURRENT REPORTING CYCLE)

- Rapid Emergency Liquidity Intervention for RED Flag Ventures: Deploy targeted emergency relief funds or concessionary working capital top-ups to the 21 RED-flagged enterprises (especially in Tech, Education, and Agriculture) reduce the risk of prolonged business interruption or closure.

- Tailored Business Stabilisation & Cash-Runway Management: Institute mandatory 1-on-1 financial restructuring clinics for the 169 AMBER-flagged businesses with <3 months cash runway, focusing on inventory management, cost containment, and price-adjustment strategies.

- Targeted Support for Female Entrepreneurs: Establish flexible mentorship cohorts and childcare/operational support networks for female founders navigating maternity, caregiving, or family-related business pauses.

STRUCTURAL RECOMMENDATIONS (CURRENT REPORTING YEAR)

- Establishment of a Transcorp Growth & B2B Linkage Facility: Create structured B2B off-taker matchmaking forums, supplier development programs, and corporate integration pipelines within Transcorp Group's ecosystem to strengthen market access beyond the current reported 37.5% level.

- Blended Follow-on Capital & Micro-Credit Partnerships: Partner with microfinance institutions, commercial banks, and impact investors to establish low-interest loan matching funds for TEF alumni needing $5,000–$25,000 USD expansion capital.

- Mandatory Mobile Digital Bookkeeping Integration: Incorporate user-friendly

digital accounting and bookkeeping tools into the TEF Connect platform to transition informal paper-ledger users (39.3%) into verifiable, bankable MSMEs.

- Stage-Gated Incubation for Early-Stage Ventures: Redesign the pre-grant incubation phase for Idea/Prototype ventures to require prototype validation and regulatory feasibility clearance prior to capital disbursement.