INVESTMENTS

2026 Q1 opened with 96 VC deals, down 21% YoY and the weakest first-quarter total since 2020. While activity rose sequentially from a subdued Q4 2025, the rebound remained modest in historical context, with deal volume still 28% below the 2023–2025 average.

Figure 1: **Volume of Venture Capital Deals in Africa, by Year & Quarter**

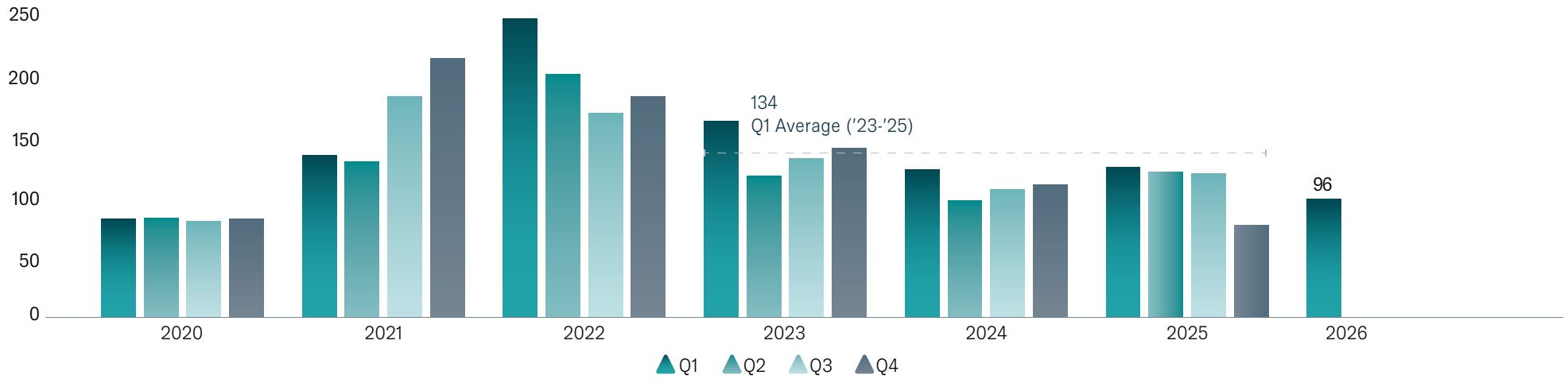
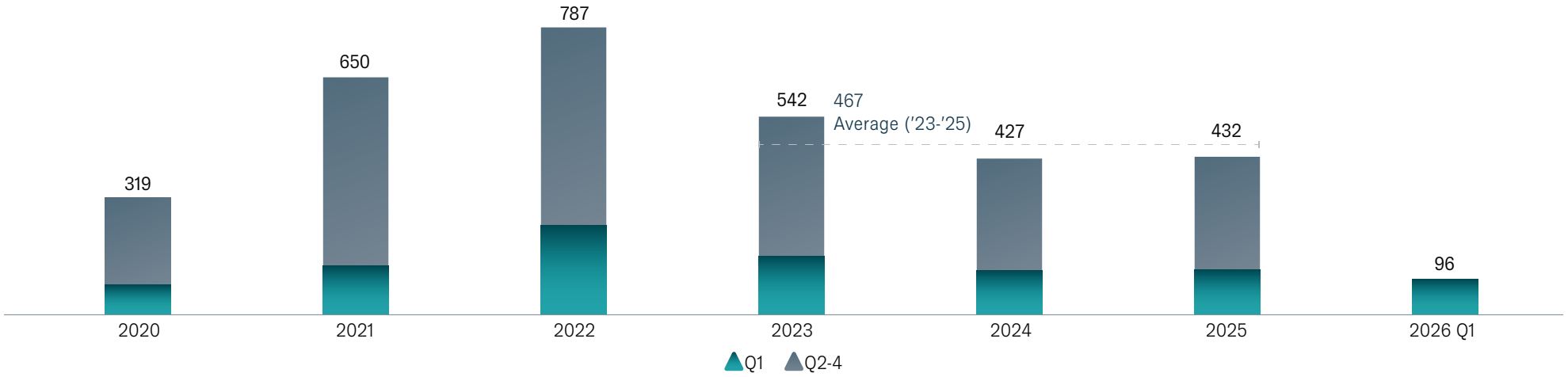


Figure 2: **Volume of Venture Capital Deals in Africa by Year, Q1 vs. Q2-Q4**



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VC funding rose 2.3x to US$1.4bn in 2026 Q1, buoyed by a single megadeal that accounted for 57% of total value. Excluding this transaction, funding falls to roughly US$0.6bn, demonstrating continued stabilisation rather than acceleration.

Figure 3: **Value (US$bn) of Venture Capital Deals in Africa, by Year & Quarter**

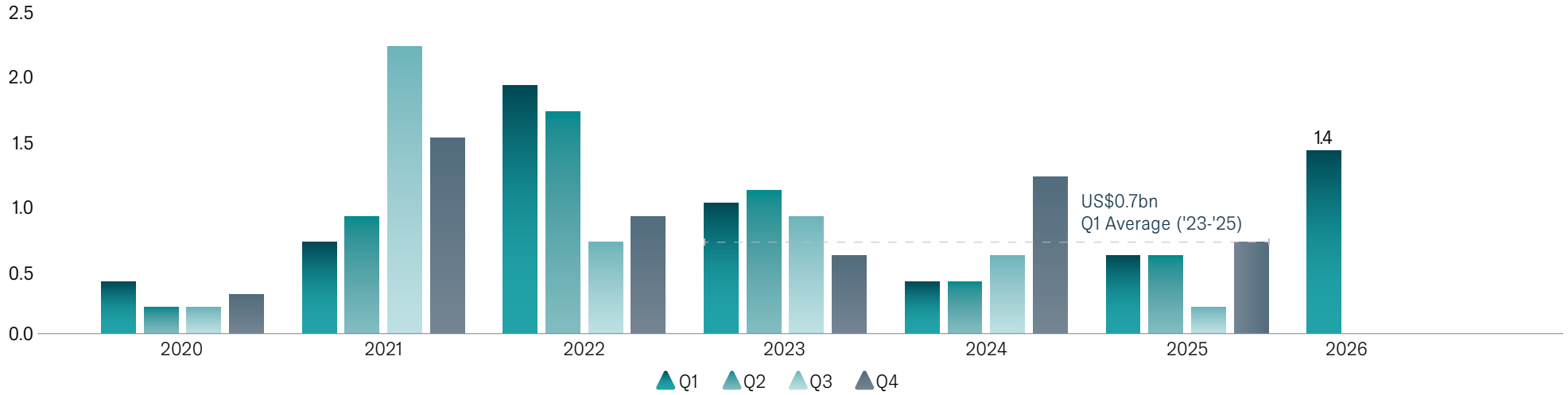
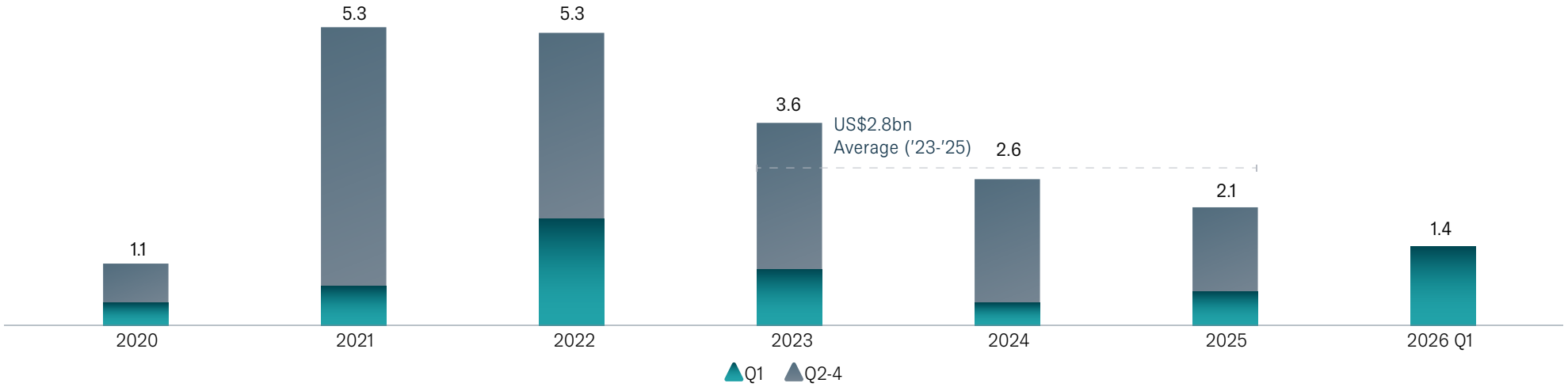


Figure 4: **Value (US$bn) of Venture Capital Deals in Africa by Year, Q1 vs. Q2-Q4**



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The Seed stage drove most of the volume decline in 2026 Q1, falling 35% YoY to 34 deals as disclosed value dropped to US$40mn. Early Stage activity proved more resilient, while the Late Stage remained sparse by volume but captured the bulk of funding value.

Figure 5: **Evolution of VC Deal Volume by Stage, 2020-2026 Q1**

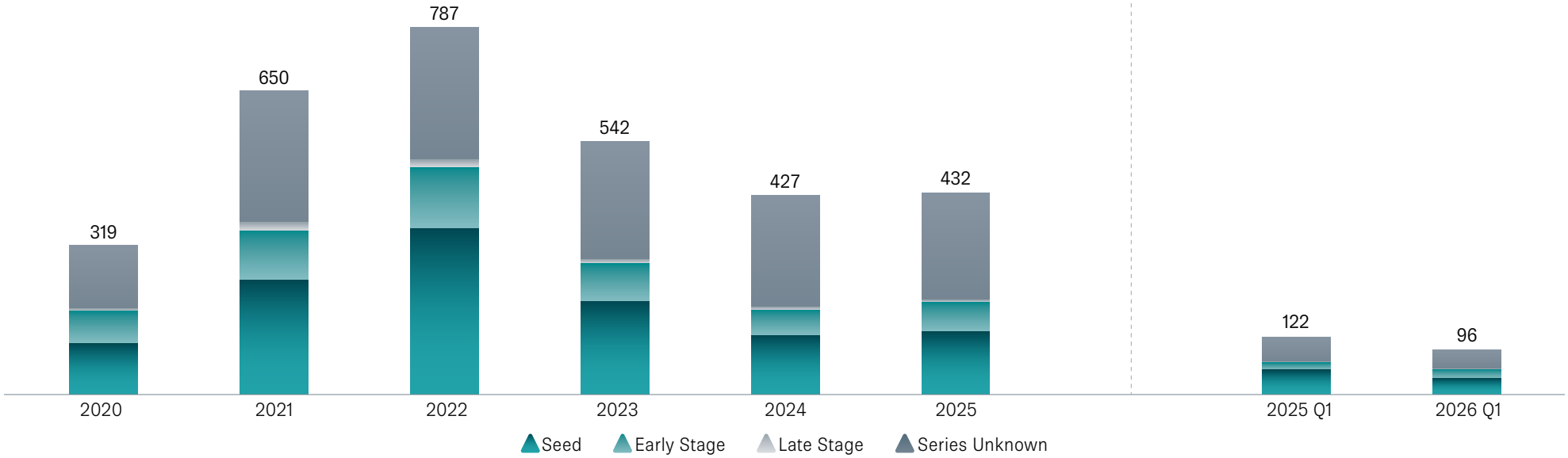
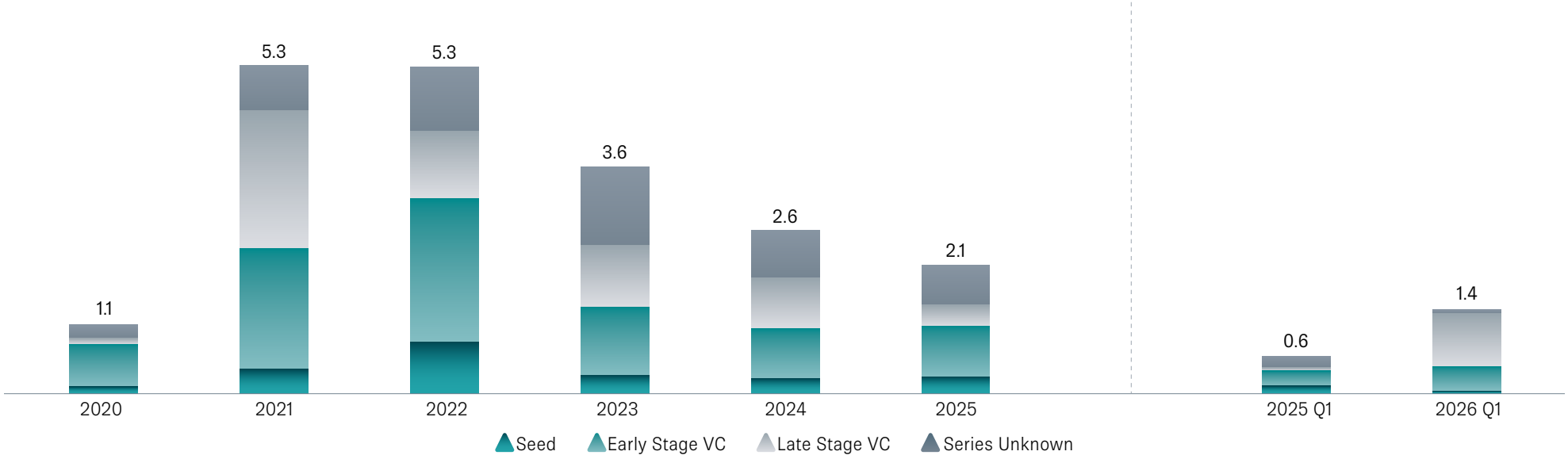


Figure 6: **Evolution of VC Deal Value (US$bn) by Stage, 2020-2026 Q1**



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West Africa led VC deal volume in 2026 Q1 with 31% of transactions, while East Africa accounted for 22%, remaining broadly in line with its historical contribution. By value, Multi-Region activity dominated with 66% of funding, driven by Zipline's US$800mn Series F.

Figure 7: **Share of VC Deal Volume in Africa by Region, 2020–2024 vs 2025 vs 2026 Q1**

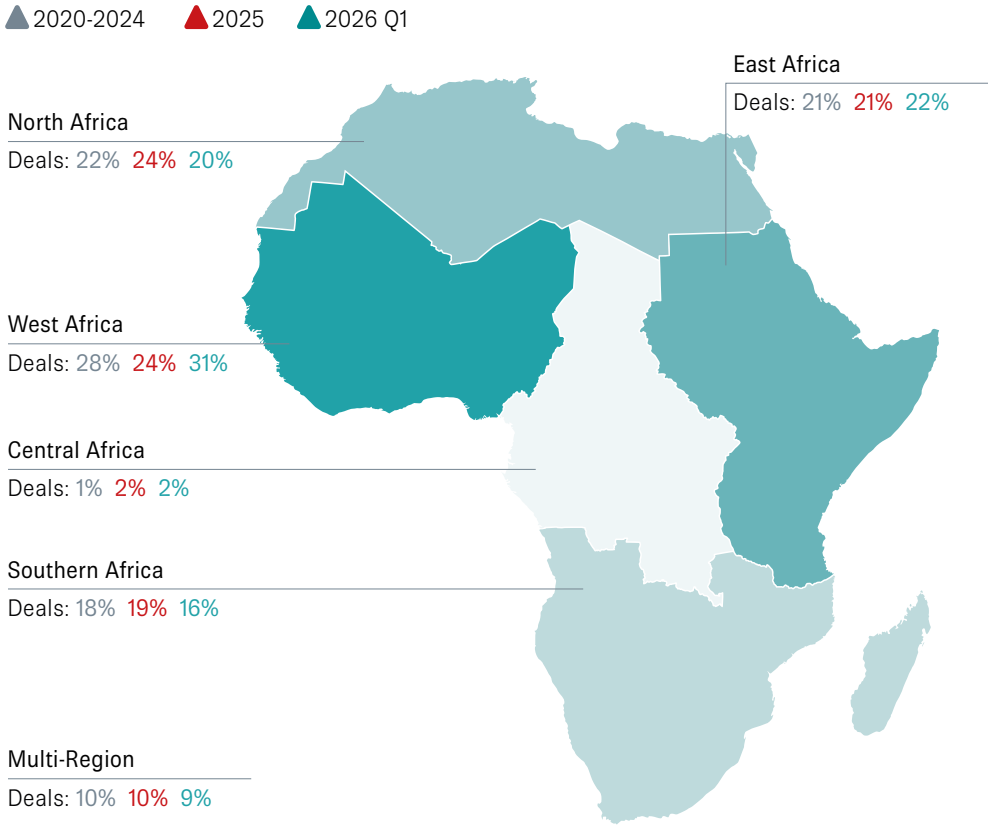
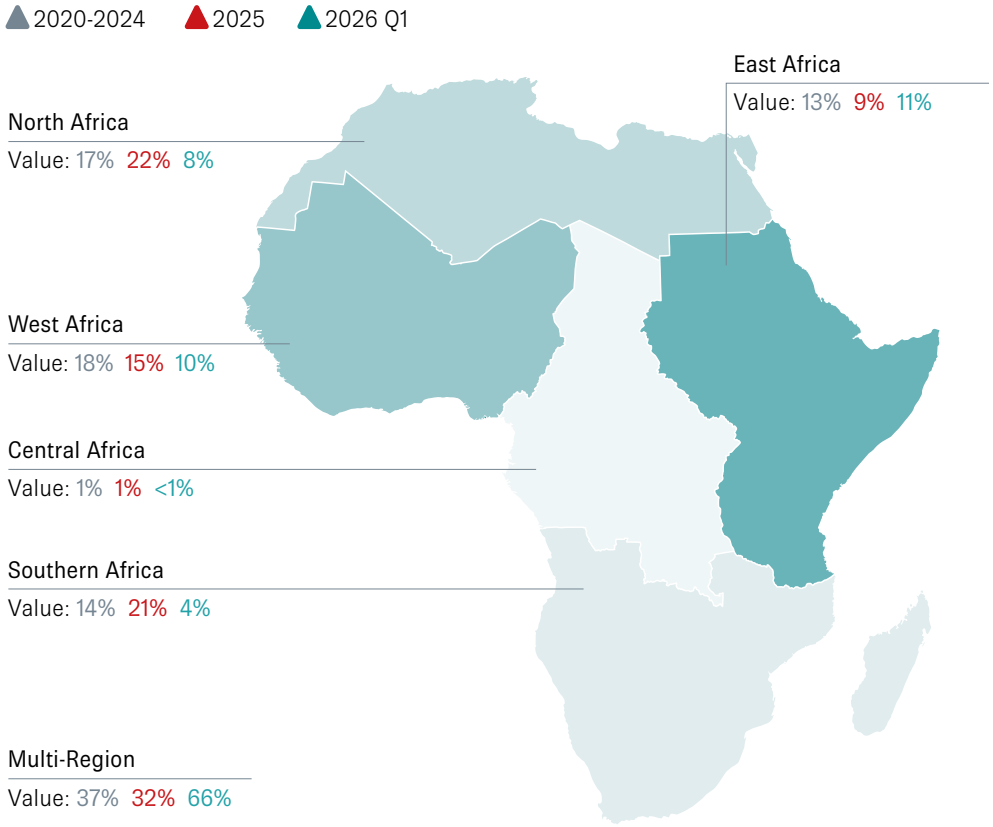


Figure 8: **Share of VC Deal Value in Africa by Region, 2020–2024 vs 2025 vs 2026 Q1**



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Industrials led VC activity, capturing 21% of deal volume, with Transportation emerging as the sector's main driver across e-vehicles, logistics, and ride-hailing. Health Care and Consumer Staples also gained share, reflecting continued investor interest in essential services, while Financials lost its longstanding lead.

Figure 9: **Share of VC Deal Volume by Sector, 2020–2024 vs 2025 vs 2026 Q1**

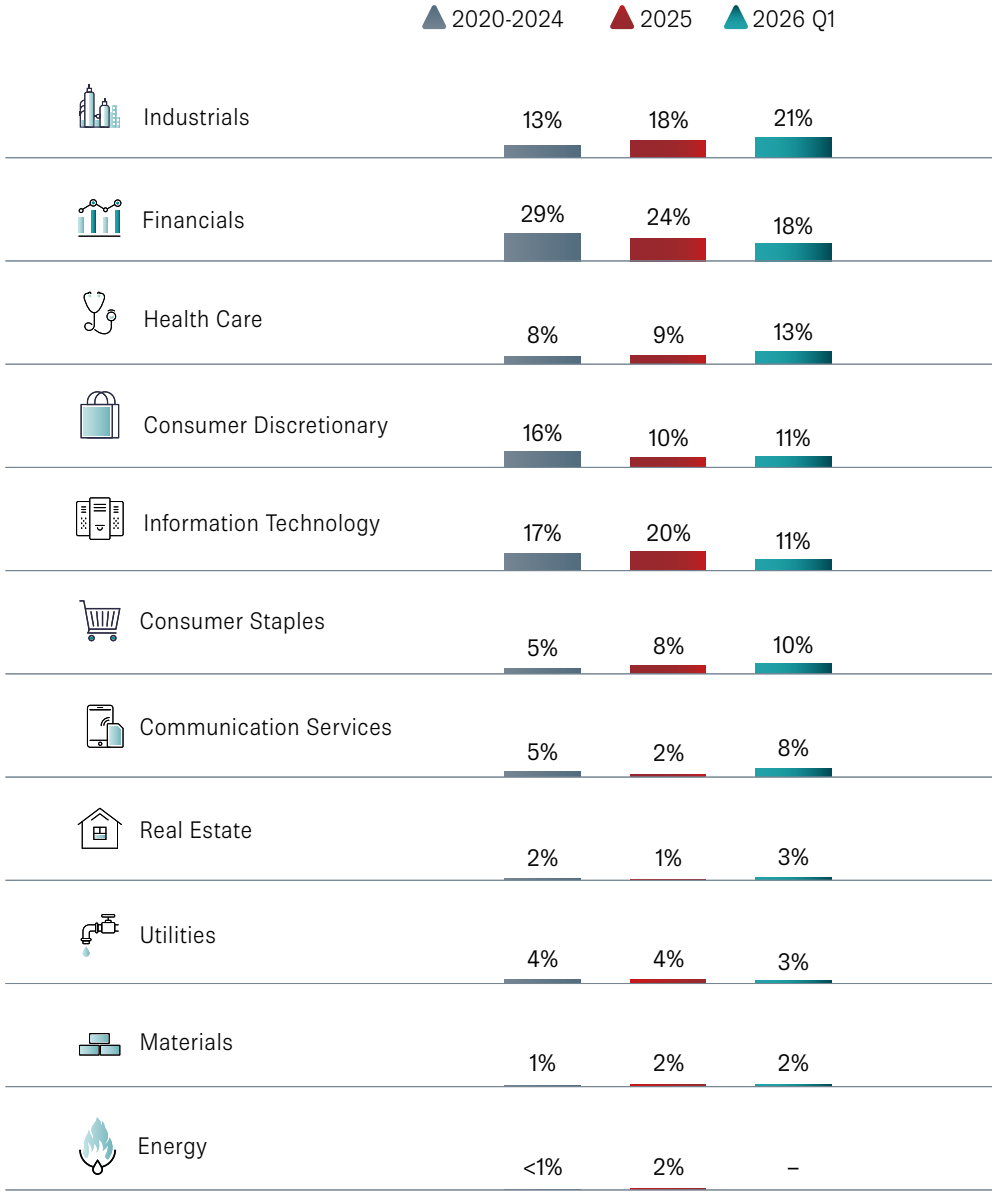
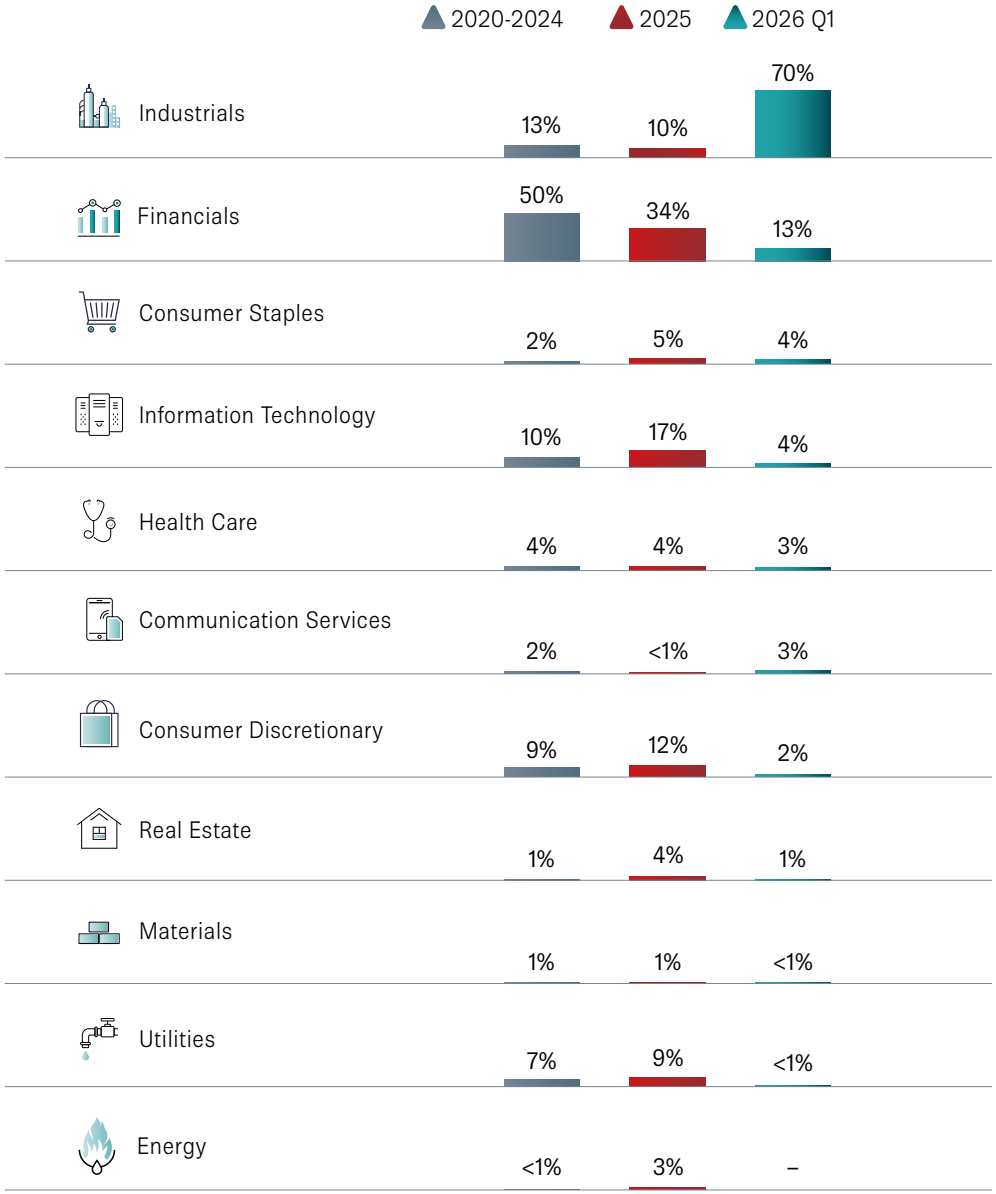


Figure 10: **Share of VC Deal Value by Sector, 2020–2024 vs 2025 vs 2026 Q1**



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FinTech & Digital Banks retained the top spot in 2026 Q1, while AI narrowed the gap with 24% of tech-enabled VC deals. This emerging parity signals a shifting opportunity set, despite softer tech-enabled startup activity overall.

Figure 11: **Top Verticals Amongst Tech-Enabled Companies, 2020-2024**

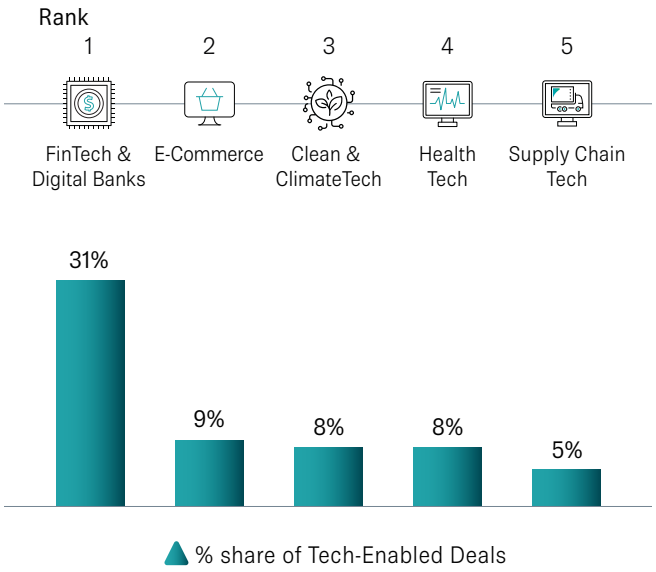


Figure 12: **Top Verticals Amongst Tech-Enabled Companies, 2025**

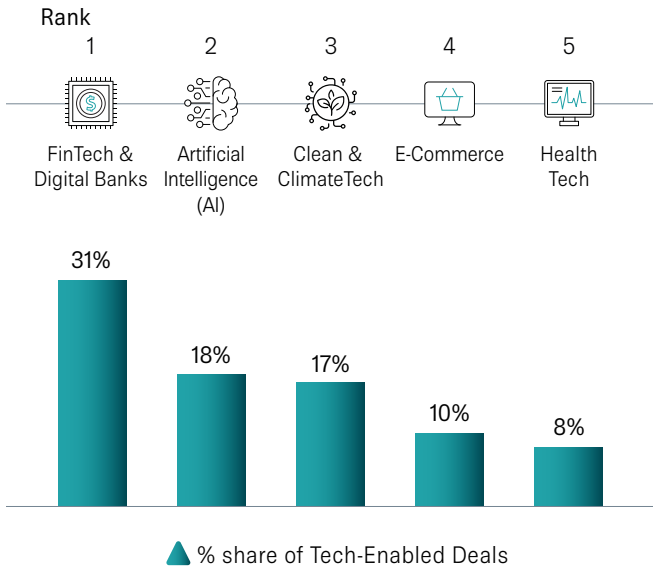


Figure 13: **Top Verticals Amongst Tech-Enabled Companies, 2026 Q1**

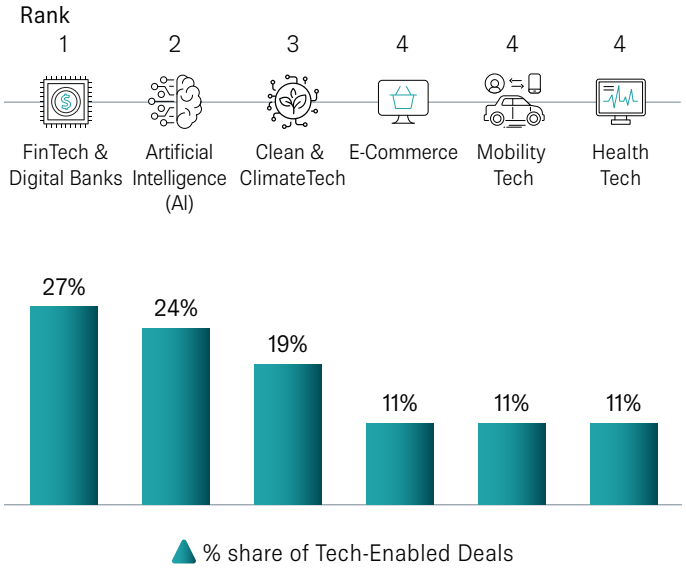
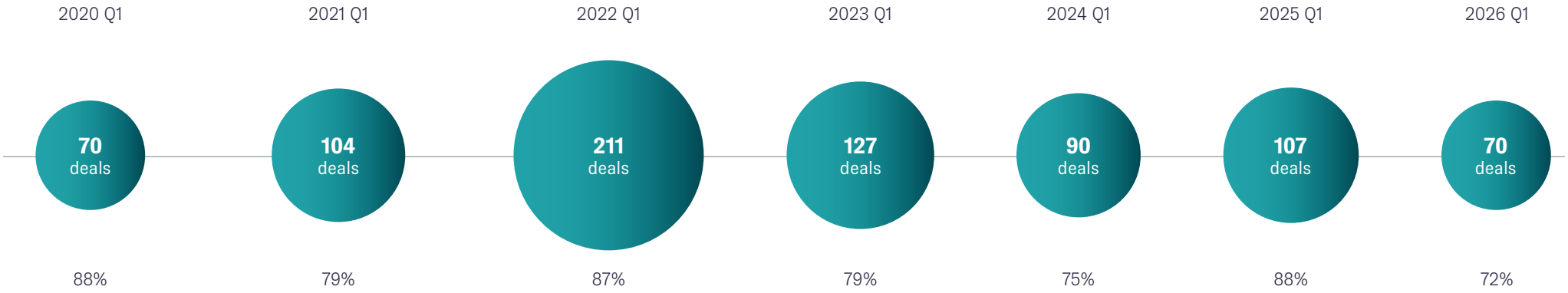


Figure 14: **Evolution of Deal Volume in Tech & Tech-Enabled Startups, 2020-2026**



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Venture debt activity improved in Q1 2026, with deal volume rising 23% YoY to 16 transactions. Deal value stabilised at US$194mn after two consecutive quarters without megadeals, but still exceeds the Q1 average for 2022–2024, when large debt allocations were less frequent.

Figure 15: **Volume of Venture Debt Deals in Africa, by Year & Quarter**



Figure 16: **Value (US$mn) of Venture Debt Deals in Africa, by Year & Quarter**

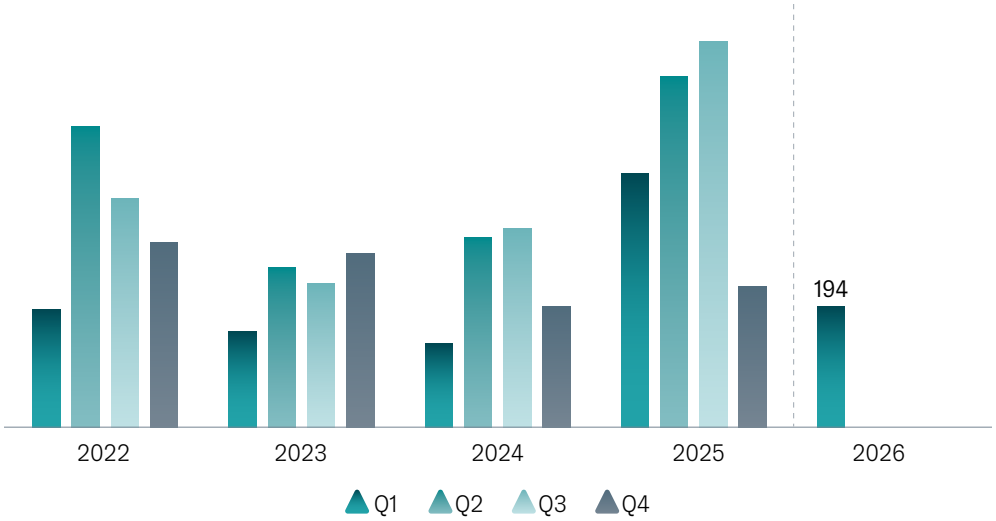


Figure 17: **Evolution of Median Venture Debt Deal Value (US$mn), 2022-2026 Q1**



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EXITS

Exit activity in 2026 Q1 remained in line with the 3-year Q1 average, with exits stabilising above pre-2022 levels as liquidity conditions continue to develop.

Figure 18: **Volume of Venture Capital Exits in Africa, by Year & Quarter**

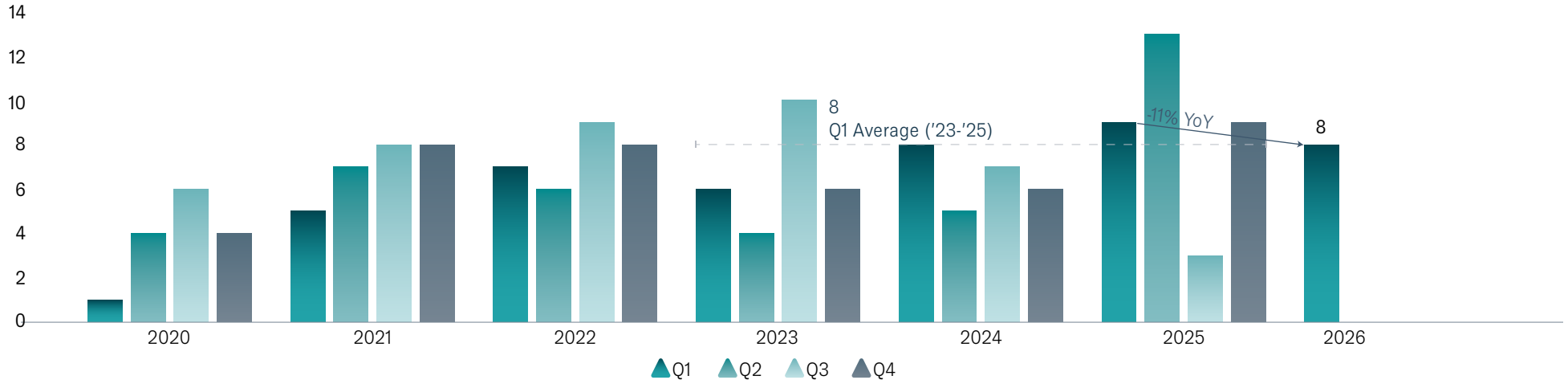
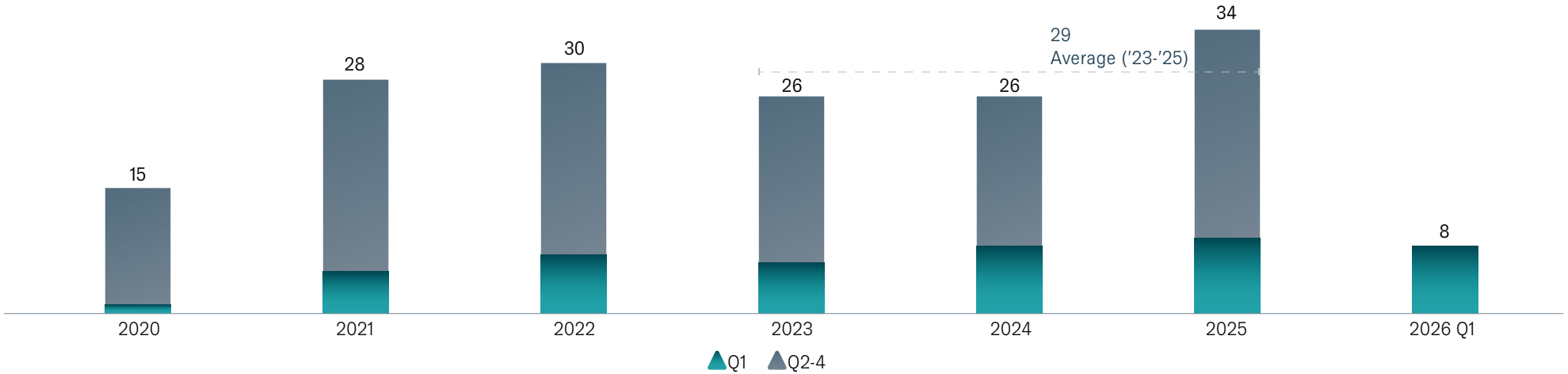


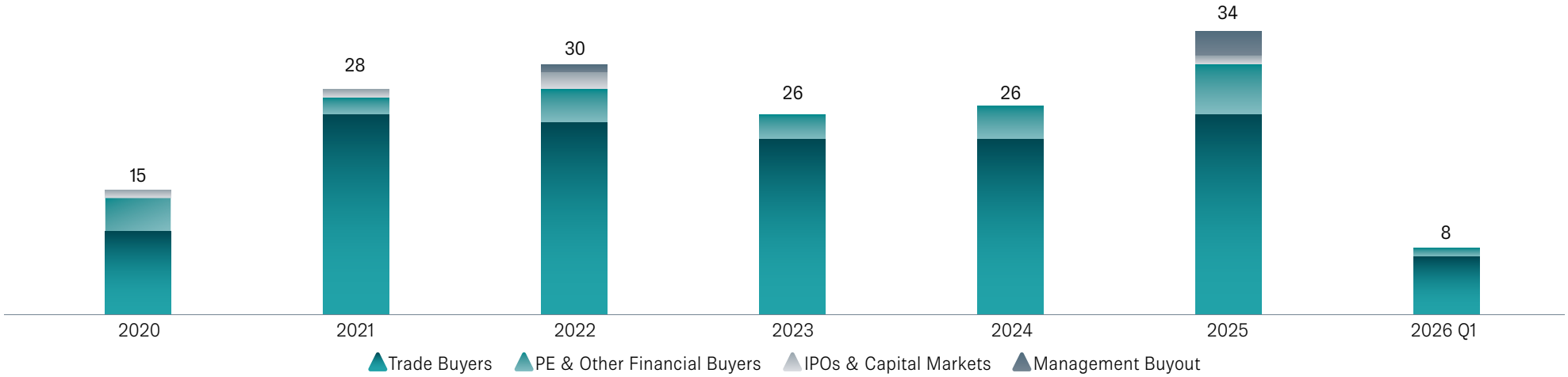
Figure 19: **Volume of Venture Capital Exits in Africa, Q1 vs. Q2-Q4**



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Trade buyers accounted for 88% of exit activity in 2026 Q1, reflecting Africa's growing strategic value for businesses seeking local innovation to scale. Although less prominent, sales to financial sponsors point to their continued role in supporting value creation.

Figure 20: **Volume of Venture Capital Exits in Africa, by Exit Route & Year**



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FUNDRAISING

Q1 2026 final closed commitments exceeded full-year 2025, reflecting the first US$100mn+ close since 2024 and shorter fundraising cycles.

Figure 21: **Value (US$mn) of Venture Capital Fundraising, by Type of Closing & Year**

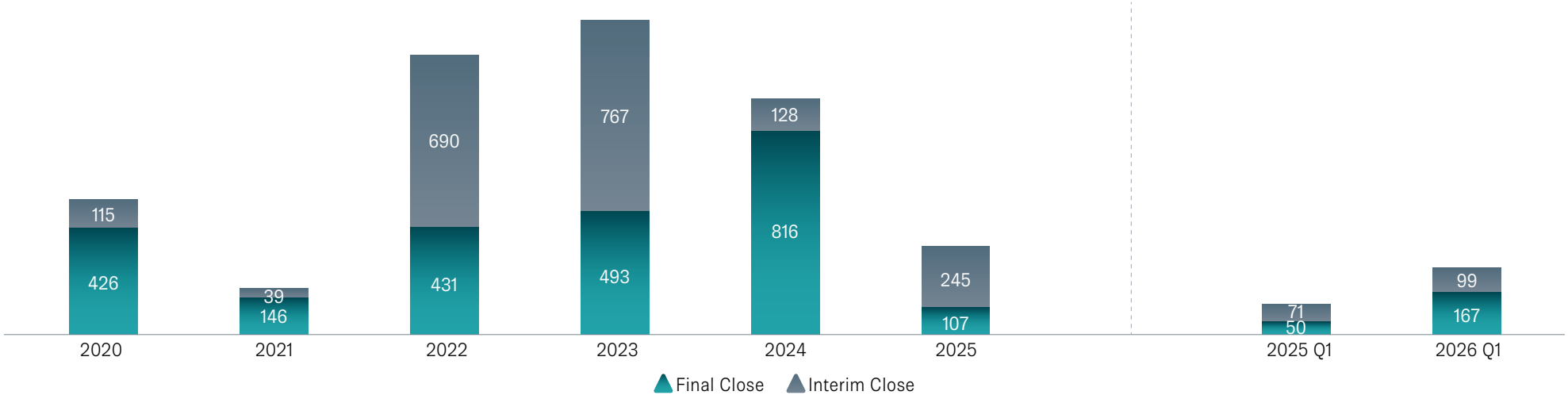
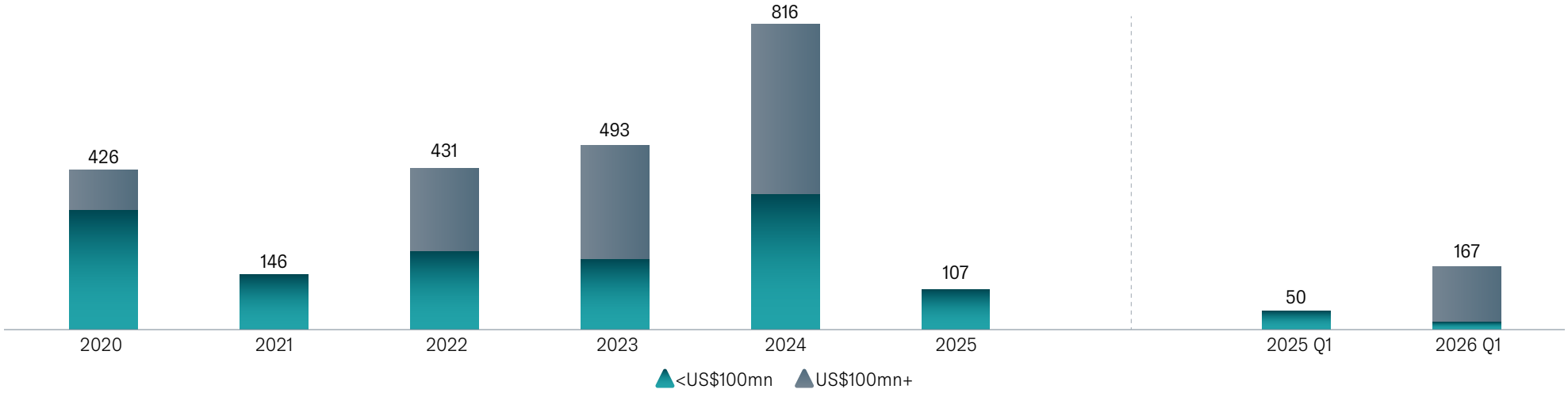


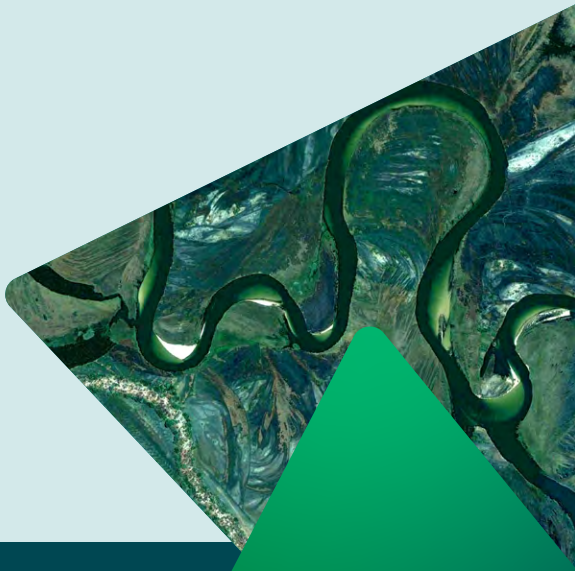
Figure 22: **Value (US$mn) of Venture Capital Fundraising, by Fund Size & Year of Final Close**



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RESEARCH METHODOLOGY

This report maintains the same methodology used in the full year Venture Capital in Africa series. A detailed overview of the Research Methodology used can be accessed here, on pages 41-42.



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