Venture Capital in Africa Report

2024

MARCH 2025

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2024 Key Facts

MARKET SIZE

US$3.6bn across **487 deals**, including US$1.0 billion of venture debt

DEAL SIZE

US$2.5mn

US$2.5 million median venture capital deal size

US$7.5 million median venture debt deal size

FUNDRAISING

US$736mn was the total value of **venture capital funds** that reached a final close in 2024, an increase of 41% YoY

SUPER-SIZED DEALS

8 super-sized deals with a cumulative **US$1.3 billion** raised

EXITS

26 VC-backed **exits** took place in 2024, with a median holding time of **3.2 years**

FIRST TIME FUNDING

34% Startups raising their **first round of financing** accounted for 34% of deal volume

INVESTOR PARTICIPATION

614 **unique investors** participated in both venture capital and debt deals in Africa in 2024

SECTOR FOCUS

Financials was the most active sector by venture capital deal volume (30%) and attracted the largest share of venture capital deal value (59%)

DIVERSITY

24% of funding recipients were startups with a **female founder or startups with gender diverse founding teams** (venture capital)

CLIMATE FOCUS

17% of funding recipients were **climate-related** ventures

REGIONAL FOCUS

West Africa attracted the largest proportion of venture capital deal volume in Africa (23%), driven by **Nigeria** which was the most active country by volume at 16%

Executive Summary: A Review of 2024

The sixth *Venture Capital in Africa* report charts the evolution of the continent's venture ecosystem from 2015 to 2024, culminating in a year that tested the industry's resilience. For the first time, this edition includes dedicated sections on Fundraising and Exits, offering a more holistic view of both the inflow and outflow of capital across the venture lifecycle in Africa.

Reckoning and Recalibration

2024 was neither a year of celebration nor collapse. Instead, it was a year of reckoning: marked by cautious steps, tempered expectations, and quiet recalibration. Global macroeconomic pressures continued to shape sentiment. But while other regions confronted these realities earlier, Africa's inflection point arrived later. North America and Asia saw the height of their venture capital contractions in late 2022, followed by Europe and Latin America in early 2023. Africa, by contrast, reached its peak market decline in the first half of 2024.

The delayed impact was pronounced—but not destabilising. As the tide receded, a more cautious and more discerning ecosystem began to take shape. While capital deployment slowed, it did not stop. In this environment, founders and investors alike recalibrated their expectations.

Key Highlights from 2024

- **Quality Reigned Over Quantity:** the median venture capital deal size rose to US$2.5 million in 2024 (+32% YoY), even as overall deal activity fell below the five-year average. In total, 427 deals were recorded across US$2.6 billion in disclosed value.

- **New Founders Remained Welcome:** 34% of capital recipients in 2024 were raising their first round, with venture capital rather than debt boasting a higher frequency of inaugural funding rounds.

- **Startups Navigated Quicker Fundraising Cycles:** the time taken to secure follow-on funding accelerated across every stage—averaging 14 months from Seed to Series A, 19 months from Series A to B, and 25 months from Series B to C.

- **Reduced Super-Sized Activity:** 8 super-sized deals with a combined value of US$1.3 billion took place in 2024, down 34% compared to 2023.

- **A Just Transition:** Nearly one in five deals went to climate-focused ventures, but their aggregate value in 2024 was less than half the year prior.

- **Spotlight on Local Capital:** African investors became the single largest investor group on the continent for the first time, comprising 31% of the 614 active investors in 2024.

- **Increase in Venture Fundraising:** 8 venture capital funds reached final close in 2024, raising a combined US$736 million—a record high for final closes by value.

- **Steady But Not Spectacular:** 26 venture-backed exits were recorded in 2024, flat YoY. These were primarily driven by M&A led by a mix of local and global trade buyers.

Two New Unicorns and a Market Divided

Despite challenging funding conditions, Africa's startup ecosystem marked two significant milestones in 2024. Nigeria's *Moniepoint* secured unicorn status in October after closing a US$110 million Series C, while South Africa's *Tyme Bank* raised a US$250 million Series D, joining this exclusive cohort shortly thereafter. Other notable funding successes included Egypt's *MNT-Halan* and Nigeria's *Moove*, both of which raised rounds exceeding US$100 million. These funding highs demonstrated continued capital accessibility for businesses with robust fundamentals, clear unit economics, and demonstrable scale potential—even amidst global macroeconomic headwinds.

These bright spots, however, illuminate a growing divide. Africa's venture landscape has become increasingly polarised, with funding concentrated at two distinct points on the investment continuum: early-stage startups and mature, capital-efficient ventures. This is evidenced by rising median deal values at both the Seed and Late Stage in 2024. In contrast, companies in the Early Stage bracket are navigating a particularly challenging environment, as investors shift toward either early validation or proven maturity.

This bifurcation reflects a sustained willingness among investors to commit capital—but under new, more selective conditions: fewer experiments, more conviction. Startups that demonstrated resilience, traction, and a clear path to profitability were rewarded. Those that couldn't were left to wait—or wind down.

Venture Debt Resilience

Amidst market headwinds and growing polarisation in equity funding, venture debt quietly stood out as a stabilising force in Africa's startup ecosystem in 2024. It was the only funding segment to record annual growth, closing 60 deals worth US$1 billion in a 3% increase by both volume and value.

What it lacked in visibility, it made up for in impact. Venture debt accounted for just 12% of total deal volume, but a substantial 37% of deal value, highlighting its increasing utility in an evolving capital landscape. With a median deal size of US$7.5 million (three times higher than that of equity) venture debt is increasingly being used to extend runways, finance asset-heavy business models or avoid unnecessary dilution. Its growth also reflects a broader shift in founder behaviour. As equity markets tightened, debt emerged as a pragmatic alternative, especially for scale-ups with stable revenues and predictable growth.

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Thriving on a Global Stage

In a year marked by funding slowdowns and macroeconomic pressure, African startups continued to punch above their weight—earning international recognition and affirming their global competitiveness. Despite headwinds, the continent delivered a steady stream of breakthrough innovations that stood out on the world stage.

2 Social entrepreneurs ascended to the global climate leadership stage. Nedjip Tozun, CEO and Co-Founder of *d.Light* and Uka Eje, CEO of *ThriveAgric* both earned places on **Time100 Climate 2024** as an "Innovator" and "Defender," respectively.

3 African startups received honours at **The Earthshot Prize**, a leading platform for climate innovation. Kenya's *d.Light* was named a finalist, while *GAYO* (South Africa) and *Keep It Cool* (Kenya) took home category wins.

4 Tech-enabled startups were named on the **World Economic Forum's Technology Pioneers** list in 2024, joining a prestigious global cohort shaping the future of tech-related innovation. These were *BasiGo* (Kenya), *Jetstream* (Ghana), *Kapu* (Kenya), and *uLesson* (Nigeria).

6 FinTech companies from Africa were featured on **CNBC's Global Fintech 250** list, highlighting the industry's rapid growth and transformational impact.

These accolades are more than symbolic. They are evidence of Africa's growing influence in shaping global solutions, even amid a constrained capital environment. They remind us that African ventures are not only surviving—they are thriving, earning their place among the world's most impactful innovators.

Conclusion

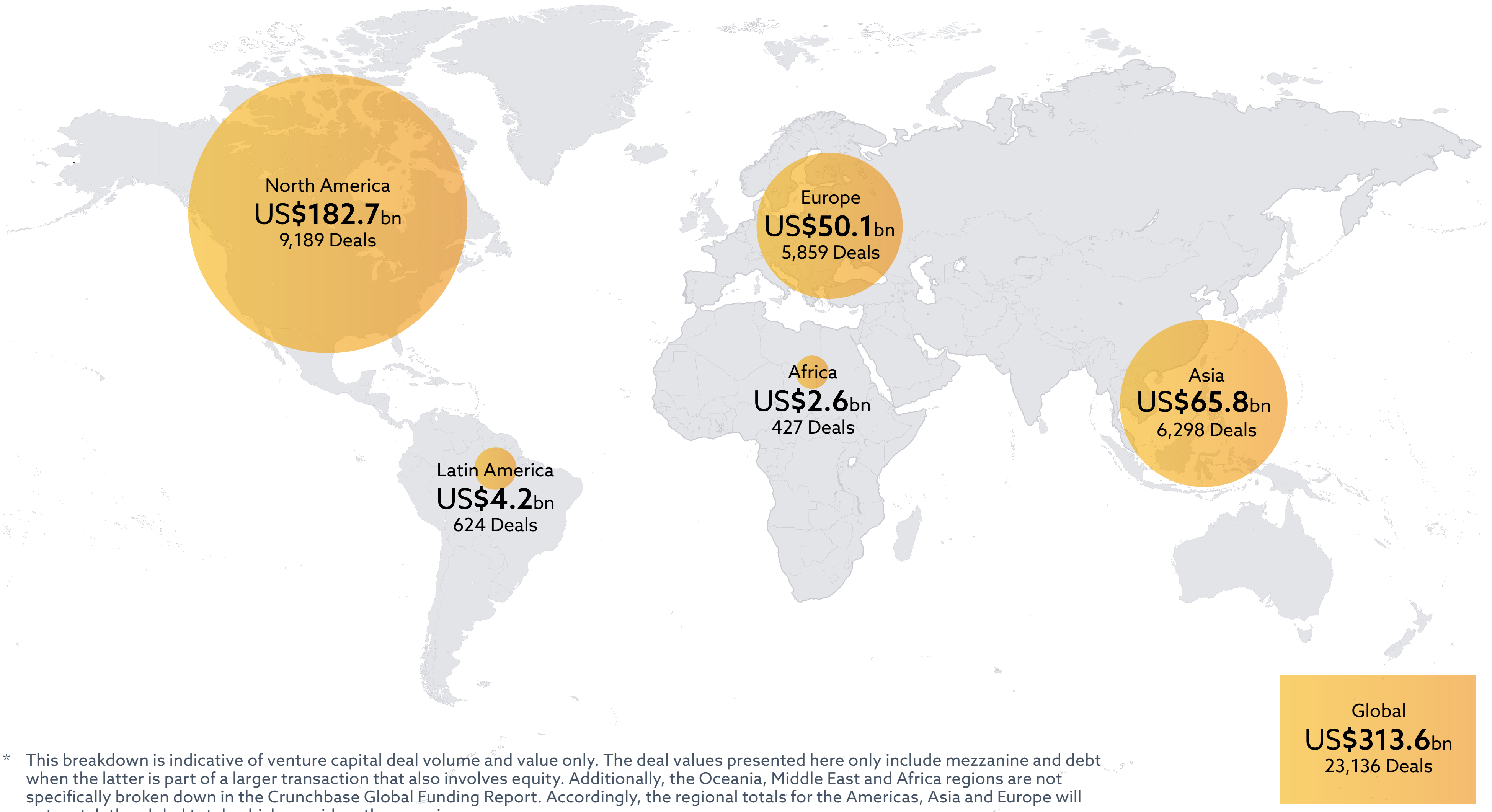
The dualities that shaped 2024 are impossible to ignore. The industry continued to face headwinds, but the resilience of its actors stood out. Startups became leaner. Investors became more selective. The bar for success rose. But so did the confidence in Africa's ability to produce ventures of global calibre.

If 2024 was a year of reflection and recalibration, 2025 may be one of quiet re-emergence. Early signs of global recovery (driven in large part by AI exceptionalism) hint at a turning point. And if history is any guide, Africa's rebound will follow belatedly with its typical 9–12 month lag. The companies that weathered the downturn—those that adapted, consolidated, and endured—are now better positioned to scale. They will find opportunities to acquire distressed assets, capture market share, and deepen their competitive edge.

Africa's venture ecosystem has never been short of promise. Now, it must prove staying power. The journey forward won't be easy, but it promises to be instructive, and increasingly rewarding.

Global Trends

1.1 International Breakdown of Venture Capital in 2024*



* This breakdown is indicative of venture capital deal volume and value only. The deal values presented here only include mezzanine and debt when the latter is part of a larger transaction that also involves equity. Additionally, the Oceania, Middle East and Africa regions are not specifically broken down in the Crunchbase Global Funding Report. Accordingly, the regional totals for the Americas, Asia and Europe will not match the global total, which considers these regions.

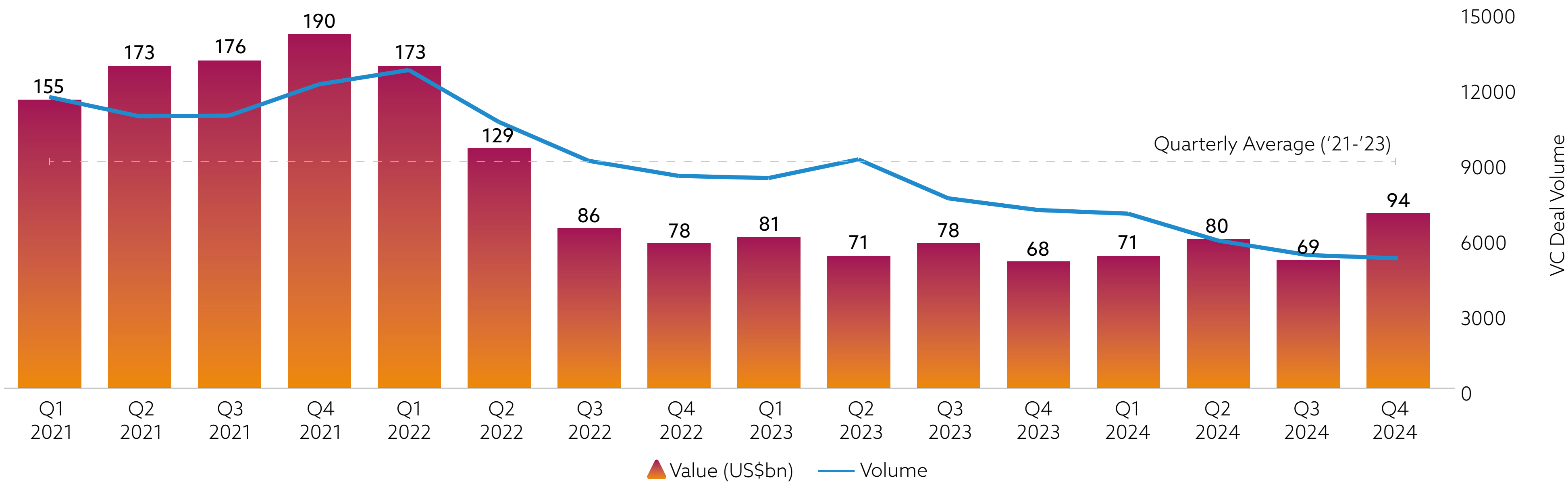
Source: AVCA, Crunchbase *2024 Global Funding Report*

1.2 Global Changes to Venture Capital Volume & Value

A Ray of Hope Amid Persistent Headwinds: Global Venture Funding Rebounds to US$314 Billion

After prolonged tepidity, global venture capital activity in 2024 demonstrated early signs of possible stabilisation. By year's end, US$314 billion had been invested across 23,000+ deals, a slight improvement over 2023's total of US$305 billion. While overall deal activity throughout most of the year remained subdued, Q4'24 broke from the trend and produced a robust US$94 billion in venture capital – the highest single-quarter tally in nine quarters (Figure 1). This last minute surge was powered by eight US$1 billion+ megadeals, which collectively represented more than US$36 billion of Q4's funding. In a striking display of investor appetite for artificial intelligence (AI), three American companies—*Databricks* (US$10 billion), *OpenAI* (US$6.6 billion), and *xAI* (US$6 billion)—alone accounted for a staggering US$22.3 billion of Q4's megadeal value. Their dominance signals that AI has "stolen the show" in the cyclical world of venture capital, much like internet-based ventures did at the turn of the millennium, social media startups in the mid-2000s, and mobile app developers in the 2010s.

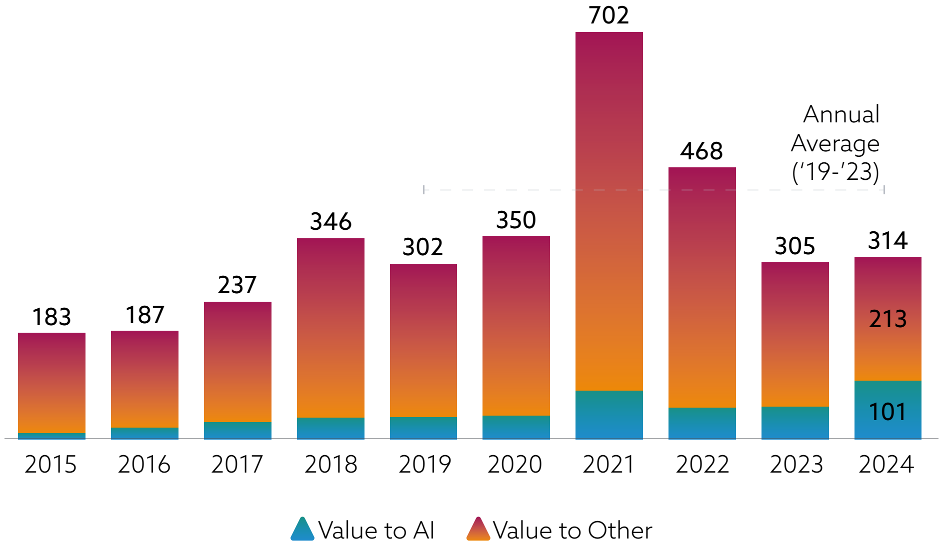
Figure 1: **Volume and Value (US$bn) of Global Venture Capital, 2024**



Source: AVCA, Crunchbase *2024 Global Funding Report*

While global deal value was buoyed by this wave of AI exceptionalism, which saw AI ventures attract one third (US$101 billion) of the annual total, global deal volume continued to slide in 2024. This sustained decline, ongoing since the first quarter of 2022, continues unabated. These mixed signals underscore that a comprehensive market revival may still be on the distant horizon. Both the volume and value of deals in 2024, even with blockbuster AI rounds, fall markedly below the quarterly average for 2021–2023. Early-stage companies across diverse sectors continue to meet consumer needs, but lack the attention and resources currently funnelled into AI-focused juggernauts. In light of these trends, it is too soon to declare a broad-based venture capital renaissance. Instead, 2024 stands as yet another wave in the ever-shifting tide of global venture funding—one where AI has momentarily captured the spotlight, even as much of the startup ecosystem remains in cautious recovery mode.

Figure 2: **AI Contribution to Value (US$bn) of Global Venture Capital, 2015-2024**



Source: AVCA & Crunchbase *2024 Global Funding Report*

1.3 Regional Comparison of Global Venture Capital

A Patchy Thaw: Diverging Regional Paths in Global Venture Capital

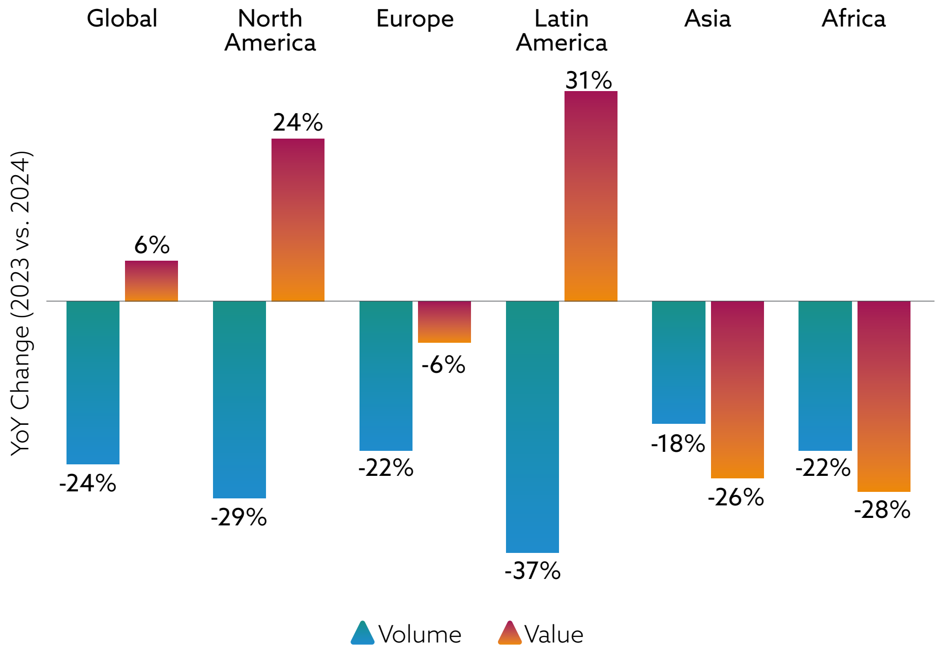
The global venture capital market in 2024 painted a picture of measured progress, even as dealmaking remained below the highs of previous years. The headline numbers—a 6% increase in value from 2023 but a 24% reduction in deal volume—mask the varied realities on the ground.

North America claimed the largest portion (58%) of global investments, thanks to the US$183 billion raised across over 9,000 deals in 2024. The momentum from the 24% annual growth in North America was instrumental in restabilising global venture capital in 2024. The United States led the charge, with the San Francisco Bay Area alone attracting a substantial US$90 billion in capital[1]. In contrast, Asia secured US$66 billion over more than 6,000 deals, marking a 22% decrease in capital value and an 18% drop in deal count. Notably, its contribution to the overall tally of global VC in 2024 dwindled to just 21%. This is a far cry from the 28% average share Asia contributed between 2021 and 2023 and underscores the extent of the macroeconomic and geopolitical challenges facing China, Asia's largest venture capital market[2].

In third place, the European market recorded over 5,000 deals totalling US$50.1 billion, a modest 6% reduction in value relative to 2023. Although the region's share of global investment slipped slightly from 18% in 2023 to 16% in 2024, dealmaking remains well above pre-pandemic levels. The UK, Germany, and France continued to lead the European venture ecosystem. Meanwhile, Latin America rebounded with a 31% surge in funding (US$4.2 billion across 624 deals), recovering some of the ground lost during a historically weak 2023. Late-stage investments in Brazil and Argentina toward year-end accounted for 16% of the region's annual total.

Overall, 2024 reveals a venture capital landscape that is slowly inching toward stability, although progress is neither uniform nor assured. While regions like North America and parts of Latin America have shown promising signs, considerable headwinds persist elsewhere—particularly in Asia and Africa. Whether these uneven recoveries can converge into a broader global upswing remains an open question, hinging largely on the pace of macroeconomic stabilisation and a renewed appetite for investment outside a handful of high-profile markets and sectors.

Figure 3: **Global Comparison of YoY Changes to VC Deal Volume and Value, 2024[3]**



Source: AVCA & Crunchbase *2024 Global Funding Report*

1.4 Africa in the Global Context

Against this broader backdrop of mixed global recovery, 2024 was a challenging year for Africa's venture capital ecosystem, which registered double-digit declines that outstripped all other regions in scale. A bleak H1 2024 saw venture funding channelled to Africa plunge by 65% compared to levels achieved during the same period in 2023 (US$2.1 billion down to US$0.8 billion). However, this gap eased considerably by year-end, landing at a 28% YoY decrease by value - thanks in large part to a number of high-profile FinTech deals in Q4. Even so, the US$2.6 billion raised by African startups brought the continent's share of global venture funding to less than 1% for the first time since the funding low triggered by the Covid-19 pandemic in 2020.

Despite a thinner deal pipeline, African startups demonstrated strong global competitiveness at later funding stages. At the Series B and Series C stages, African startups posted median deal sizes of US$29 million and US$38 million, respectively—surpassing the global averages of US$21 million (Series B) and US$35 million (Series C). On the one hand, this highlights that African startups securing growth capital can compete successfully on the global stage. On the other hand, it may signify that startups in Africa require larger funding rounds at later stages compared to their global counterparts, potentially reflecting unique market challenges or higher capital needs.

Figure 4a: **Global Comparison of Median Deal Size at the Seed Stage (US$ mn), 2024**[4]

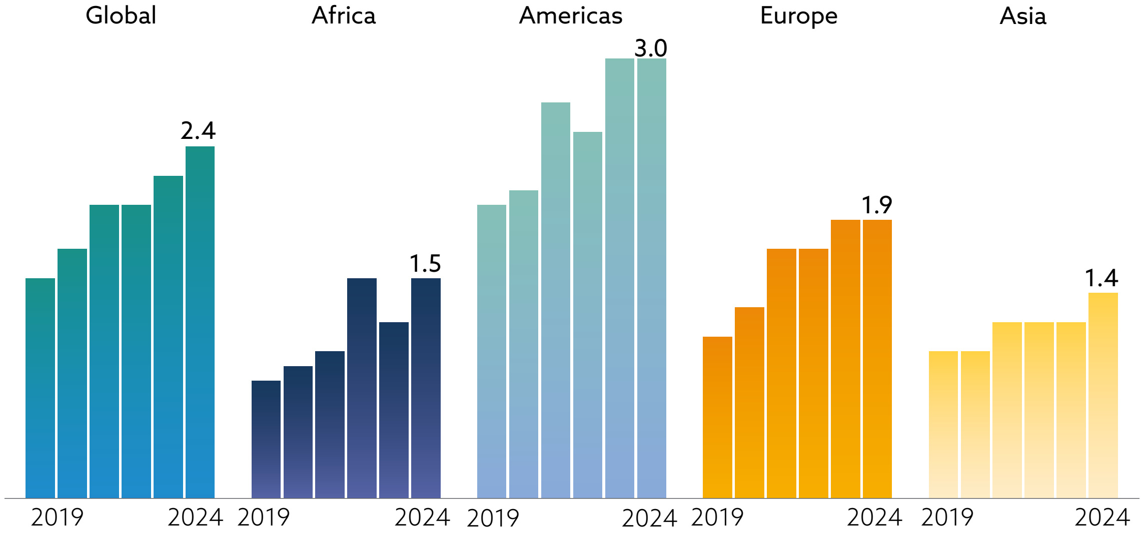
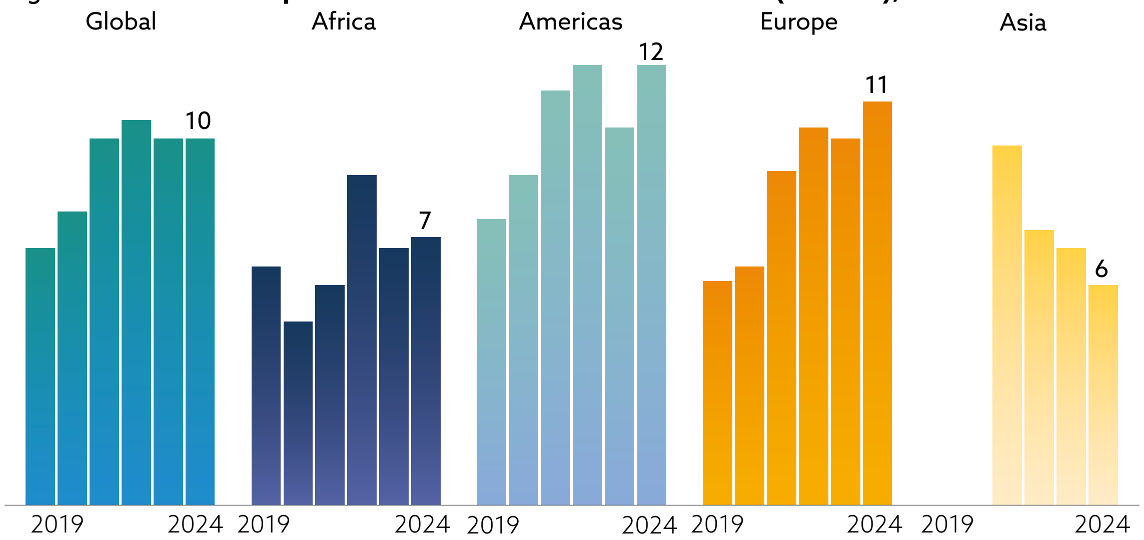


Figure 4b: **Global Comparison of Median Deal Size at Series A (US$ mn), 2024**



Source: AVCA & KPMG *Venture Pulse Q4 2024*

Figure 4c: **Global Comparison of Median Deal Size at Series B (US$ mn), 2024**

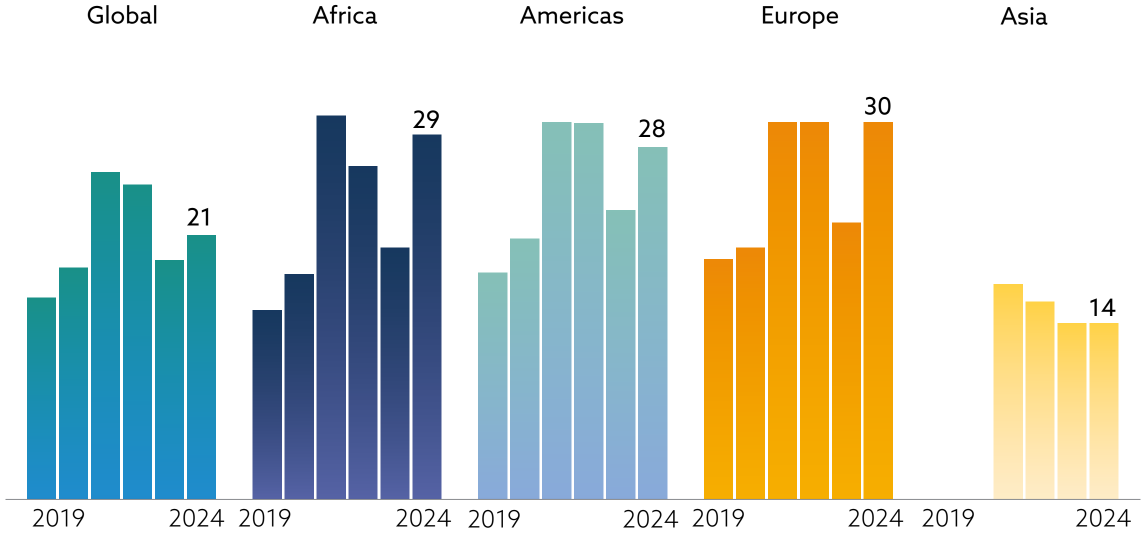
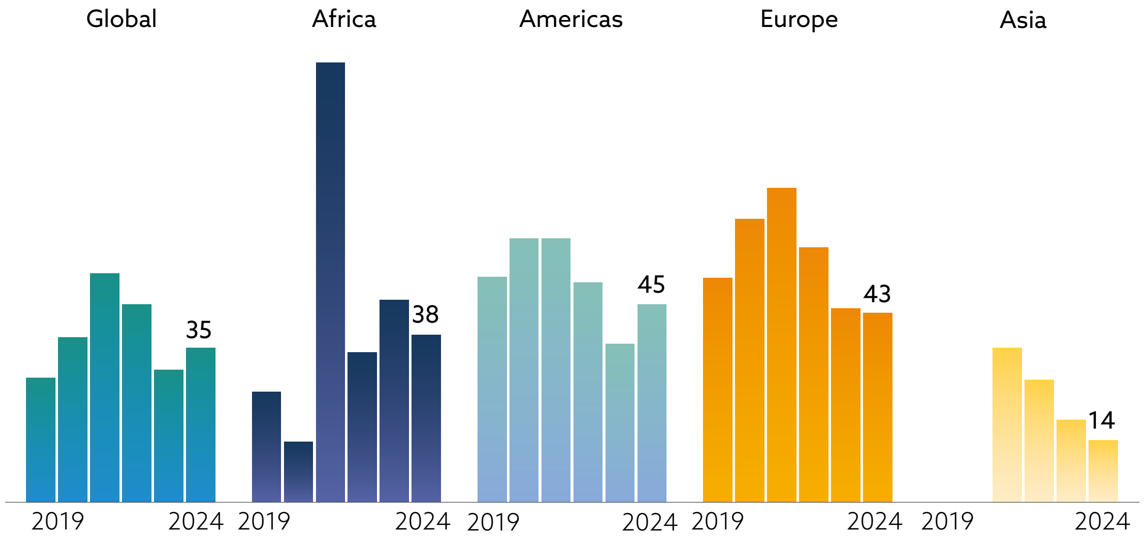


Figure 4d: **Global Comparison of Median Deal Size at Series C (US$ mn), 2024**



Source: AVCA & KPMG *Venture Pulse Q4 2024*

Deal Activity

2.1 Volume of Venture Deals in Africa

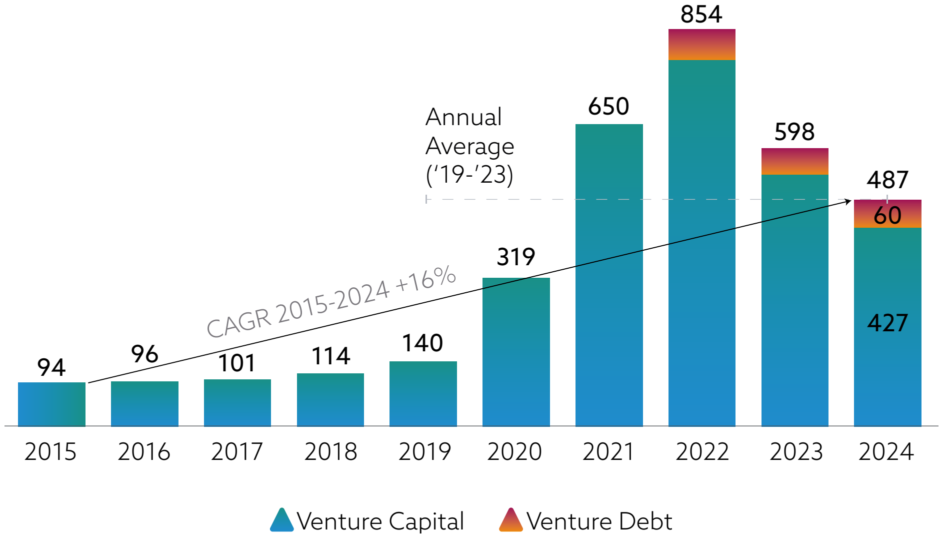
VENTURE CAPITAL DEAL VOLUME, 2024	VENTURE DEBT DEAL VOLUME, 2024	TOTAL VENTURE DEAL VOLUME, 2015-2024
427 Deals (-21% YoY)	60 Deals (+5% YoY)	3,453 Deals

Deal Volume Slides Below the Five-Year Average

Africa's entrepreneurial ecosystem secured a total of 487 deals in 2024—427 as venture capital and 60 as venture debt. While overall activity continued its downward trajectory, the volume of venture capital deals concluded in 2024 is particularly striking because it dropped below the five-year average. At best, this outcome may signal increased investor judiciousness, where those on the receiving end of the year's deal activity represented the 'best' of Africa's startups, having successfully navigated sub-optimal market conditions. Alternatively, it may indicate a sustained and unpredictable decline in investor appetite for early-stage opportunities on the continent. Venture debt, by contrast, exhibited modest resilience, achieving a 5% year-on-year increase despite an otherwise subdued market environment.

Nevertheless, the broader picture underscores this cumulative slide. Venture deal activity across Africa fell by an average of 13% every half-year since 2022, and culminated in the 2024 tally representing only 81% of the deals struck in 2023 and 57% of those in 2022. Much of this shortfall can be traced to Nigeria, South Africa, and Kenya, three of Africa's "Big Four" markets, which together accounted for two-thirds of the decline.

Figure 5: **Venture Deal Volume in Africa, By Year**



Source: AVCA

2.2 Value of Venture Deals in Africa

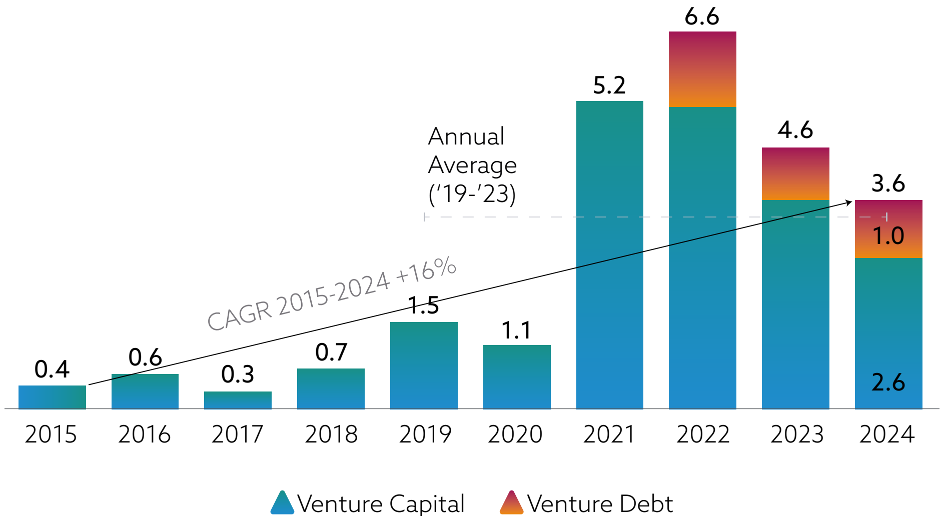
VENTURE CAPITAL DEAL VALUE, 2024	VENTURE DEBT DEAL VALUE, 2024	MEDIAN VENTURE CAPITAL DEAL SIZE, 2024	MEDIAN VENTURE DEBT DEAL SIZE, 2024
US$2.6 billion (-28% YoY)	US$1.0 billion (+3% YoY)	US$2.5 million (+32% YoY)	US$7.5 million (+40% YoY)

A Shifting Capital Landscape: Debt Gains Prominence amid Delayed Global Downturn

Over the past decade, venture capitalists have deployed nearly US$50 billion to Africa. While the funding channelled to the continent is far from comparable to that in other markets, it remains a testament to both the ecosystem's promise and its growth story. In 2024 specifically, African ventures collectively secured US$3.6 billion, split as US$2.6 billion via equity and US$1 billion through debt. While venture debt comprised only 12% of deal volume, it assumed a far more substantial 37% of deal value in 2024—indicating a strategic shift in the capital-raising strategies employed by African founders. Median deal sizes in 2024 stood at US$2.5 million for venture capital and US$7.5 million for venture debt, reinforcing venture debt's increasingly important role in the startup financing toolkit. Despite the insulation of venture debt's stable performance in 2024, the US$2.6 billion raised in 2024 is a pale shadow of totals recorded in previous years; comprising three quarters of aggregate funding in 2023 and a more diminutive half of funding amassed in 2021 and 2022. Perhaps most striking is that the entirety of venture capital raised in 2024 is nearly equal to that raised in a single quarter at the height of Africa's bull market, which saw Q3 2021 close out at an unprecedented US$2.2 billion.

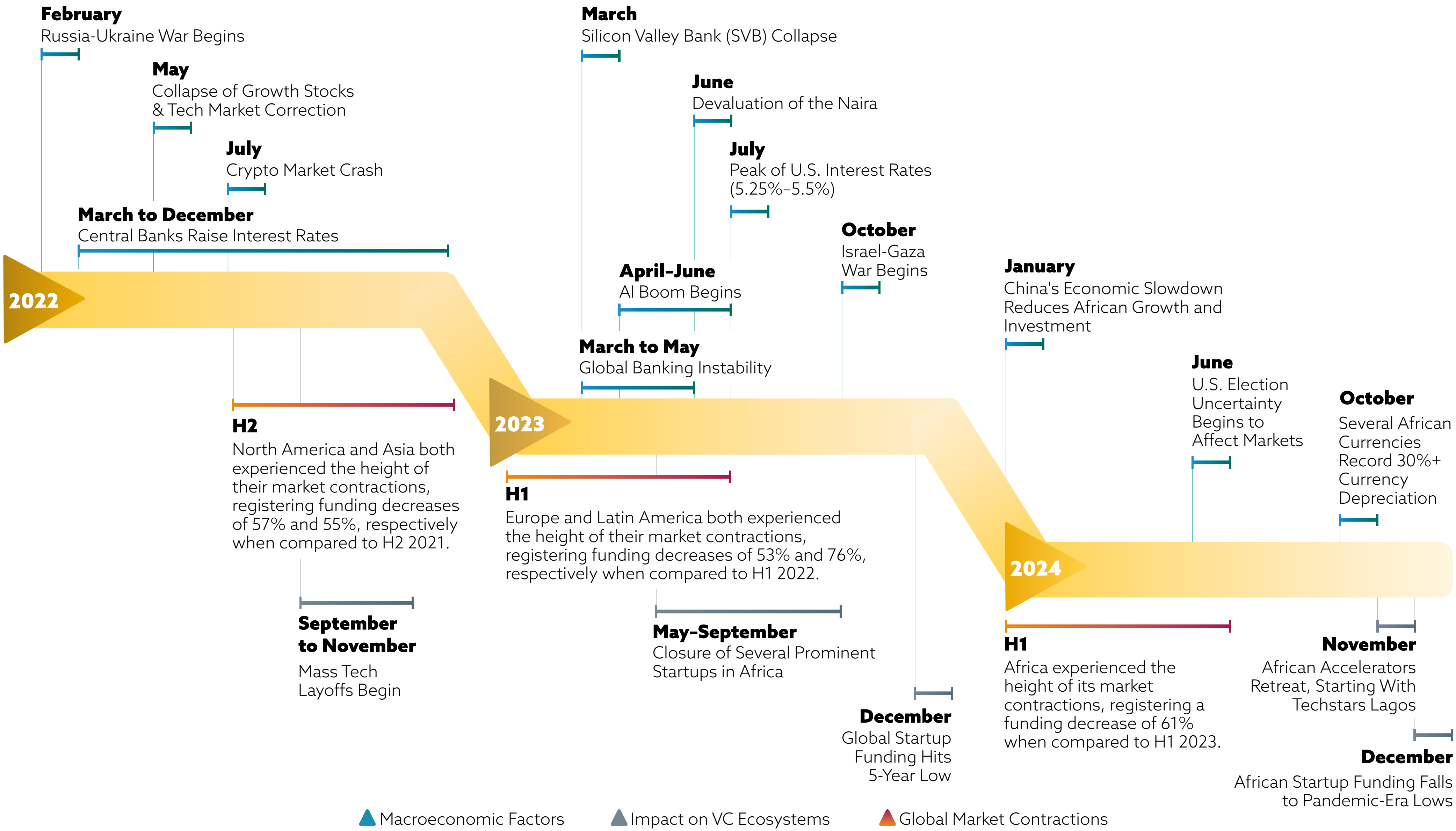
Before deploring the diminishing capital streams for African ventures, it is important to contextualise their wider environment. Figure 7 chronologises the macroeconomic and geopolitical factors that contributed to the onset of the global funding downturn, demonstrating clear divergences in the timing of depressed dealmaking activity by region. The same global headwinds—inflation, tight capital markets and investor caution—manifested on the continent much later, but with considerable impact. Just two years ago, in H1 2022, Africa posted its strongest half-year on record, growing its venture capital deal value by 128% YoY. Now, as North America, Latin America and Europe signal nascent recoveries in H2 2024, Africa finds itself still grappling with a late-arriving downturn. These staggered timelines underscore how similar external shocks can reverberate through emerging markets differently, shaped by each region's unique economic structures and resilience thresholds.

Figure 6: **Venture Deal Value (US$bn) in Africa, By Year**



Source: AVCA

Figure 7: **Timeline of Macroeconomic Factors Influencing Global and African Venture Capital, 2022–2024**

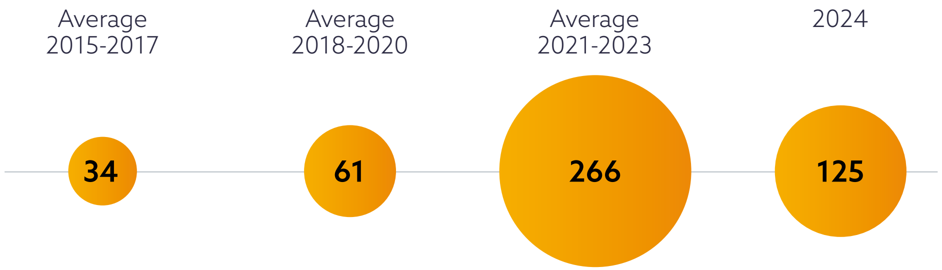


Investment Stage Focus

3.1 Venture Capital Deal Activity by Stage

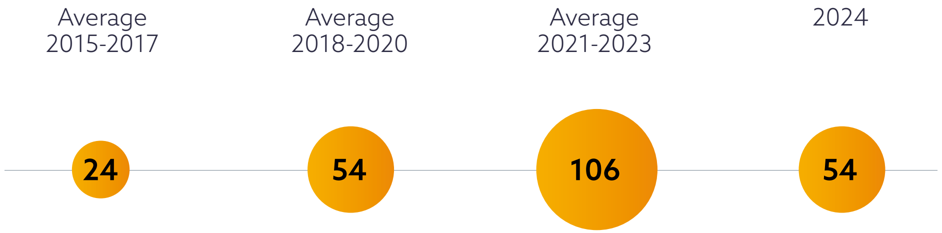
A uniform decline in dealmaking activity across all investment stages characterised 2024, signalling a marked departure from the rapid growth trajectory of the preceding three years. Deal activity from the seed through to the late stage in 2024 settled at just half of averages achieved between 2021 and 2023, highlighting the recency of the ecosystem's exponential growth and the resulting recalibration of investor benchmarks and expectations. Despite this universal decline in deal counts, median deal values at the seed and late stage rose in 2024, suggesting a bifurcated market. Capital remains accessible at the earliest and most mature phases: newcomers benefit from a growing cadre of regional funds and venture builders with dedicated mandates, while established ventures leverage proven track records to secure larger late-stage tickets.

Seed



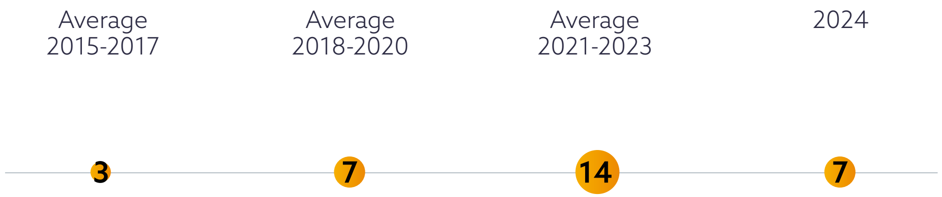
The seed stage recorded 125 deals in 2024 (down 37% YoY), with total funding amounting to US$236 million (down 16% YoY). While the contraction was more pronounced by deal volume than deal value, the median deal size rose from US$1.2 million in 2023 to US$1.5 million. This suggests a continued resilience in ticket sizes despite the reduced deal flow. Although the seed stage historically represented over 40% of aggregate deal volume in Africa, in 2024 it only accounted for 29%. The rise of 'series unknown' rounds partially explains this shift. Over a third (36%) of deal activity in 2024 defied conventional categorisation, compared to just 21% between 2020-2023. This surge indicates an increasing trend of startups raising bridge rounds to temporarily extend their financial runway and maintain operations – particularly in this competitive funding environment, with protracted timelines between more substantial funding rounds. Nevertheless, the US$2.5 million median ticket size of these 'series unknown' deals suggest they are predominantly seed or pre-Series A investments. Egypt emerged as the most active seed market (19%) and was closely followed by Nigeria (17%), highlighting the sustained momentum of North and West Africa in attracting early-stage capital.

Early Stage



The early stage was the hardest hit by the decreased venture capital flows to Africa in 2024, at 54 deals (down 33% YoY) totalling US$798 million (down 28% YoY). Compounding this, the median deal size decreased from US$10 million in 2023 to US$7.5 million in 2024, further highlighting the increased precariousness of this stage. Already susceptible to the problem of the 'missing middle', early-stage startups now face heightened pressure to demonstrate tangible growth, profitability, and prudent capital management to secure subsequent funding rounds. Nonetheless, the early stage maintains a degree of insulation, benefiting from the sustained pipeline of companies graduating from the historically active seed stage. Series A remained the most active segment, accounting for 55% of early stage deal volume and 44% of its total value. Series B deals, though comprising just 22% of volume, claimed a higher 47% of this investment stage's value. These figures collectively highlight the disproportionate investor focus on ventures that have validated their business models and begun to scale, even as global economic headwinds drive more stringent due diligence and extended timelines for funding rounds.

Late Stage

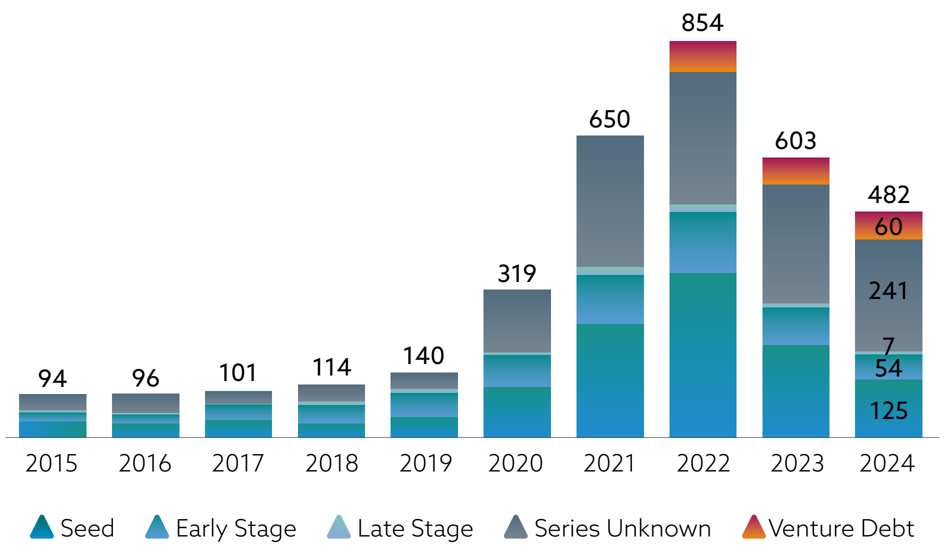


The late stage continued its multi-year decline, concluding 2024 with 7 deals (down 22% YoY) cumulatively valued at US$813 million (down 18% YoY). Despite this contraction, the median deal size increased from US$75 million in 2023 to US$100 million, indicating a sustained willingness among investors to commit larger sums to established companies. Notably, dealmaking was heavily concentrated in the fourth quarter. It accounted for 4 of the year's 7 late-stage transactions, following a conspicuously quiet first half. Series C and D rounds dominated this segment, complemented by a single Series F deal in digital cross-border remittance platform *Zepz*, which secured US$267 million in October 2024 to facilitate expansion within its core African markets. While opportunistic global funds which historically drove many of Africa's venture growth deals have gradually withdrawn since 2023, African fund managers are increasingly filling the financing gap for these high-value rounds. For example, Development Partners International led the US$110 million Series C in *Moniepoint*, and Helios Investment Partners spearheaded the US$100 million Series D in *M2P FinTech*. This trend signifies a growing local capacity for large-scale capital deployment, with some private equity managers also moving earlier into the venture funding landscape. However, international capital remained a significant influence, as demonstrated by Nu Holding's leadership in *Tyme Bank's* Series D round.

Venture Debt

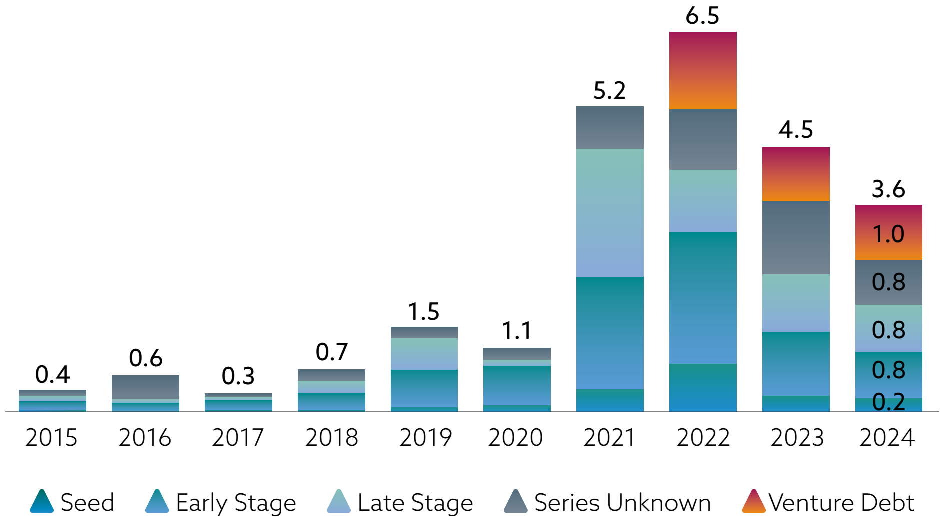
Venture debt stood out as the lone market segment to record annual growth in 2024, with a 3% increase in both deal volume and value that culminated in 60 deals worth US$1 billion. The median deal size also rose, from US$5 million in 2023 to US$7.5 million in 2024, indicating increased market maturity and a demand for larger debt rounds. An emerging trend is the occurrence of multiple debt raises within a single calendar year, as observed with *d.Light*, *One Acre Fund*, *UsPlus*, and *ValU*. This atypical frequency may suggest either enhanced availability of specialised credit solutions or more immediate capital requirements for expansion. Overall, the steady ascent of venture debt underscores its evolving role as a viable financing alternative, particularly in a climate where equity deals are more challenging to secure.

Figure 8: **Venture Deal Volume, by Stage, 2015-2024**



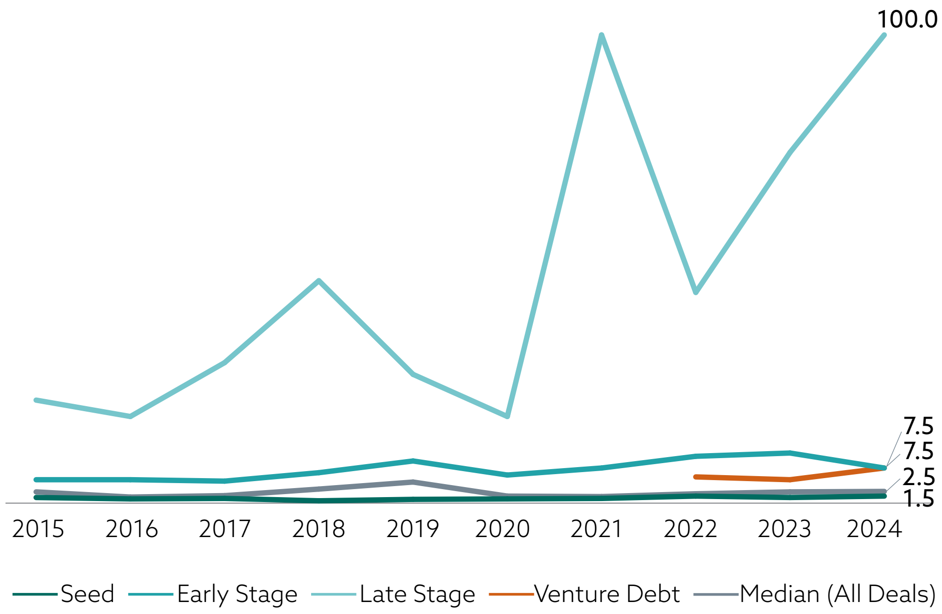
Source: AVCA

Figure 9: **Venture Deal Value, by Stage, 2015-2024**



Source: AVCA

Figure 10: **Median Deal Size in Africa By Stage, 2015-2024**[5]



Source: AVCA

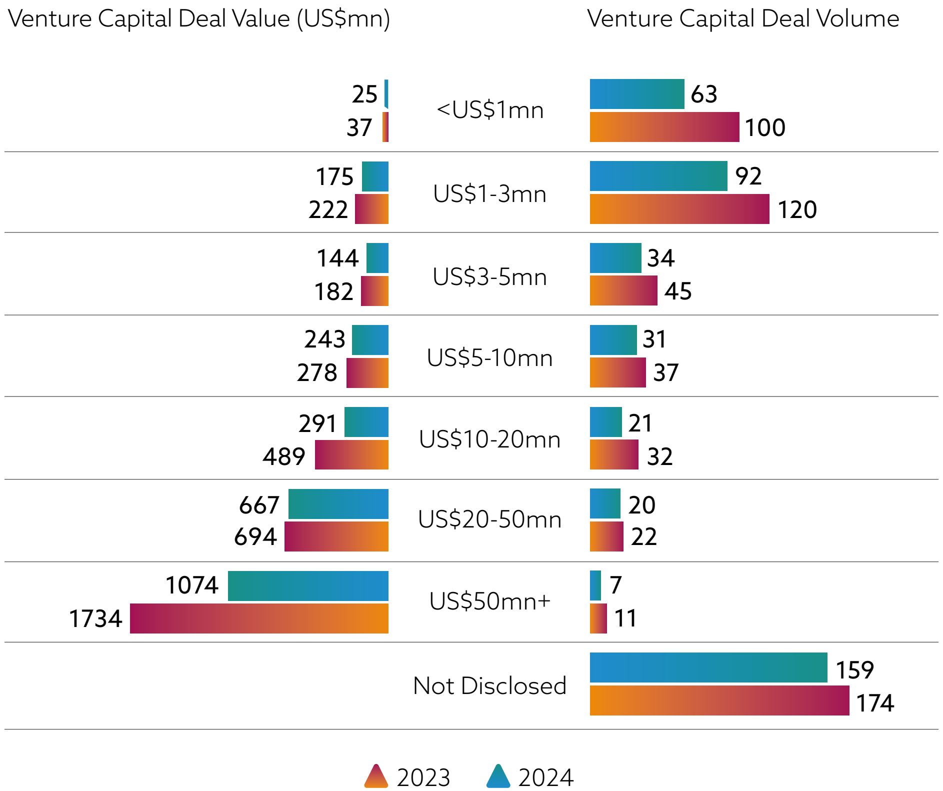
3.2 Venture Deal Activity by Ticket Size

An examination of ticket sizes in 2024 reveals both continuity with previous years and noteworthy shifts in investor behaviour. Mid-range categories such as US$5–10 million and US$20–50 million remained relatively steady in deal volume, mirroring their 2023 levels. By contrast, the poles experienced the steepest declines: deals under US$1 million fell by more than a third in both volume and value, as did those exceeding US$50 million, which dropped from 11 in 2023 to 7 in 2024. Despite these fluctuations, each ticket-size segment retained a proportion of total funding similar to that recorded in 2023, highlighting the enduring nature of Africa's funding distribution patterns. In this regard, a modest number of high-value deals continue to account for a large share of overall capital, while smaller checks—though reduced in absolute numbers—still predominate in Africa's venture ecosystem. This stability underscores the persistent duality of Africa's funding landscape, in which early-stage ventures frequently rely on sub-US$1 million raises, even as a handful of high-growth startups command outsized funding rounds. This divergence not only shapes fundraising strategies for founders but also highlights the selective nature of investor confidence amid ongoing market uncertainties.

A breakdown of venture debt by ticket size reveals patterns distinct from those observed in equity funding. Over half of both venture capital and venture debt deals are valued below US$10 million, but the distribution within these brackets varies considerably. Although a comparable proportion of venture capital and venture debt deals (36% and 33%, respectively) fell below the US$3 million threshold in 2024, the two funding types diverge sharply in the US$3–10 million range: 36% of venture debt deals landed in this mid-tier segment, compared with just 15% of equity transactions. This difference underscores venture debt's growing role not only as an early-stage bridge but also as a tool for financing more advanced growth and expansion.

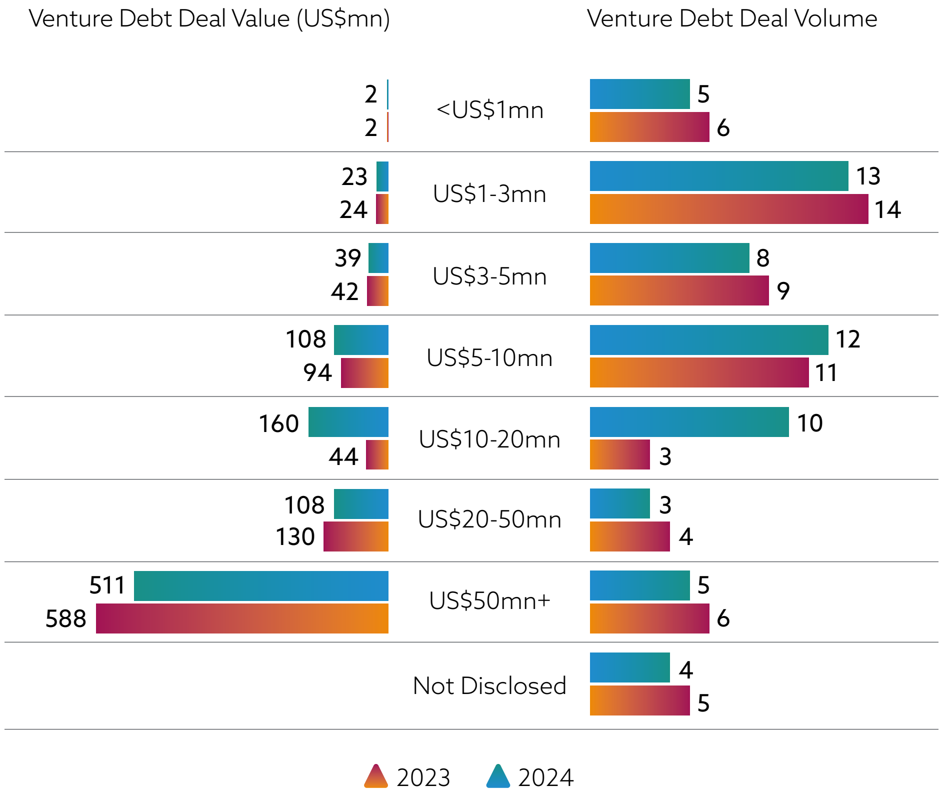
Despite a largely consistent overall distribution year-on-year, one notable change was the surge in US$10–20 million deals, which jumped from 3 in 2023 to 10 in 2024. This growth points to rising confidence among both borrowers and lenders in Africa's scaling ventures, as companies increasingly turn to debt to broaden their product offerings or deepen their market reach. While sub-US$5 million tickets still comprise a significant portion of the market, the expanding mid-range segment reflects a gradual shift in both the timing and rationale for borrowing—driven by founders' growing familiarity with debt instruments and lenders' growing appetite to fund Africa's emerging opportunities.

Figure 11: **Distribution of Venture Capital Deal Volume and Value by Ticket Size, 2023-2024**

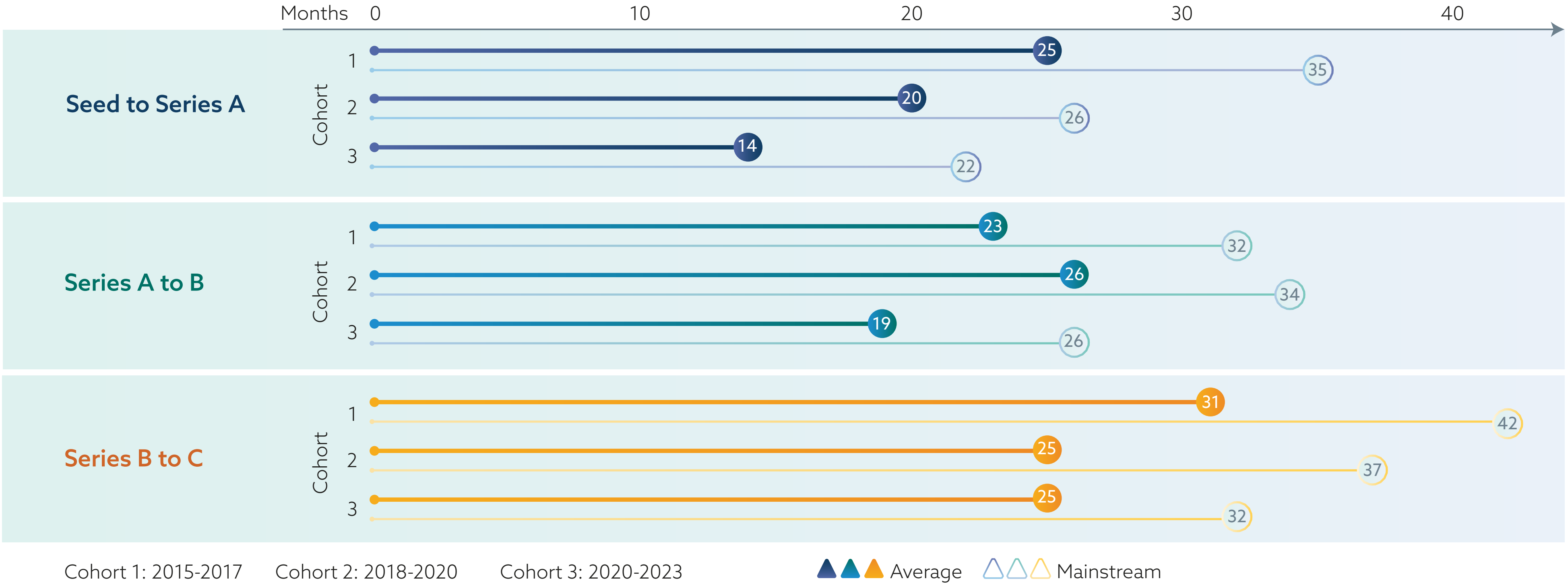


Source: AVCA

Figure 12: **Distribution of Venture Debt Deal Volume and Value by Ticket Size, 2023-2024**



3.3 Inter-Stage Fundraising Timelines



When divided into three distinct cohorts spanning 2015 to 2023, the data reveals a clear acceleration in the time taken for African startups secure follow-on funding, particularly at the earliest stages. In the earliest cohort (2015–2017), the average Seed to Series A transition spanned 25 months, with the majority of startups requiring up to 35 months. By contrast, in the most recent period (2021–2023), those figures dropped to 14 months on average, and 22 months for the mainstream group[6], indicating a much quicker progression between early funding stages. Although the middle cohort (2018–2020) showed longer Seed-to-A times of 20 months on average (26 for the mainstream), the broader trend suggests investors have become more inclined to deploy additional capital sooner, especially at the Seed level.

A similar pattern emerges with Series A to B and Series B to C conversions, albeit with nuances. For instance, A to B timelines peaked at an average of 26 months (2018-2020), before dipping to 19 months (2021–2023). Meanwhile, B to C transitions were once substantially lengthier—averaging 31 months (2015–2017) and dropping to 25 months in both subsequent cohorts. Notwithstanding this broad acceleration, individual outcomes vary widely. Some ventures raise follow-on funding in mere months, whereas others wait years. Moreover, the mainstream timeline is consistently lengthier than the mean, indicating that a subset of outliers can raise remarkably quickly, but most require more time.

Remarkably, only 47 companies advanced through two consecutive rounds, and less than 10 (including *Flutterwave*, *Swvl*, and *mPharma*) managed to raise Seed through Series C within this timeframe. Taken together, these figures highlight not only the growing pace of early-stage investment but also the inherent challenges of sustaining momentum across multiple funding rounds. This underscores the critical role of market fit, execution, and investor confidence in determining each startup's trajectory.

Figure 13a: **Timeframe For Seed to Series A Conversion, 2015-2023**

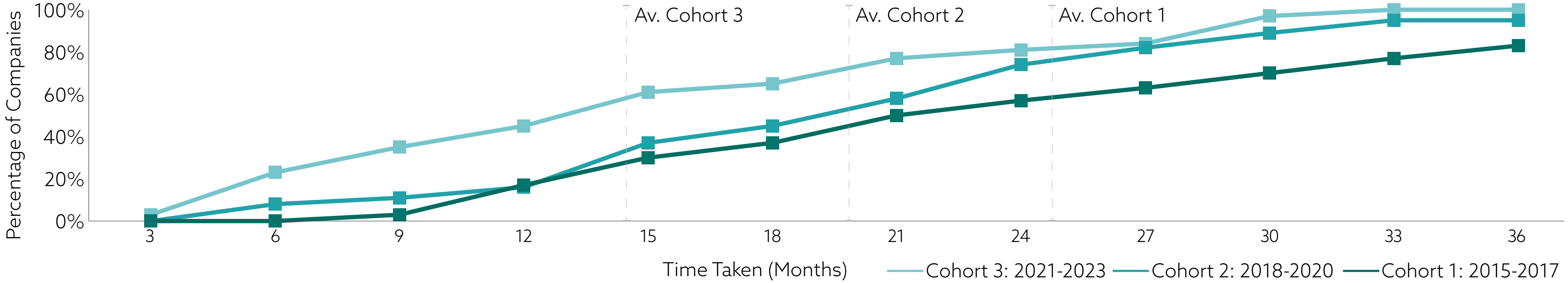


Figure 13b: **Timeframe For Series A to Series B Conversion, 2015-2023**

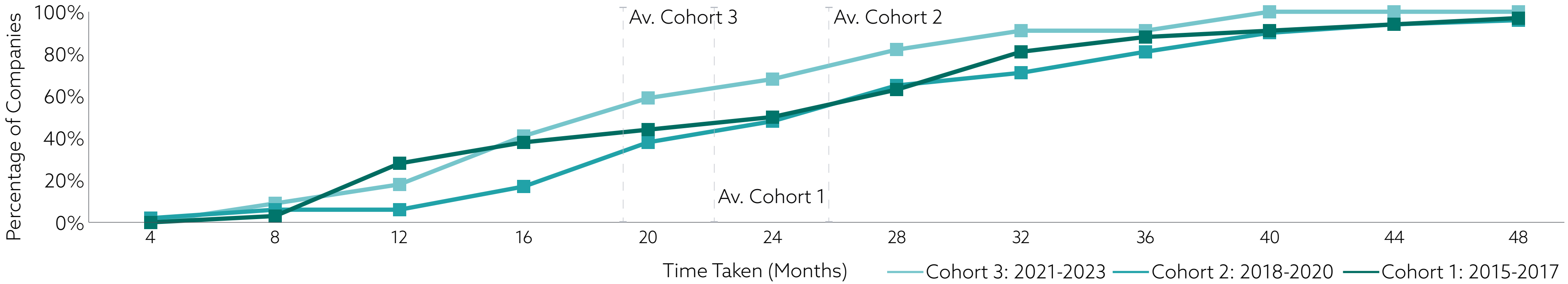
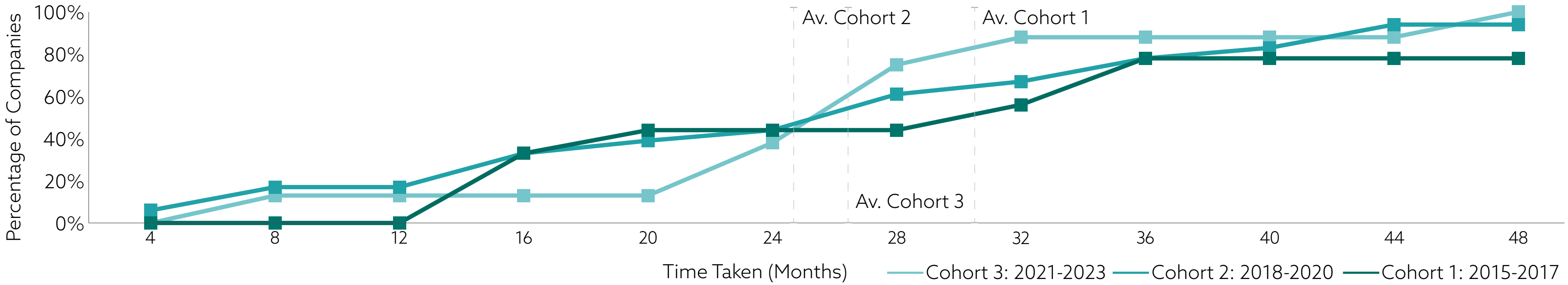


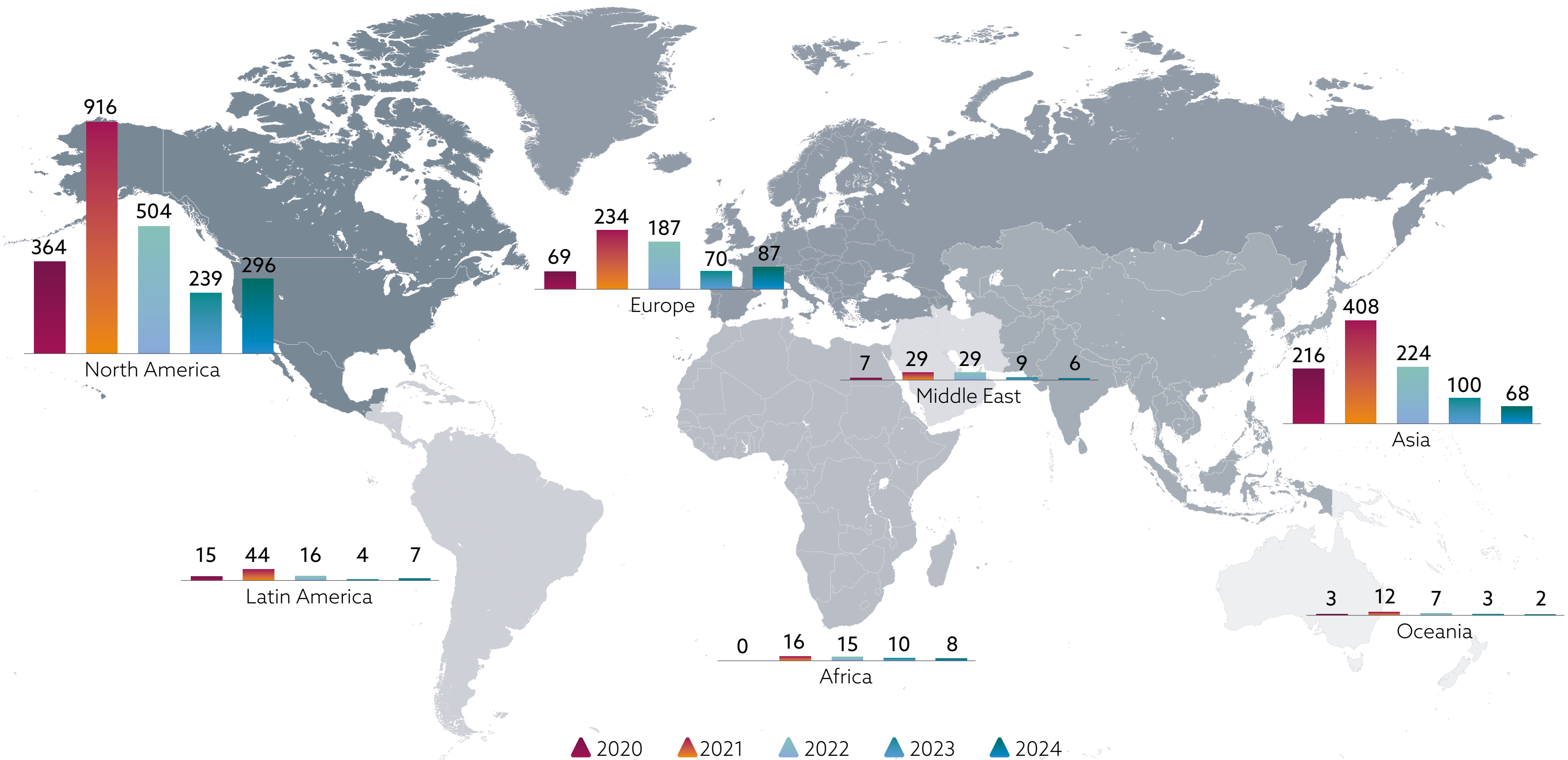
Figure 13c: **Timeframe For Series B to Series C Conversion, 2015-2023**



Super Sized Deals

Super-sized deals, defined as those equal to or exceeding US$100 million, continue to command outsized attention globally despite representing only a small fraction of total transactions. In Africa, 8 companies secured these high-value investments in 2024, down from 10 in 2023. This slight decline does not undermine their overall significance but rather points to the normalisation of high-value dealmaking in Africa over time. Collectively, these mega-rounds accounted for 36% (US$1.3 billion) of Africa's total funding in 2024, mirroring patterns observed in other emerging and mature ecosystems. Representing the former, in 2024 super-sized deals accounted for 31% of venture capital in Latin America, and a more substantial 41% in Asia. For the latter, 38% of venture capital disbursed in Europe was in a super-sized transaction.

Figure 14: **Global Distribution of Super-Sized Deals, 2019-2024**



Source: AVCA, CB Insights, and Pitchbook

Super-sized deals in Africa continue to concentrate within a few key sectors, although Financials has emerged as the perennial front-runner. In 2024, Financials accounted for six of the continent's eight super-sized deals, capturing US$984 million – equivalent to three quarters of both deal volume and value in this category. This included a combined US$517 million for digital banks (Egypt's *MNT-Halan*, Nigeria's *Moniepoint*, and South Africa's *TymeBank*), US$267 million for cross-border remittances (*Zepz*), and US$100 million for asset financing (*Moove Africa*). Notably, the breadth of their combined geographic focus highlights the consumer need for convenient and affordable financial services across Africa.

Information Technology and Utilities rounded out Africa's super-sized landscape with one deal each, worth US$176 million and US$109 million respectively. In parallel, Kenyan solar product producer *d.Light* stands out for continually securing high value debt deals: its US$176 million securitization facility in 2024 brings the startup's combined purchase funding to US$718 million since 2020. Despite their rarity, these super-sized transactions illustrate the willingness of African fund managers to lead large scale investments when solid growth prospects arise.

While some recipients plan to use this funding to scale within Africa (as *Moniepoint* intends to do with their Series C), others are opting to extend their footprint beyond the continent. More specifically, they are pivoting from conventional approaches to scaling which focus on establishing pan-African platforms, to approaches than span emerging markets more broadly. For example, *Tyme's* Series D will underwrite its expansion into Southeast Asia, whereas *Moove's* Series B will enable it to establish operations in another 16 global markets by the end of 2025, adding to its existing presence in India and Latin America.

Figure 15: **Sectoral Distribution of Venture Super-Sized Deals, 2024**

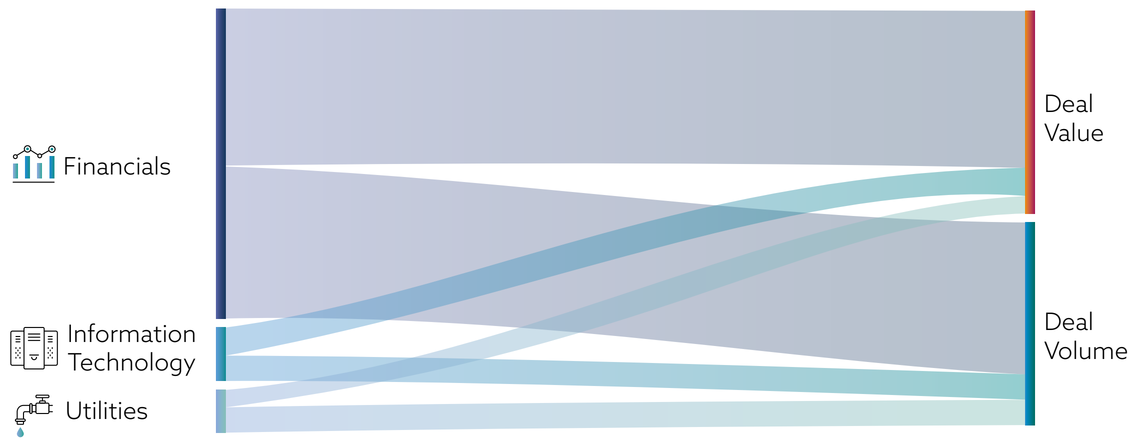


Figure 16: **Selection of Publicly Disclosed Super-Sized Deals, 2024**

Portfolio Company	HQ Location	Region (Operations)	Sector	Date	Funding Round	Deal Amount (US$ mn)
WorldRemit (Zepz)	United Kingdom	Multi-Region	Financials	Oct-24	Series F	267
Tyme Group	South Africa	Southern Africa	Financials	Dec-24	Series D	250
d.light	Kenya	Multi-Region	Utilities	Jul-24	Venture Debt	176
MNT-Halan	Egypt	North Africa	Financials	Jul-24	Series Unknown	157
Moniepoint	United Kingdom	West Africa	Financials	Oct-24	Series C	110
Moove Africa	Nigeria	Multi-Region	Financials	Feb-24	Series B	100

Geographic Focus

5.1 Venture Deal Activity by Region[7]

REGIONAL PROFILE: WEST AFRICA

West Africa Venture Profile, 2024: Key Facts

1st Rank in Africa (Volume)

4th Rank in Africa (Value)

OVERALL DEAL ACTIVITY
113 deals with a total reported value of **US$493 million**

VALUE PROFILE
US$2.3 million Median
US$7 million Average

TOP INVESTMENT STAGE
Seed
44% of deal volume

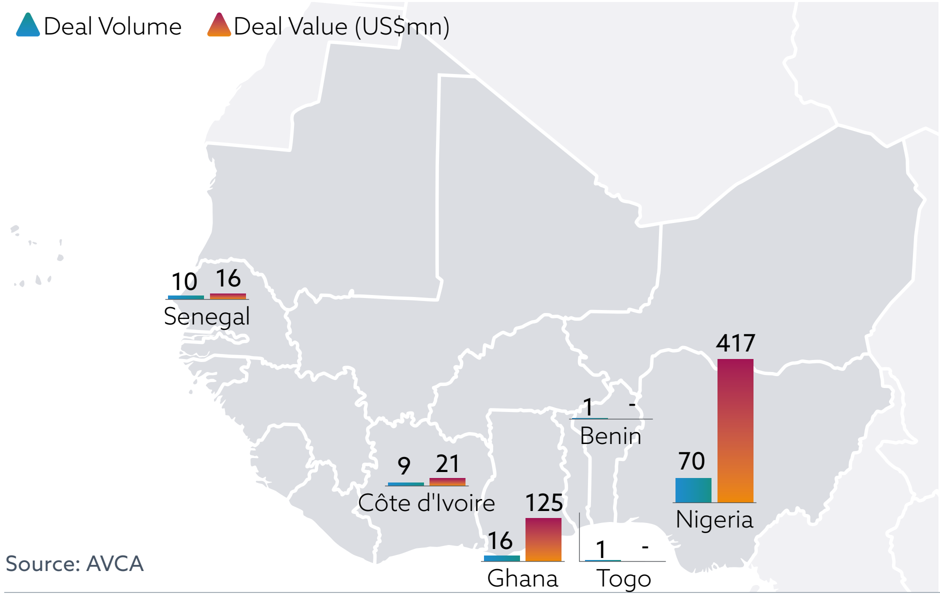
TOP INVESTMENT SECTOR
Financials
41% of deal volume

TECH PENETRATION
76% of capital recipients were tech or tech-enabled companies

GENDER PROFILE
25% of capital recipients were female (co)founded companies

SUPER-SIZED DEALS
1

Volume and Value of Venture Capital Deals in West Africa by Country, 2024



Source: AVCA

For the fourth consecutive year, West Africa topped Africa's regions in venture deal volume, although total funding ranked behind Southern and North Africa, as well as the Multi-Region category. An ongoing focus on Financials drove this momentum: 44% of deals originated in the sector, capturing half of the region's total capital. West Africa's single super-sized deal—*Moniepoint's* US$110 million Series C—reinforced the primacy of FinTech, trailed by the Information Technology (14%) and Consumer Staples (11%) sectors.

Funding distribution in West Africa followed longstanding and somewhat predictable patterns. Nigeria's celebrated status as the leading destination for venture capital by deal count carried forward into 2024, although it was surpassed by South Africa in terms of aggregate funds raised. Ghana was once again West Africa's second-most active market, one of only two countries outside the Big 4 to surpass US$100 million in 2024. Senegal and Côte d'Ivoire contributed to the region's diversification, capturing 9% and 8% of total funding, respectively. Despite these contributions, West Africa's relatively modest funding totals point to ongoing challenges, including currency volatility and heightened competition for capital from other increasingly competitive startup ecosystems.

REGIONAL PROFILE: EAST AFRICA

East Africa Venture Profile, 2024: Key Facts

2nd Rank in Africa (Volume)

5th Rank in Africa (Value)

OVERALL DEAL ACTIVITY

112 deals with a total reported value of **US$472 million**

VALUE PROFILE

US$2.0 million Median
US$5.5 million Average

TOP INVESTMENT STAGE

Seed
36% of deal volume

TOP INVESTMENT SECTOR

Financials
23% of deal volume

TECH PENETRATION

71% of capital recipients were tech or tech-enabled companies

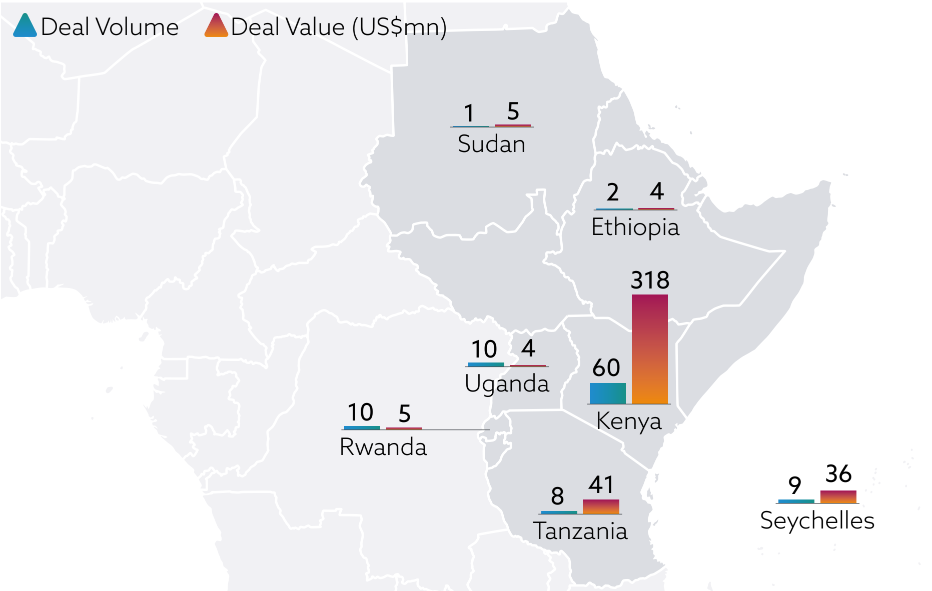
GENDER PROFILE

28% of capital recipients were female (co)founded companies

SUPER-SIZED DEALS

0

Volume and Value of Venture Capital Deals in East Africa by Country, 2024



Source: AVCA

While East Africa ranked second by volume in 2024, thanks largely to the added padding of 16 venture debt valued at US$114 million, the region's overall performance was somewhat disappointing. It placed fifth by deal value, due in part to the absence of super-sized deals. A volatile socio-political climate in Kenya and regulatory changes related to the proposed Finance Bill 2024 (including a rise in Capital Gains Tax from 5% to 15% and a new 6% digital services tax) led to a 7.6% decline in new business registrations[8] and weighed on deal flow. Meanwhile, an 88% drop in venture funding to Rwanda weighed on deal value, compared to its exceptionally strong 2023 which had included two deals valued at over US$20 million.

With tech penetration at 71%, East Africa has a strong but relatively smaller technology footprint compared to other parts of Africa. This has shaped regional investment patterns, with non-tech funding in 2024 concentrated in consumer-oriented sectors—Consumer Discretionary (durables and apparel) and Consumer Staples (food and beverage) companies received 61% of investment. A standout in 2024 was Tanzania, whose share of East Africa's capital rose to 9% from under 1% in 2023. This growth reflects the Tanzanian government's proactive support for startups, including a proposed Startup Policy and Act in 2023; regulatory and tax reforms in 2024; and plans for a Sh100 billion Tanzania Venture Capital Fund in 2025[9]. Seychelles also emerged as a hub for venture capital, particularly in the blockchain and FinTech sectors, reflecting its growing appeal to digital-first investors and startups.

REGIONAL PROFILE: NORTH AFRICA

North Africa Venture Profile, 2024: Key Facts

3rd Rank in Africa (Volume)

3rd Rank in Africa (Value)

OVERALL DEAL ACTIVITY

110 deals with a total reported value of **US$561 million**

VALUE PROFILE

US$2.3 million Median
US$7 million Average

TOP INVESTMENT STAGE

Seed
45% of deal volume

TOP INVESTMENT SECTOR

Financials
26% of deal volume

TECH PENETRATION

88% of capital recipients were tech or tech-enabled companies

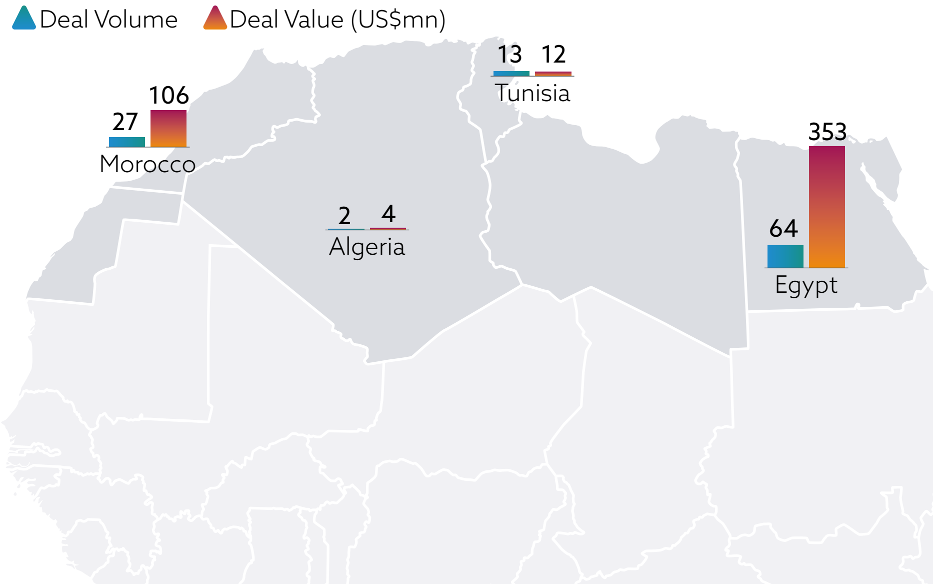
GENDER PROFILE

17% of capital recipients were female (co)founded companies

SUPER-SIZED DEALS

1

Volume and Value of Venture Capital Deals in North Africa by Country, 2024



Source: AVCA

Dealmaking in North Africa held steady in 2024, buffered by a modest (5%) elevation of venture capital deal count in Egypt compared to 2023—the only market in Africa's "Big 4" to register an annual increase. Egypt also claimed the region's sole megadeal, a US$157 million investment in digital bank *MNT-Halan*. Meanwhile, as host of the Africa Investment Forum in December 2024, Morocco has made strides to attract investment and solidify its position as a rising hub. 27 deals amounting to US$106 million occurred in Morocco, a sixfold increase from 2023 driven by sporadic early-stage funding rounds (such as the US$7 million Pre-Series A for *YoLaFresh*). Despite these positive strides, gender diversity in North Africa remains limited. Only 17% of venture deals in the region went to gender-diverse startups[10]: the lowest on the continent and below the 21% historic regional average (2020-2023). North Africa's diverse economies, coupled with sustained consumer spending and large urban populations, have fostered a thriving consumer-oriented startup ecosystem. However, in 2024, Financials (26%) emerged as the most active sector for investment. Interestingly, the rise of Financials is intrinsically linked to the region's consumerism. Investors are focusing on startups that provide crucial services like payment processing, digital banking, and affordable insurance, ultimately enabling commerce and further fuelling consumer spending in North Africa.

REGIONAL PROFILE: SOUTHERN AFRICA

Southern Africa Venture Profile, 2024: Key Facts

4th Rank in Africa (Volume)

2nd Rank in Africa (Value)

OVERALL DEAL ACTIVITY

78 deals with a total reported value of **US$754 million**

VALUE PROFILE

US$2.3 million Median
US$13.6 million Average

TOP INVESTMENT STAGE

Seed
28% of deal volume

TOP INVESTMENT SECTOR

Information Technology
28% of deal volume

TECH PENETRATION

84% of capital recipients were tech or tech-enabled companies

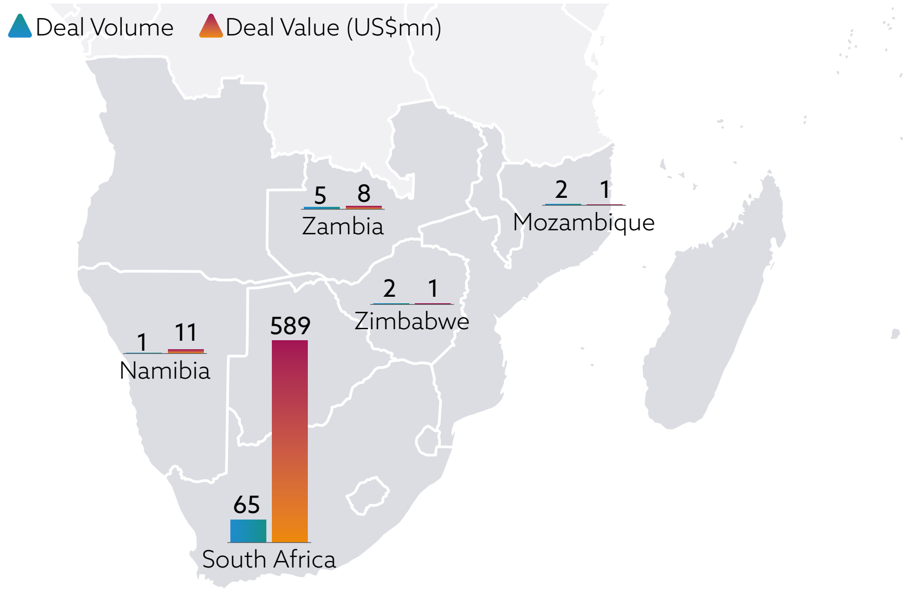
GENDER PROFILE

19% of capital recipients were female (co)founded companies

SUPER-SIZED DEALS

2

Volume and Value of Venture Capital Deals in Southern Africa by Country, 2024



Source: AVCA

Southern Africa recorded 78 deals valued at US$754 million in 2024, placing it fourth in volume yet second in total deal value across the continent. Its elevated funding level stems from two super-sized deals, most notably *TymeBank's* US$250 million Series D. This was an important milestone in South Africa's tech landscape and catapulted the FinTech venture to unicorn status. Boasting an 88% tech penetration rate, Southern Africa leads the continent in technology-driven investment, reflecting a longstanding innovation ecosystem anchored by South Africa, which routinely commands over 80% of venture capital disbursed to the region. While seed-stage deals in Zambia and other neighbouring countries offered diversification, the overall market remains skewed toward its dominant player. At 19%, the region's comparatively low percentage of funding allocated to gender-diverse startups highlights persistent gaps in female participation in STEM-related fields. Although its longstanding predominance between 2014 and 2020 has since given way, Southern Africa's robust IT focus and ability to attract major rounds suggest a continued role as a key innovation hub within Africa.

REGIONAL PROFILE: CENTRAL AFRICA

Central Africa Venture Profile, 2024: Key Facts

6th Rank in Africa (Volume)

6th Rank in Africa (Value)

OVERALL DEAL ACTIVITY

13 deals with a total reported value of **US$9.2 million**

VALUE PROFILE

US$2.0 million Median
US$1.8 million Average

TOP INVESTMENT STAGE

Seed
41% of deal volume

TOP INVESTMENT SECTOR

Health Care and Financials
23% of deal volume

TECH PENETRATION

77% of capital recipients were tech or tech-enabled companies

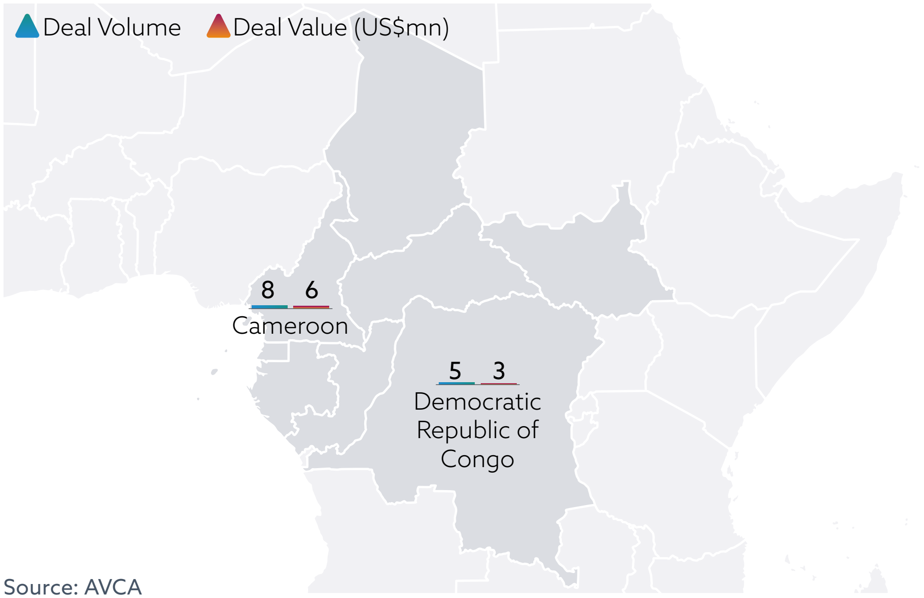
GENDER PROFILE

31% of capital recipients were female (co)founded companies

SUPER-SIZED DEALS

0

Volume and Value of Venture Capital Deals in Central Africa by Country, 2024



Source: AVCA

Central Africa saw a modest 13 deals totalling US$9.2 million in 2024, placing it last among Africa's six primary regions by both volume and value. Despite its limited footprint, the region had the highest proportion of funded startups led or co-led by female founders at 31%. Seed-stage deals predominated, accounting for 41% of the activity, with a particular emphasis on Health Care and Financials (each making up 23% of overall deal flow). A 77% tech penetration rate indicates rising adoption of digital solutions, though the small scale of investments continues to constrain momentum. Cameroon served as the focal point for the majority of these deals, while the Democratic Republic of Congo made measured strides away from resource-driven investments toward more diverse entrepreneurial ventures.

REGIONAL PROFILE: MULTI-REGION

Multi-Region Venture Profile, 2024: Key Facts

5th Rank in Africa (Volume)

1st Rank in Africa (Value)

OVERALL DEAL ACTIVITY
61 deals with a total reported value of **US$1.3 billion**

VALUE PROFILE
US$8.8 million Median
US$25 million Average

TOP INVESTMENT STAGE
Early Stage
24% of deal volume

TOP INVESTMENT SECTOR
Financials
40% of deal volume

TECH PENETRATION
79% of capital recipients were tech or tech-enabled companies

GENDER PROFILE
24% of capital recipients were female (co)founded companies

SUPER-SIZED DEALS
4

5.2 Venture Capital Deal Activity by Country

55% of venture capital deal volume and 64% of deal value in 2024 went to startups headquartered in the Big 4

Figure 17: **Top 10 Investment Destinations by VC Deal Volume, 2024**

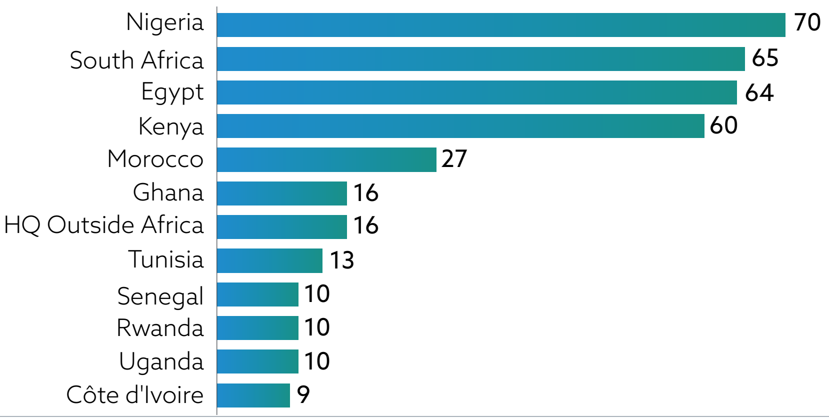


Figure 18: **Top 10 Investment Destinations by VC Deal Value (US$mn), 2024**

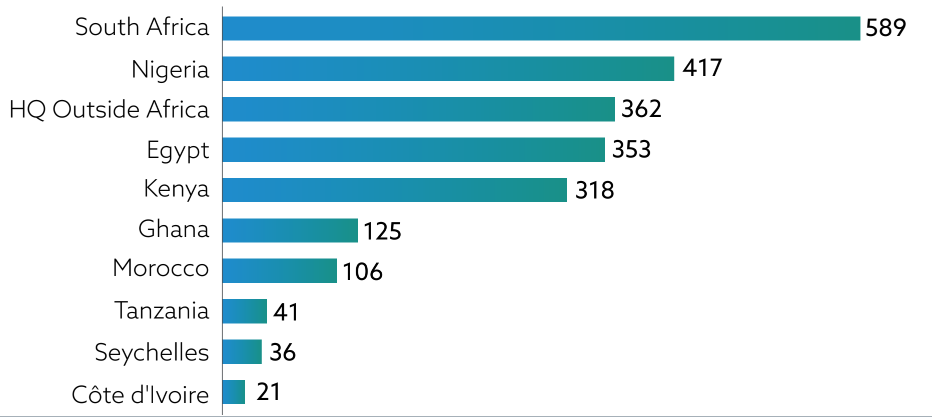


Figure 19: **Evolution of Country Ranking by Deal Volume, 2019-2024**

Source: AVCA

Sector Focus

6.1 Venture Capital Deal Activity by Sector

Contrasting Fortunes: High and Low Sector Performers in 2024

FINANCIALS

Financials have long stood as the titan of venture capital in Africa, consistently attracting the largest share of investment. Its dominance persisted into 2024, as Financials remained the only sector to record annual growth in deal volume, inching up by 2%. Although total deal value contracted from US$1.7 billion in 2023 to US$1.5 billion, the sector still commanded a dominant 59% of overall venture funding in 2024—equivalent to nearly three out of every five dollars deployed across the continent. This impressive share marks a decade-long climb in the concentration of capital towards this sector, from 23% (2015-2017), climbing to 32% (2018 to 2020) and later 50% (2021 to 2023). Although early-stage ventures focused on consumer financial services remain the mainstay, the banking sub-sector is steadily gaining traction. Not only did the volume of banking deals triple from just 6 in 2020 to 19 in 2024, but the average deal size also surged from US$2.2 million to US$26.4 million over the same period.

This trend mirrors the global rise of digital-only banks, which have gained widespread adoption following their success in Europe, exemplified by *Monzo*, *Revolut*, and *Starling*. In 2024, African digital banks not only demonstrated strong regional appeal but also held their own on the global stage. *Tyme Bank's* US$250 million Series D ranked as the third-largest digital banking investment worldwide, while *Moniepoint's* US$110 million Series C was the sixth-largest[11]. Their success aligns with a broader rebound in investor sentiment toward retail FinTech. This is particularly true for digital banking, as global venture capital deal value in this sub-segment surged by 171% year-on-year in 2024[12]. Despite a modest dip in total capital, Financials continues to be the star performer of African VC, fulfilling a deep-seated demand for innovative and accessible financial solutions.

HEALTH CARE

In contrast to Financials, Healthcare was 2024's underperformer, with deal volume falling by 46% and total funding by a steeper 78% compared to 2023. While every sector experienced funding contractions last year, Healthcare bore the brunt of the pullback[13]. Healthcare secured only 27 deals worth US$43 million in 2024, equating to roughly half (49%) the average annual deal count between 2021–2023 and a mere 22% of its prior capital allocation during the same period. The precise drivers of this sharp decline remain unclear. It may be a natural market correction following the Covid 19-induced boom, akin to the post-pandemic downturn in SaaS investments. Alternatively, it may be the outcome of more structural issues. Findings from the African Union Development Agency's *Home-Grown Solutions Accelerator*—which incubated 28 healthcare ventures in the last four years—highlights market saturation (with ventures duplicating each other's models) and the unique difficulties of scaling healthcare solutions across diverse policy, infrastructure, and patient-spending contexts[14]. This complexity hinders growth for healthcare startups, creating bottlenecks to raising the follow-on capital needed for product enhancement and geographic diversification.

Another noteworthy shift is the rise of what might be termed "soft healthcare" innovation, encompassing lifestyle, wellness, and beauty-focused ventures. While making primary healthcare more accessible remains a priority, a wave of adjacent health-focused startups are repositioning themselves into more consumer-oriented categories. Examples include recent seed rounds in *Uncover*, a Kenyan personalised skincare startup that raised US$1.4 million and Egypt's *Glamera*, a health and wellness booking application that raised US$350,000. Companies like *WellPal*, an Egyptian health-focused eCommerce platform, also blur boundaries with consumer-oriented services more comfortably classified under Consumer Discretionary than traditional Healthcare. Whatever the cause, 2024 marks Healthcare's lowest funding level since 2018, spotlighting a pronounced divergence in sectoral performance within Africa's venture capital ecosystem.

Figure 20: **Share of Venture Capital Deal Volume by Sector & Industry Group, 2024**

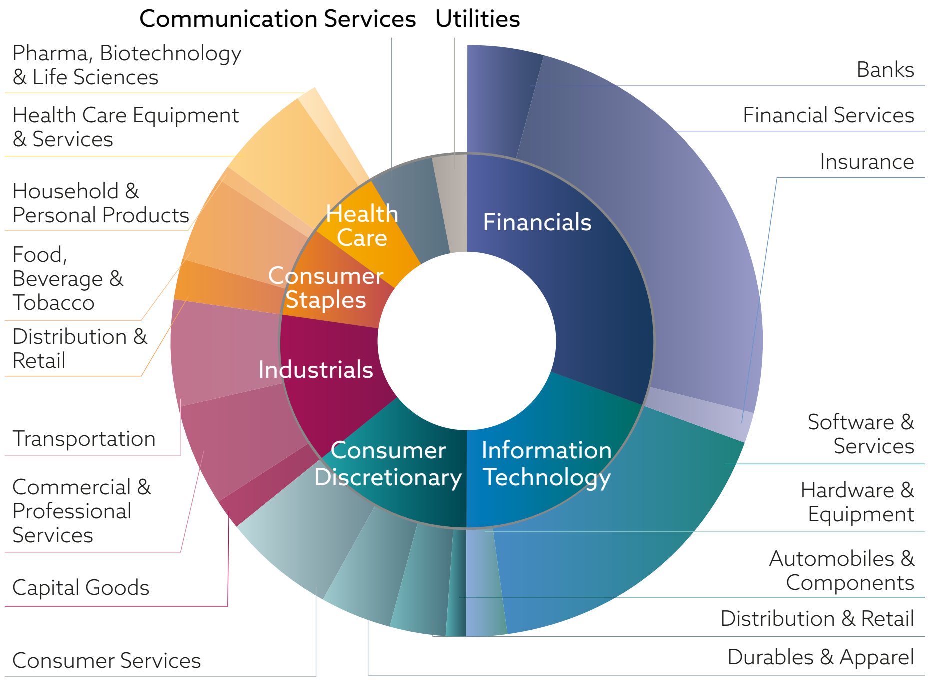
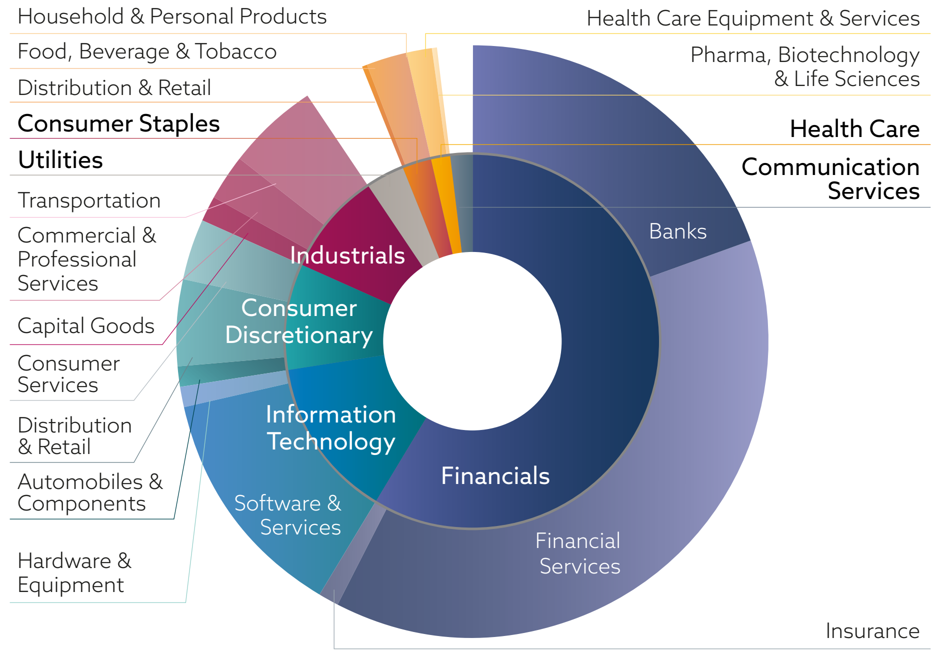


Figure 21: **Share of Venture Capital Deal Value by Sector & Industry Group, 2024**

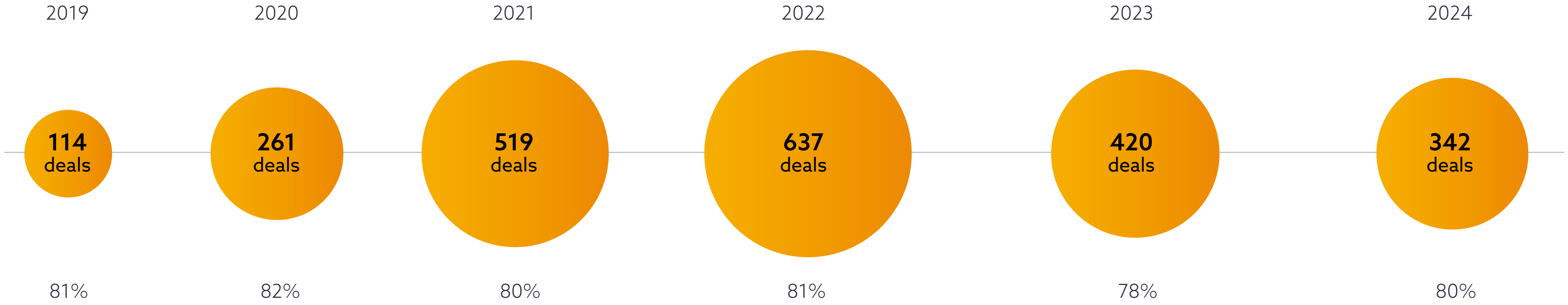


6.2 Technology Penetration in African Venture Capital

80% **of VC deals in 2024 were in technology or technology-enabled companies** operating across a variety of sectors

Despite recent contractions in venture dealmaking across Africa, the share of deals allocated to tech-enabled companies has demonstrated notable stability, averaging approximately 80% since 2019. Over that period, annual tech deals surged from 114 in 2019 to a peak of 637 in 2022, reflecting a sustained investor belief in the transformative power of technology across the continent. Although 2024 did not surpass previous deal count records, tech-focused startups continued to represent the principal segment of African VC activity, underscoring the sector's enduring appeal even amid a broader funding downturn.

Figure 22: **Deal Volume in Tech or Tech-Enabled Startups, 2019 – 2024**



Source: AVCA

FinTech Still Leads the Pack

Unsurprisingly, FinTech & Digital Banks again commanded centre stage in 2024. With 116 deals representing 34% of all tech-enabled rounds, FinTech & Digital Banks resoundingly secured the top spot, collectively attracting US$1.4 billion in venture capital. This vertical encompasses a broad array of innovations, from cryptocurrency exchanges and embedded finance solutions to mobile wallets designed for Africa's largely unbanked population. The sub-sector's robustness also mirrors trends elsewhere, as digitally driven banking solutions continue to redefine access to financial services worldwide.

E-Commerce and HealthTech Decline

Meanwhile, E-Commerce, long the second-most active vertical, slipped to fifth place with 25 deals in 2024. The potential to tap into Africa's emerging consumer class remains alluring, yet many startups—both B2C (e.g. Kenya's *Copia Global*) and B2B (e.g. Egypt's *Capiter* and Nigeria's *Alerzo*)—faced closures or scaled back operations in 2024 amid formidable barriers to cost-effective growth and customer acquisition. Health & BioTech experienced a similar downturn, dropping to a joint fifth rank with only 25 deals, reflecting the wider funding slump in healthcare investments seen across the continent.

Clean & ClimateTech, AgTech, and AI Grow

By contrast, Clean & ClimateTech climbed steadily, increasing its share of tech-enabled deal volume from an average 7% between 2019–2023 to 13% in 2024. This momentum also helped buoy AgTech, given the overlap between climate-smart innovations in agriculture. Notable examples include *SunCulture's* US$27.5 million Series B round for solar-powered irrigation solutions and *Downforce Technologies'* US$4.2 million raise in soil health diagnostics. Another emerging force is Artificial Intelligence. Previously absent from the continent's top ten most funded verticals, AI climbed to fourth place in 2024 with 42 deals raising a combined US$108 million. Notably, this surge is a reflection of growing recognition of AI's inherent versatility. For example, Nigeria's *BFREE* leverages AI in its credit management software and raised US$2.95 million in March 2024, while Egypt's *Sprints.ai* closed a US$3 million bridge round for its AI-powered education technology in the same month. AI is also gaining traction in Africa's energy sector, with South Africa's *Asoba* leveraging machine learning to develop clean energy grid management software. The diversity of these cross-sector applications underscores growing investor confidence in Africa's capacity for advanced innovation.

Figure 23: **Top Verticals Amongst Tech-Enabled Companies, 2024**

Rank	Vertical	VC Deal Volume (2024)	% Share of Tech-Enabled VC Deal Volume (2024)
1	FinTech & Digital Banks	116	(34%)
2	Clean & ClimateTech	46	(13%)
3	Artificial Intelligence (AI)	42	(12%)
4	AgTech	28	(8%)
5	E-Commerce	25	(7%)
5	Health & BioTech	25	(7%)
6	Supply Chain Tech	14	(4%)
7	Mobility Tech	13	(4%)
8	HR Tech	12	(4%)
9	EdTech	11	(3%)

VC Deal Volume (2024) % Share of Tech-Enabled VC Deal Volume (2024)

Figure 24: **Top Verticals Amongst Tech-Enabled Companies, 2019 – 2023**

Rank	Vertical	VC Deal Volume (2019-2023)	% Share of Tech-Enabled VC Deal Volume (2019-2023)
1	FinTech & Digital Banks	573	(29%)
2	E-Commerce	178	(9%)
3	Health & BioTech	168	(9%)
4	Clean & ClimateTech	141	(7%)
5	Supply Chain Tech	104	(5%)
6	EdTech	102	(5%)
7	AgTech	83	(4%)
8	InsurTech	70	(4%)
9	Mobility Tech	67	(3%)
10	HR Tech	54	(3%)

VC Deal Volume (2019-2023) % Share of Tech-Enabled VC Deal Volume (2019-2023)

Source: AVCA

6.3 Venture Debt Deal Activity By Sector

Financials and **Utilities**, with average deal values of US$13mn and US$24mn respectively, collectively claimed **over two-thirds of venture debt deal volume and value** in 2024

The sector distribution of African venture debt in 2024 closely mirrored that of 2023, yet with a notable increase in capital concentration. Financials and Utilities were once again frontrunners by both deal volume and value in 2024, reinforcing their perception as stable and high-growth sectors during economic uncertainty. More specifically, the Financials sector cornered the venture debt market by volume with 25 transactions (42% of total deal count), while the Utilities sector led monetarily with transactions amounting to US$367 million (39% of total deal value). Other sectors including Consumer Discretionary & Staples (17%) and Industrials (12%) also received venture debt in 2024, but their share of the overall distribution was significantly smaller. Materials and Information Technology rounded out the list with one deal apiece, illustrating the diverse but narrowing footprint of venture debt across the continent's economic landscape.

Notably, only seven sectors secured venture debt in 2024 (down from ten the previous year), reflecting a narrowing focus among lenders. This concentration of capital into a limited set of "keystone" sectors provides insight into the evolving preferences and risk assessments of lenders in the current investment climate. While venture debt investors remain open to broader sectoral plays, their confidence is strongest in the stability and scalability of Financials and Utilities—particularly against the backdrop of tighter global market conditions.

Figure 25: **Share of Venture Debt Deal Volume by Sector & Industry Group, 2024**

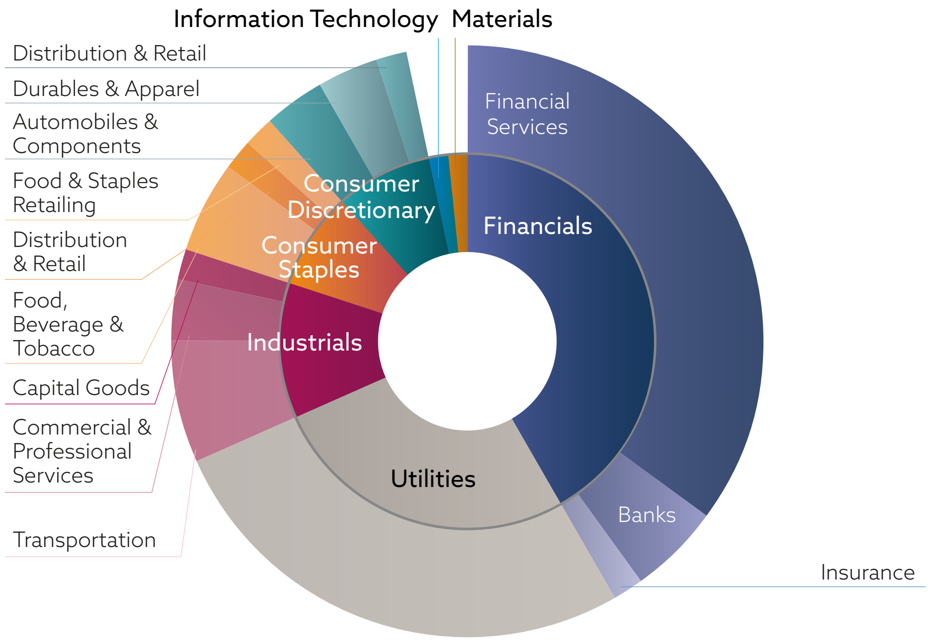
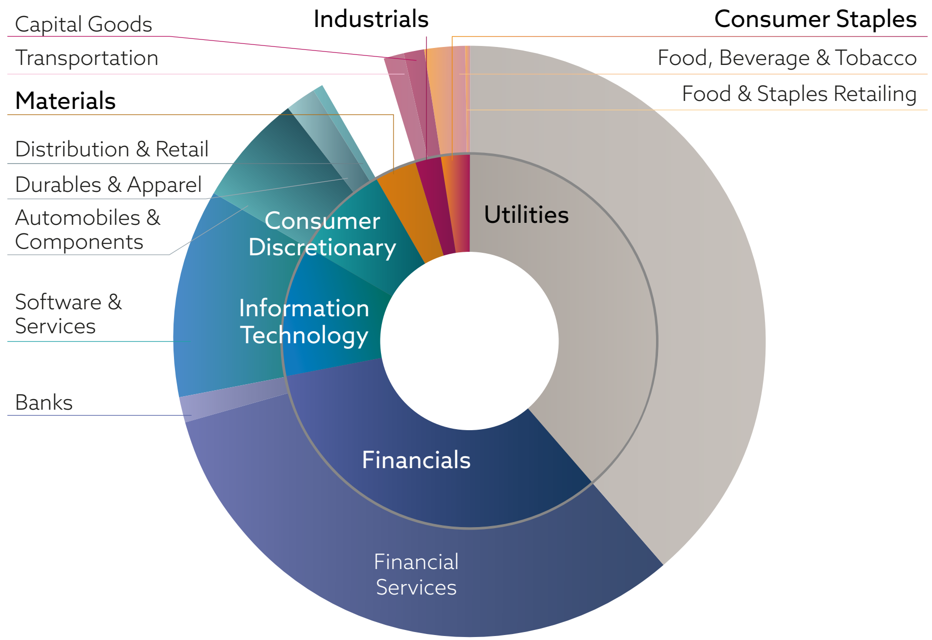


Figure 26: **Share of Venture Debt Deal Value by Sector & Industry Group, 2024**



Source: AVCA

Impact & Diversity Focus

7.1 Impact Focus

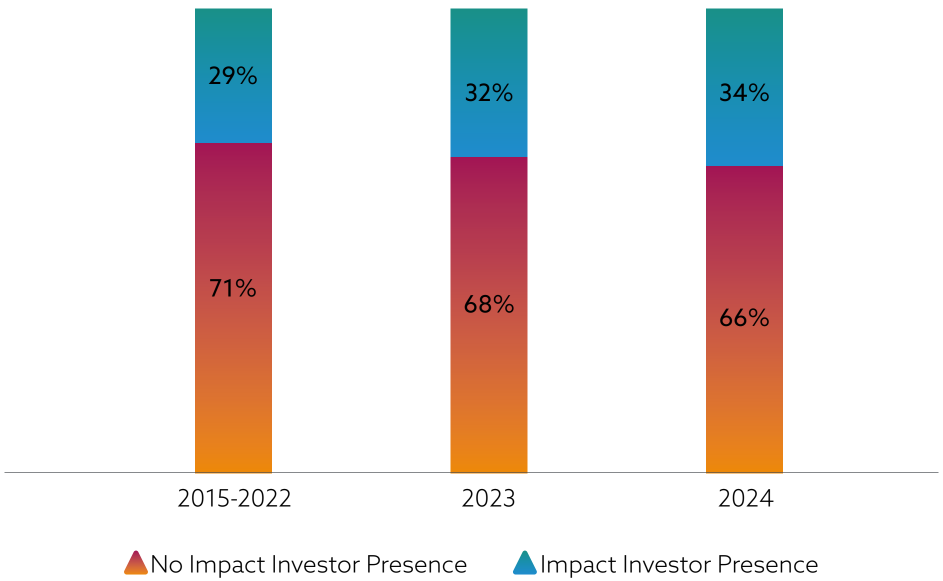
34%

Even as venture activity slowed in 2024, **impact investors were present in 34% of all VC deals in Africa**—upholding their role as long-term ecosystem partners[15]

The role of impact investors in Africa's venture ecosystem continued to evolve in 2024, as the proportion of deals featuring at least one impact investor continued its modest but steady ascent. Impact-related dealmaking accounted for 34% of all transactions, up from 32% in 2023 and above the historical average of 29% (2015-2022). This upward trajectory underscores the durability of socially and environmentally conscious capital in African venture markets, with impact investors maintaining a consistent presence across cycles. Although the total number of impact-backed ventures moderated in 2024, the rising relative share of impact deals underscores how "profit with purpose" has become increasingly embedded within the fabric of Africa's venture ecosystem, even amid a broader tightening of funding conditions.

Among the deals featuring impact investor participation, Sustainable Agriculture & Forestry and Financial Inclusion emerged as joint frontrunners in 2024, each claiming 23% of relevant deal volume. Following these were Sustainable Transport & Logistics followed (8%), Access to Quality Health Care (7%) and Energy Efficiency (6%). These patterns highlight a wide variety of investable opportunities that combine commercial viability with positive societal and environmental outcomes. A closer look at climate-related initiatives further illustrates this synergy. In total, 72 deals (representing 17% of Africa's aggregate deal count) channelled US$348 million into climate-related ventures in 2024, spanning a range of categories ranging from Clean Energy and Energy Efficiency to the Circular Economy. By targeting environmental challenges alongside financial and social inclusion, these ventures exemplify the broad spectrum of solutions that resonate with impact-driven capital.

Figure 27: **Share of VC Deals With Impact Investor Presence, 2015-2024**



Source: AVCA

Figure 28: **Top 5 Impact Categories Amongst VC Deals with Impact Investor Presence, 2024**

+6% YoY

Sustainable Agriculture & Forestry

23%

US$27.5 million Series B round in *Sunculture*, a solar-powered irrigation solutions provider, with participation from **InfraCo Africa, Acumen Fund, The Schmidt Family Foundation** among others.

US$7.5 million Series B in agricultural service provider *Warc Africa* led by Swiss family office **Kielder Agro** with participation from the **RippleWorks Foundation**.

+57% YoY

Financial Inclusion

23%

US$20 million Series B in agricultural insurance provider *Pula*, led by **BlueOrchard** with participation from **IFC** and the **Bill & Melinda Gates Foundation**.

US$6 million investment in *Agora*, a Zambian microfinance institution, from **EDFI Management Company, IDH Farmfit Fund and Abler Nordic**.

-31% YoY

Sustainable Transport & Logistics

8%

US$42 million Series A in *BasiGo*, a Kenyan electric bus manufacturer, led by **Africa50, British International Investment** and the **U.S. Development Finance Corporation**.

US$9.5 million seed round in e-mobility startup *Zeno*, led by **Lowercarbon Capital** and **Toyota Ventures** with participation from **Active Impact** and others.

-64% YoY

Access to Quality Health Care

7%

US$4.2 million Pre-Series A in Kenya's *Ilara Health* led by **DOB Equity** with participation from the **Philips Foundation, Perivoli Innovations, Kiva Capital** and others.

US$2 million seed investment in *Dawa Mkononi*, a Tanzanian B2B pharmaceutical company, from a consortium of investors including **Sanofi Impact** and **Villgro Africa**.

+13% YoY

Energy Efficiency

6%

US$29 million Series A in energy technology company *Beacon Power Services*, led by **Partech** with participation from **FinnFund, Gaia Impact, Proparco** and others.

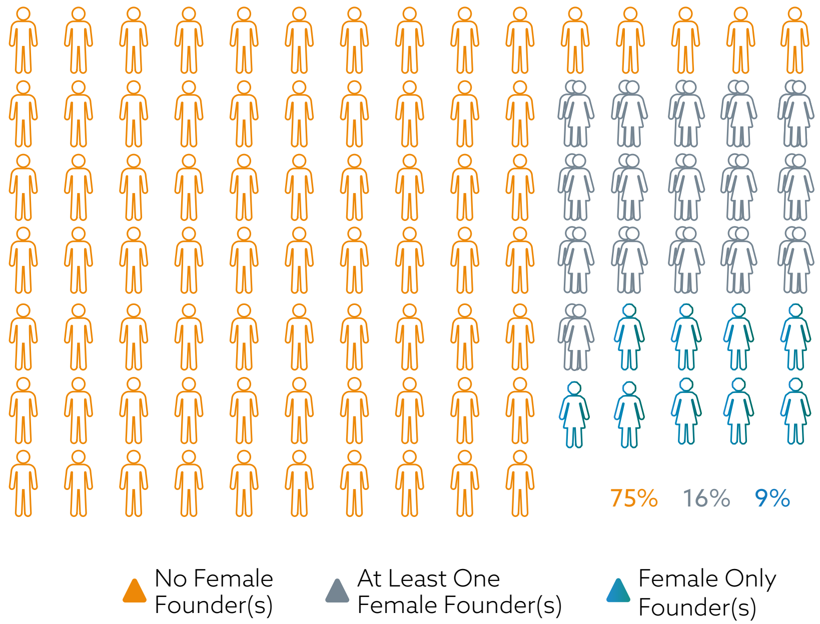
US$750,000 seed round in *Open Access Energy*, a South African software company that optimises energy transactions, from **Factor E Ventures**.

Source: AVCA

7.2 Diversity Focus

Close to **100 VC-backed startups had at least one female founder,** securing 1 in every 4 dollars disbursed in Africa in 2024

Figure 29: **Share of VC Deal Volume by Female-Founded Startups in Africa, 2024**



Source: AVCA

Female founders played a modest but meaningful role in Africa's venture ecosystem in 2024. In total, 99 unique companies with gender-diverse teams (defined as those with at least one female founder) secured just over US$0.5 billion in 2024. This amounts to 25% of the total number of unique companies backed and 20% of the continent's overall venture deal value. These figures mark a 27% drop in company count from 2023, but a slight (4%) year-on-year increase in the total capital raised. Notably, the average deal size for gender-diverse startups rose from US$4.8 million in 2023 to US$7.9 million in 2024. This indicates that while fewer teams secured funding, those that did received larger checks—reflecting a measured uptick in investor confidence in female founded or mixed-gender ventures.

Globally, Africa's 2024 performance in funding gender-diverse startups aligns with several broader trends but exhibited key regional nuances. Across most major markets including North and Latin America, Europe, as well as Asia, gender diverse ventures command between 9% and 24% of total deal volume and consistently receive a smaller share of total capital invested. Africa, at 25% of deal count and 20% of overall invested capital, sits near the upper end of this global range, comparable to Oceania and slightly higher than Latin America. In terms of deal size, the median value for female-led or gender-diverse ventures in Africa was US$1.5 million—40% below the regional median of US$2.5 million—while average deal sizes trailed by roughly 19%. Other regions also reported disparities between gender diverse and overall venture rounds in 2024. For instance, in North America the average deal value in mixed gender startups was 18% lower than the regional benchmark, and in Europe it was 11% lower. This persistent and global funding disparity quantifies a sobering reality: gender inequality in access to venture capital is not merely a local or regional challenge. Instead, it is a universal structural barrier—one that continues to constrain the full economic and innovative potential of female founders across ecosystems.

Figure 30: **Distribution of Venture Capital to Gender Diverse Startups by Global Region, 2024**

Region	Share of Deal Count	Share of Capital Invested	Average Deal Value	Median Deal Value
Oceania	25%	20%	**US$8.9 million** 22% lower than the regional average	**US$1.7 million** 52% lower than the regional median
Africa	25%	20%	**US$7.9 million** 19% lower than the regional average	**US$1.5 million** 40% lower than the regional median
Europe	24%	21%	**US$11.9 million** 11% lower than the regional average	**US$2.3 million** 21% lower than the regional median
North America	23%	19%	**US$21 million** 18% lower than the regional average	**US$5.1 million** 6% lower than the regional median
Latin America	19%	15%	**US$8.3 million** 23% lower than the regional average	**US$1.5 million** 43% lower than the regional median
Middle East	17%	20%	**US$16.2 million** 33% higher than the regional average	**US$3.0 million** 14% lower than the regional median
Asia	9%	9%	**US$10.7 million** 26% lower than the regional average	**US$3.2 million** 20% lower than the regional median

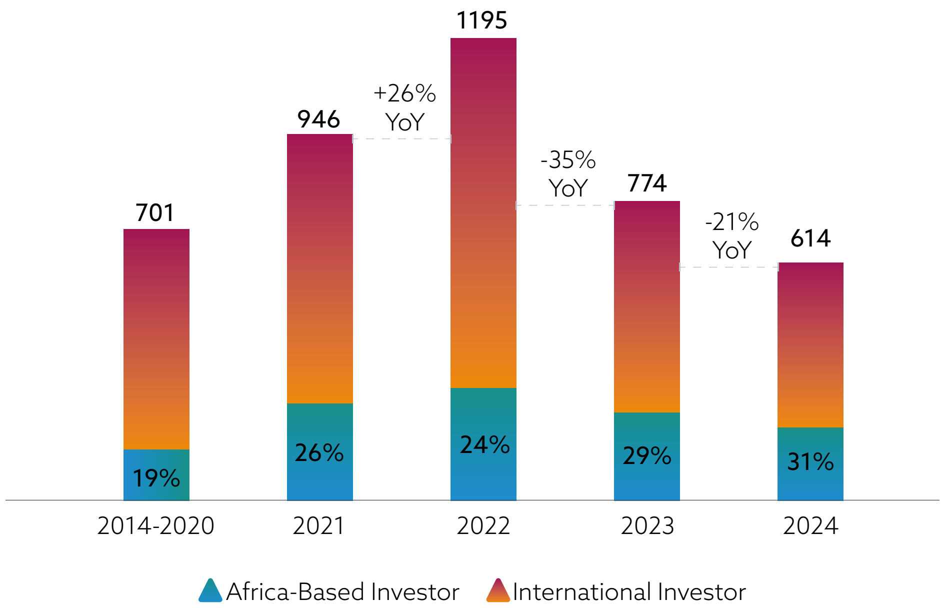
Source: Pitchbook, AVCA

Investor Profile

In 2024, **614 unique investors,** segregated across **14 categories** and headquartered in **60 countries,** took part in venture dealmaking in Africa

Investor participation in Africa's venture landscape contracted for the second consecutive year in 2024, with 614 unique investors deploying capital across the continent. This marks a 21% decrease compared to the 774 investors active in 2023, and nearly half the number at the market's peak in 2022 (1,148 investors). This shifting investor landscape reflects broader recalibrations occurring globally, as investors reassess their strategic allocations amid evolving economic conditions. The downturn was primarily concentrated within the venture capital asset class, where investor participation declined from 715 in 2023 to 558 in 2024. Conversely, the smaller venture debt asset class maintained a relatively stable investor presence, with 34 lenders participating—comparable to previous years. A minority (22 investors) engaged in both equity and debt deals, indicating continued versatility among a select segment of capital providers active on the continent.

Figure 31: **Investors Participating in Venture Deals in Africa, 2014-2024**



Source: AVCA

8.1 Investor Profile by Type

PE (38) and VC (210) Fund Managers were the most prominent investor type funding VC deals on the continent in 2024, jointly accounting for **59%** of the year's active investors

1 In 2024, **PE & VC Fund Managers** (41%) remained the leading category of investor active in Africa's venture landscape. VC fund managers consistently anchor this category, accounting for a third of the overall investor population and a significant 83% within the fund manager segment specifically. Their sustained prominence underscores their role as cornerstone providers of institutional capital, particularly to growth-stage African ventures.

2 **PE & VC Investment Firms** (18%) continued their steady presence as the second most active investor type. Unlike fund managers, these firms typically intervene at the very early stages (i.e. in (pre)Seed rounds), serving as critical bridges between initial Angel or Accelerator investments and institutional venture capital. Distinctively, these firms—such as *Haskè Ventures* in Senegal, *Sunu Capital* in Kenya and *All On* in Nigeria—invest with independent or seeded capital rather than from conventional fund structures, typically taking the form of venture studios.

3 In third place, for the third consecutive year, were **Financial Institutions** (6%). Their increased significance coincides with the methodological inclusion of venture debt into this report since 2022. Historically cautious towards venture capital, traditional banks and other mainstream financial entities have become increasingly active through debt instruments. Notably, one in three (36%) of all venture debt investors active on the continent in 2024 were Financial Institutions. This highlights their strategic entry into the ecosystem—supporting ventures through debt instruments rather than equity, thus aligning venture funding with their core lending activities.

4 Although **Corporate Venture Capital (CVC)**[20] dropped to fourth place after historically occupying third, their position within and commitment to Africa's investor landscape remains noteworthy. With a stable presence at 5% of the total investor count annually since 2021, CVC investors have carved out a dedicated niche in Africa. Firms like *Sonatel* (Senegal), *Mobility 54* (Japan), *Orange Ventures* (France) and *PayPal Ventures* (United States) demonstrate the strategic value global corporations saw in Africa's innovation ecosystem in 2024, offering startups not only funding but also access to robust industry networks and expertise.

5 Completing the top five were **Accelerators and Incubators**, with 29 investors representing 5% of the total in 2024. While these players deploy capital modestly at the earliest stages of the funding lifecycle, their centrality to Africa's venture capital landscape is unequivocal. Their consistent presence over the past decade has supported innovation pipelines that ultimately fed the broader ecosystem, with industry giants such as *Flutterwave*, *Paystack* and *Helium Health* as notable graduates.

Despite fluctuations in total investor participation, Africa's venture capital market retains a robust diversity of investor types—spanning structured funds, corporate strategics, financial institutions, and early-stage incubators. This variety highlights the ecosystem's maturity and resilience amid shifting global market dynamics.

Figure 32: **Investors Participating in Venture Deals in Africa by Category, 2024**

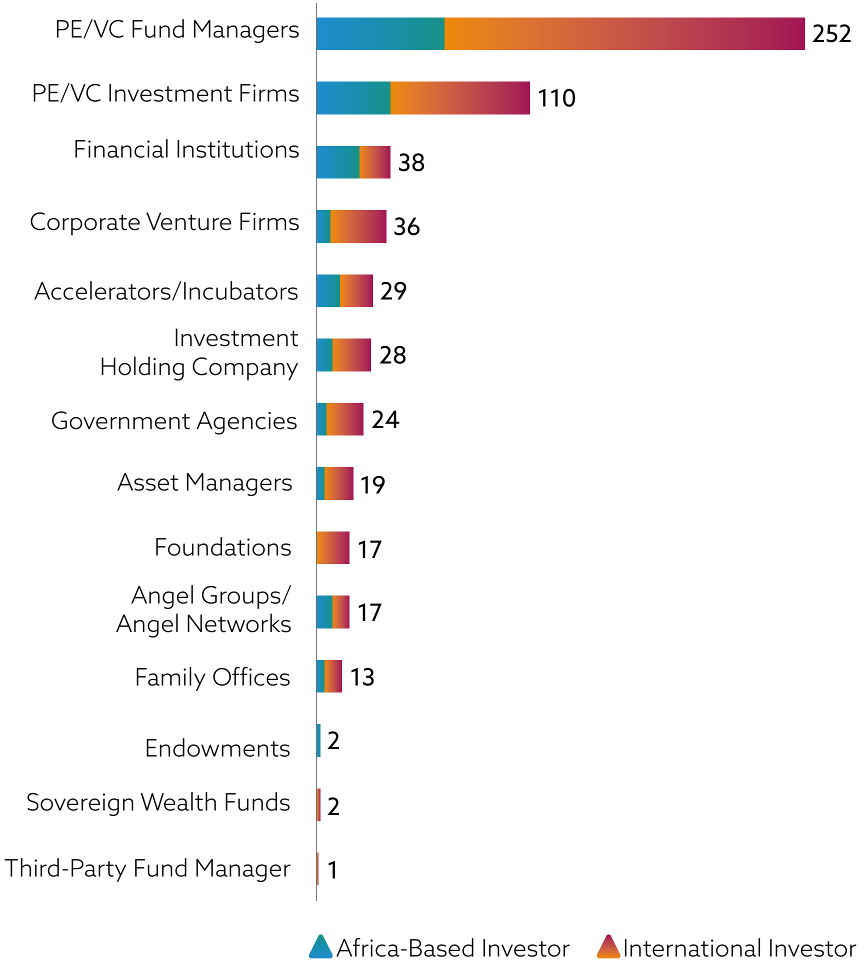
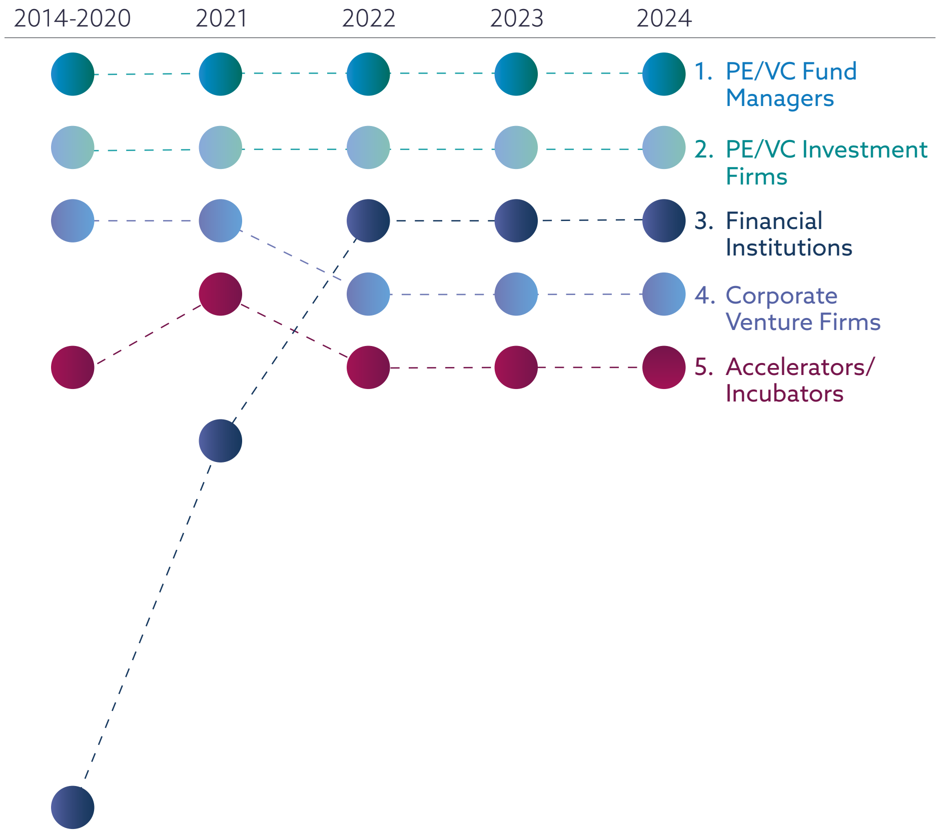


Figure 33: **Evolution of the Top 5 Investor Categories, 2014-2024**



Source: AVCA

8.2 Investor Profile by Location

31%

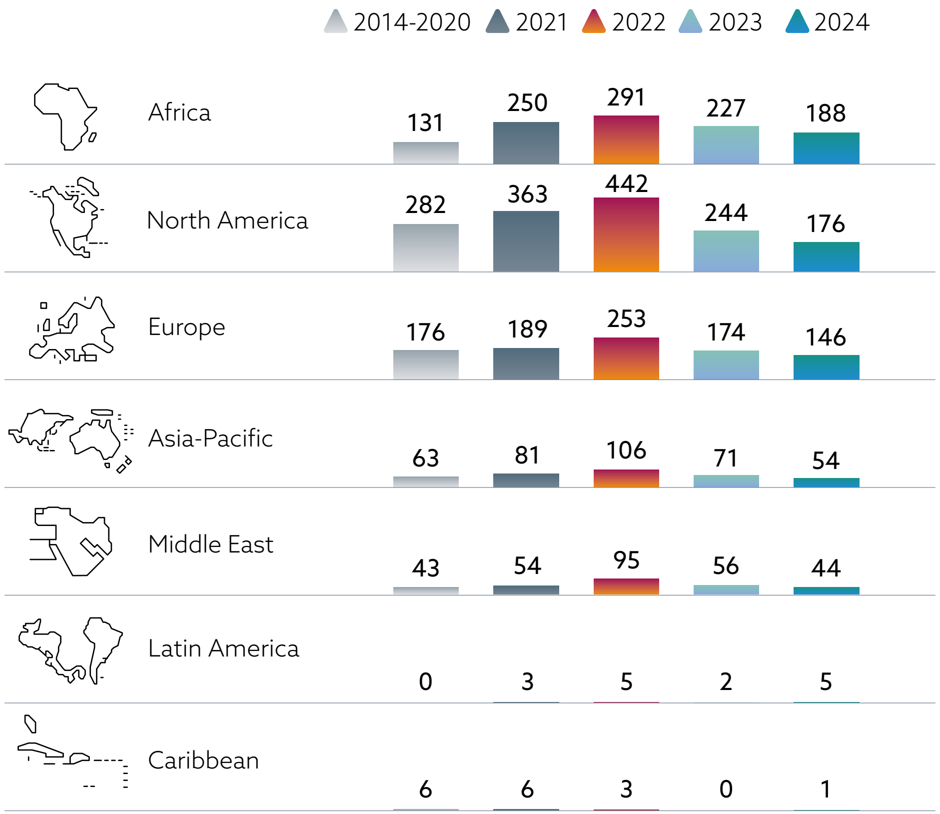
In 2024, **31%** of Africa's **active investors originated from within the continent,** highlighting the strengthening domestic investor base, while the remaining **69% were based in international hubs.**

The composition of Africa's venture capital investor landscape in 2024 was marked by a continued decline in overall investor participation, extending the downward trend that began in 2023. The total number of investors fell by 320, reflecting a broad retreat that affected investors from all global regions. Yet within this contraction, a defining milestone emerged. For the first time, African investors formed the single largest group of active participants in venture capital deals on the continent. The 188 African investors that took part in venture dealmaking on the continent in 2024 is the culmination of a long-term trend of deepening capacity for homegrown capital formation and robust venture-support expertise. This shift is particularly notable given that African investors accounted for just 19% of the total pool a decade ago, compared to their 31% present share. While their rising role has helped to stabilise the ecosystem in the face of global economic headwinds, it has also highlighted the extent of the pullback by foreign investors.

Nowhere was this retreat more pronounced than in North America, historically the dominant source of venture capital in Africa. Its pullback of from 2023 levels accounted for 43% of the overall investor shortfall, underscoring how fluctuations in this region's participation can disproportionately affect the aggregate profile of investors in Africa. Similarly, while Europe remained an essential source of venture capital in 2024, it too saw a marked deceleration in its investment growth trajectory. Only 146 European investors participated in 2024: its lowest tally in over a decade. Meanwhile, 54 unique investors from the Asia-Pacific region were active in 2024, maintaining its historically smaller footprint. There was relatively little change in engagement of investors from the Middle East (44) and Latin America (5) which also continued to play modest roles.

While North America and Europe remain pivotal players, the growing role of African investors signals an evolution in how capital is sourced and deployed. Their continued presence has provided a degree of insulation against global macroeconomic turbulence, offering a glimpse into the future of venture financing on the continent—one increasingly shaped by local actors as much as by international capital flows.

Figure 34: **Investors Participating in VC Deals in Africa, By Region, 2014-2024**



Source: AVCA

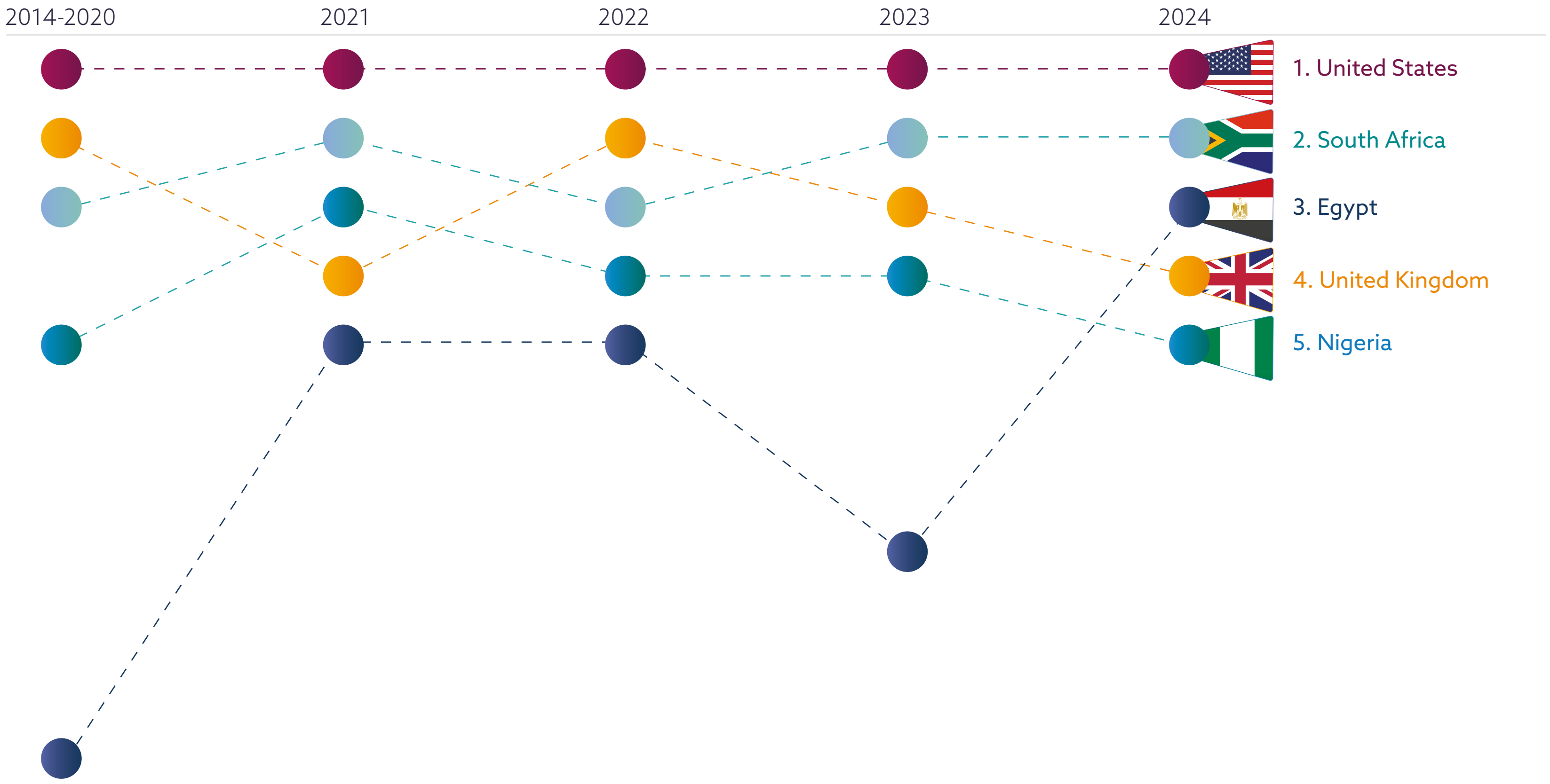
The **United States** remained Africa's largest source of foreign investors in 2024, while **South Africa** continued to lead among Africa-based investors

Africa's investor pool in 2024 featured 188 local investors and 426 international ones, a configuration that underscores the continent's dual reliance on both homegrown and foreign capital. Within Africa, South Africa retained its leadership role with 49 unique investors, while Egypt rose to second place with 33. Egypt's ascent was fuelled by a surge in new local participants, with 12 Egyptian entities entering the investor landscape in 2024—the highest among African markets. This influx was bolstered by a strong year for VC fundraising, as several newly launched funds swiftly moved to deploy capital. Among them, Orange Egypt introduced a €50 million corporate venture fund, the National Bank of Egypt announced the EGP905 million first close of Egypt's inaugural Fund of Funds, and Beltone and CI Venture Capital launched a US$30 million joint venture fund. Following Egypt, Nigeria ranked third with 28 investors, and Kenya placed fourth with 25. These four countries, which collectively made up 72% of domestic participants in 2024, have long been recognised as focal points of Africa's venture ecosystem. Yet this established core does not exclude smaller or emerging hubs. Mauritius contributed 16 investors, while Morocco, Senegal, Ivory Coast, Ghana, and Tunisia also appeared in Africa's top 10. Although none approaches the scale of the "Big Four," their sustained inclusion signals incremental diversification, as these markets bring regionally tailored expertise and capital to the table.

Internationally, North America maintained its position as the single largest source of overseas capital. Despite a 27% YoY contraction to land at 169, investors from the United States remained instrumental in 2024, consistently channelling significant volumes of equity and debt financing into African ventures. Europe contributed 146 investors overall, of which the United Kingdom (31) and France (25) feature most prominently, reflecting historical ties and the prevalence of impact-focused mandates among European development funds. Beyond these traditional anchors, an expanding bloc of Middle Eastern and Asian investors—particularly from the United Arab Emirates (20), Saudi Arabia (15), Singapore (14), and Japan (12)—signals a more geopolitically diverse investor landscape is taking shape.

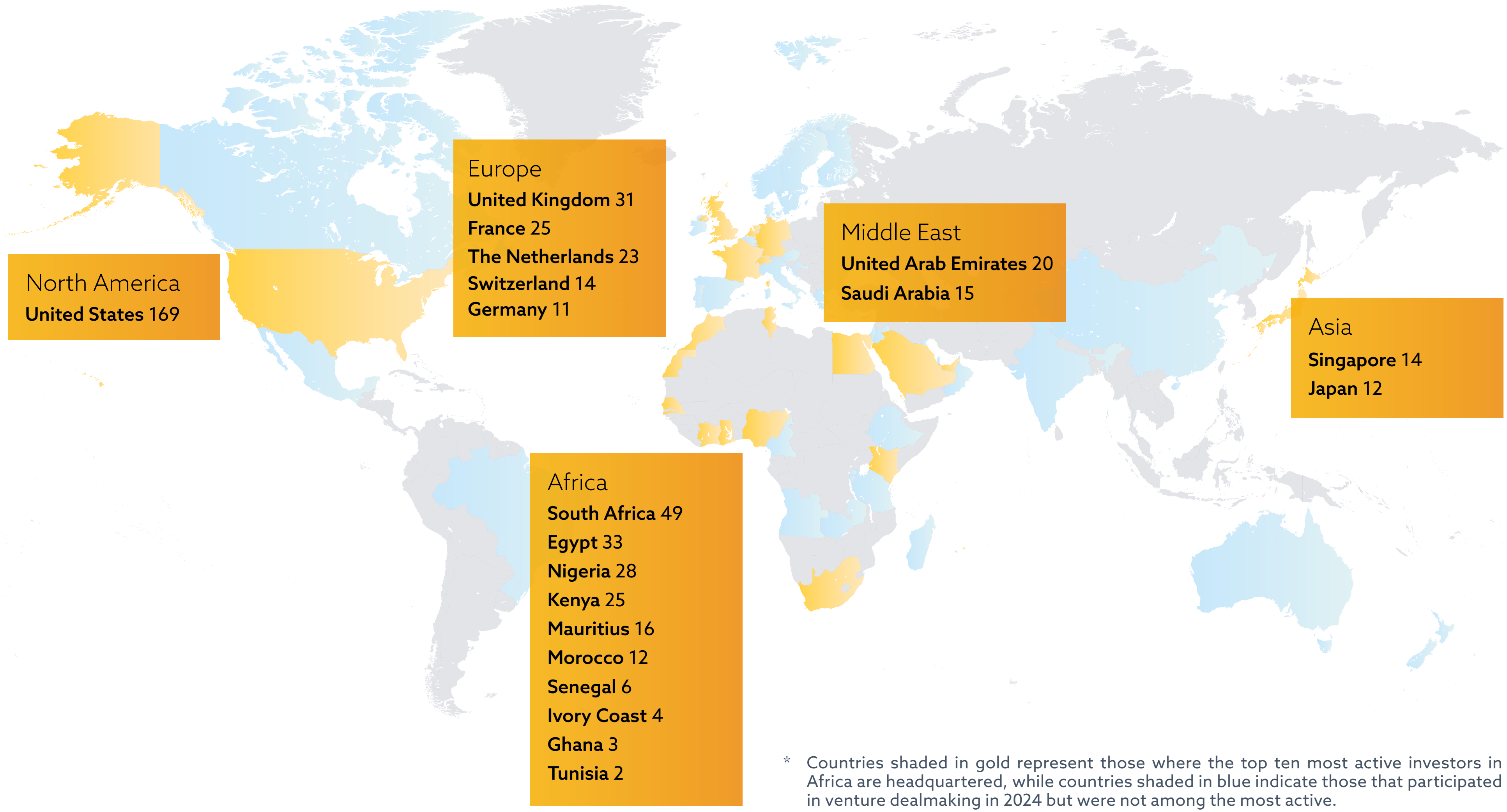
Taken as a whole, the data reveals a venture ecosystem that is both diversified and still somewhat regionally skewed. A concentrated share of local investors comes from a few powerhouse African markets, mirrored by a similarly concentrated pool of global investors led by North America. Meanwhile, the incremental appearance of new investor bases—from Morocco and Senegal on the continent to the UAE and Singapore internationally—indicates the ecosystem's evolving capacity to attract new funding channels. This growing interplay between local and foreign backers suggests an ecosystem that, while still dependent on international capital, is steadily cultivating homegrown investors capable of fuelling longer-term stability and innovation in African entrepreneurship.

Figure 35: **Evolution Of The Top 5 Investor HQ Locations, 2014-2024**



Source: AVCA

Figure 36: **Top 10 Countries Where African Investors Are Based and Top 10 Countries Where International Investors Are Based, 2024**



* Countries shaded in gold represent those where the top ten most active investors in Africa are headquartered, while countries shaded in blue indicate those that participated in venture dealmaking in 2024 but were not among the most active.

Source: AVCA

Venture Capital Exits

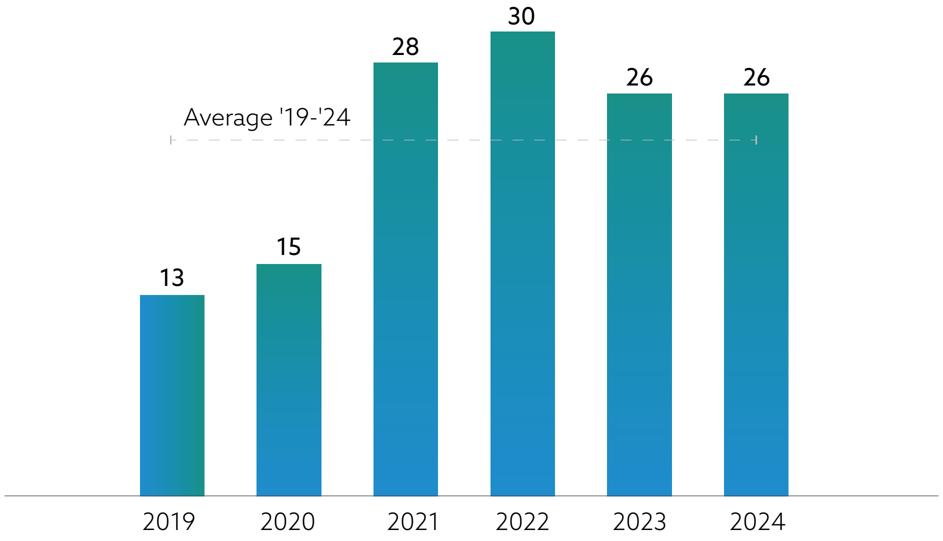
9.1 Landscape of Venture Capital Exits in Africa

VOLUME OF VENTURE CAPITAL EXITS, 2024	VOLUME OF VENTURE CAPITAL EXITS, 2019-2024
26	138

Africa recorded 138 venture-backed exits between 2019 and 2024, reflecting a clear upward trend in liquidity events relative to the early years of the ecosystem. As investment slowed to US$2.6 billion in 2024, exits also declined moderately. Importantly, the pace of exits held above the long-term average, suggesting a steady, but not yet exponential, cadence of liquidity events.

The ratio of exits to new investments each year is another lens that can be used to evaluate the maturity and health of the ecosystem. Between 2019 and 2023, the exit to investment ratio averaged 1:12. In 2024, it narrowed to 1:9, signalling a relative increase in the incidence of exits for each new deal. While new investments continue to outpace exits by a wide margin, this shift may be interpreted as growing capital efficiency within the ecosystem—where more startups are reaching viable outcomes and liquidity events are becoming incrementally more common. Whether this marks the beginning of a sustained trend or is a temporary fluctuation remains to be seen, but the trend is directionally encouraging.

Figure 37: **Volume of Venture Capital Exits in Africa, 2019-2024**

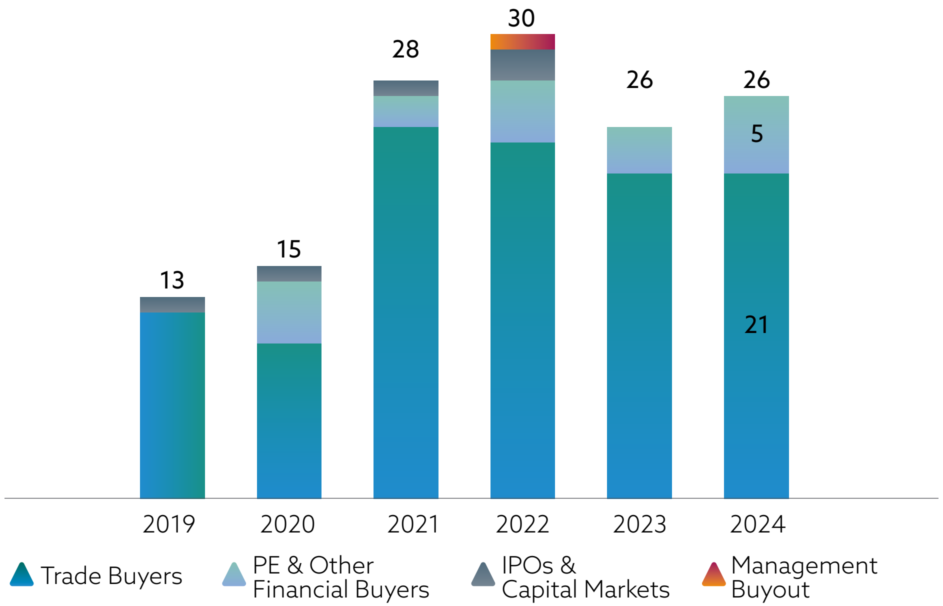


Source: AVCA

9.2 Venture Capital Exits by Exit Route

While the pace of exit activity in Africa's venture ecosystem has increased, the routes through which these exits occur remain limited, but are slowly diversifying. These patterns not only reflect how capital is currently returned to investors but also offer a window into the maturity of Africa's venture ecosystem and its evolving capacity to deliver liquidity across different stages of company growth.

Figure 38: **Volume of Venture Capital Exits in Africa, by Year & Exit Route, 2019-2024**[16]



Source: AVCA

1. Trade Buyers: The Dominant Route to Liquidity

Across the six-year period, trade buyers—typically corporate acquirers, both local and international—consistently accounted for the lion's share of exits. Of the 138 total exits, 111 were trade sales, and in 2024, they represented 84% of all exits. This reflects the broader dominance of mergers and acquisitions (M&A), which were the exclusive mechanism through which trade exits occurred. Despite their prevalence, M&A transactions remain opaque: in 2024, only 22% of such deals had publicly disclosed values, limiting visibility into actual performance and investor returns.

Nevertheless, the identities of trade buyers offer valuable insight into the growing appeal of African startups. In 2024, acquirers included global firms such as *Universal Music Group*, *Deel*, and *TicketMaster*, alongside local VC-backed startups seeking scale through consolidation. These acquisitions reflect two key dynamics. On the one hand, they illustrate growing global recognition of the talent and technology emerging from Africa. On the other, they demonstrate local market realities, where combining resources, products, or geographic footprints provides a strategic path to sustainability and competitiveness, especially in undercapitalised market segments.

2. PE & Other Financial Buyers: A Window into Maturity

Although relatively limited in number, private equity and financial buyers have played an increasingly visible role in Africa's venture exit story and accounted for 17 exits between 2020 and 2024. These transactions typically occurred in later-stage companies, marking a transition from venture capital to growth capital as they matured. More significantly, they represent the early formation of a secondary market for VC-backed stakes. A notable example is the US$70 million Series D extension round in *Sun King* led by LeapFrog Investments in 2022, which enabled a full exit for all of the company's prior investors[17]. Such transactions demonstrate the growing potential for institutional investors to realise liquidity outside of strategic M&A or public listings—while also affirming the broader maturation of Africa's most established startups.

3. IPOs & Capital Markets: Rare, but Symbolic

While IPOs remain a rare exit route in Africa, accounting for just five exits between 2019 and 2022, their significance extends beyond frequency. These listings mark important milestones for the visibility and credibility of African startups on the global stage. *Jumia's* 2019 debut on the New York Stock Exchange and *Swvl's* 2022 SPAC merger with Queen's Gambit were initially celebrated as landmark moments, though both ultimately underperformed.

In contrast, the more modest but successful listing of *Mdundo* on the Copenhagen Stock in 2020, which raised US$6.4 million and delivered exits for investors such as 88mph and Kepple Africa Ventures, illustrates that public listings can offer viable liquidity—albeit under the right conditions.

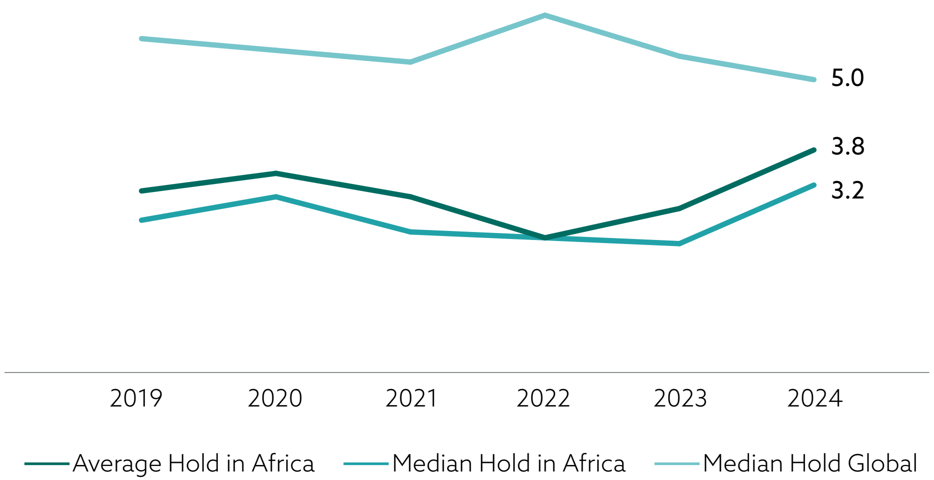
Notably, no IPO exits were recorded in 2023 or 2024, mirroring a global downturn in public listings. This is in line with a wider decline in venture-backed IPOs, which fell from 27% of global listings in 2021 to just 5% in both 2022 and 2023[18].

9.3 Holding Periods

In Africa, holding periods—defined as the duration between a VC firm's initial investment and the company's exit—have fluctuated over the last six years, shaped by both external macroeconomic conditions and sector-specific dynamics. Between 2020 and 2022, both average and median holding periods declined steadily. The sharpest drop occurred between 2020 and 2021, as hold times normalised following pandemic-induced delays the year prior. In 2022, the average hold period fell to its lowest point at 2.3 years, a reflection of quicker exits in a buoyant fundraising and investment environment. Tides soon shifted, however. By 2024 the average hold period rose to 3.8 years, while the median increased to 3.2 years—a full year longer than in 2023. This lengthening was driven by sector-specific dynamics. Communication Services saw an increase of 3.4 years, while Utilities and Consumer Discretionary companies posted increases of 2.4 years each. For the former, particularly within e-commerce, exits gave way to closures in a number of high-profile cases including *Capiter* in Egypt, *Alerzo* in Nigeria, and *Copia Global* in Kenya. Operational challenges and funding constraints led to mass layoffs and shutdowns, ultimately delaying exit outcomes. For the Utilities sector, a rare exit in Central Africa—a relatively nascent and undercapitalised region for venture capital in Africa—extended the sector's average holding period in 2024.

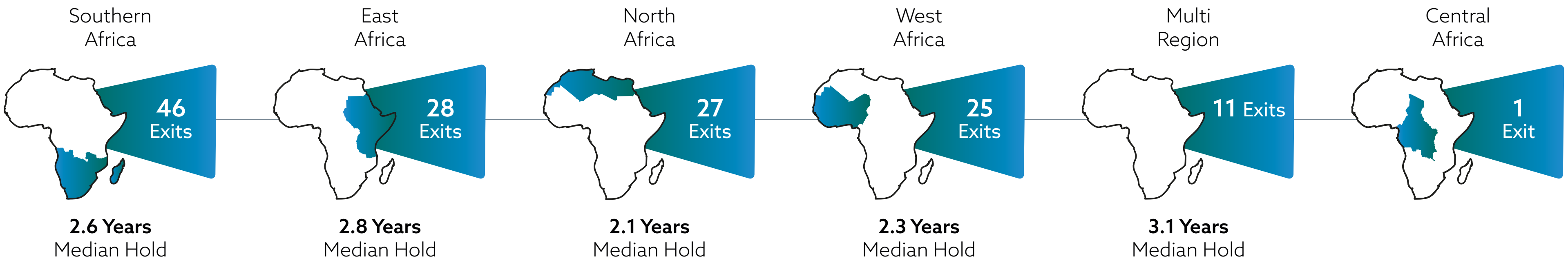
Even with this uptick, Africa's hold periods remain comparatively short. The median holding period for VC-backed businesses globally stood at 5.1 years in 2024, against a long-term median of 4.9 years[19]. Africa's shorter timeline may reflect the relatively young age of many ventures reaching exit, as well as the faster turnaround cycles observed in emerging ecosystems where secondary sales and trade acquisitions are more common than IPOs or late-stage funding rounds. As more African VC fund managers mature and steer successive fund generations, the evolution of holding periods will continue to serve as a key barometer of investor behaviour, capital efficiency, and exit-readiness across the continent.

Figure 39: **Holding Periods of VC-Backed Startups in Africa by Year of Exit, 2019-2024**



Source: AVCA and Pitchbook

9.4 Venture Capital Exits by Region



The geography of venture capital exits in Africa reveals a dynamic and increasingly diversified map of liquidity events. While Southern Africa recorded the highest overall number of exits between 2019 and 2024 (46 in total), its dominance softened in 2024, giving way to a more even distribution of activity across the continent as other ecosystems matured. North and East Africa each registered six exits in 2024, surpassing Southern Africa's count and signalling a gradual rebalancing of the regional exit landscape.

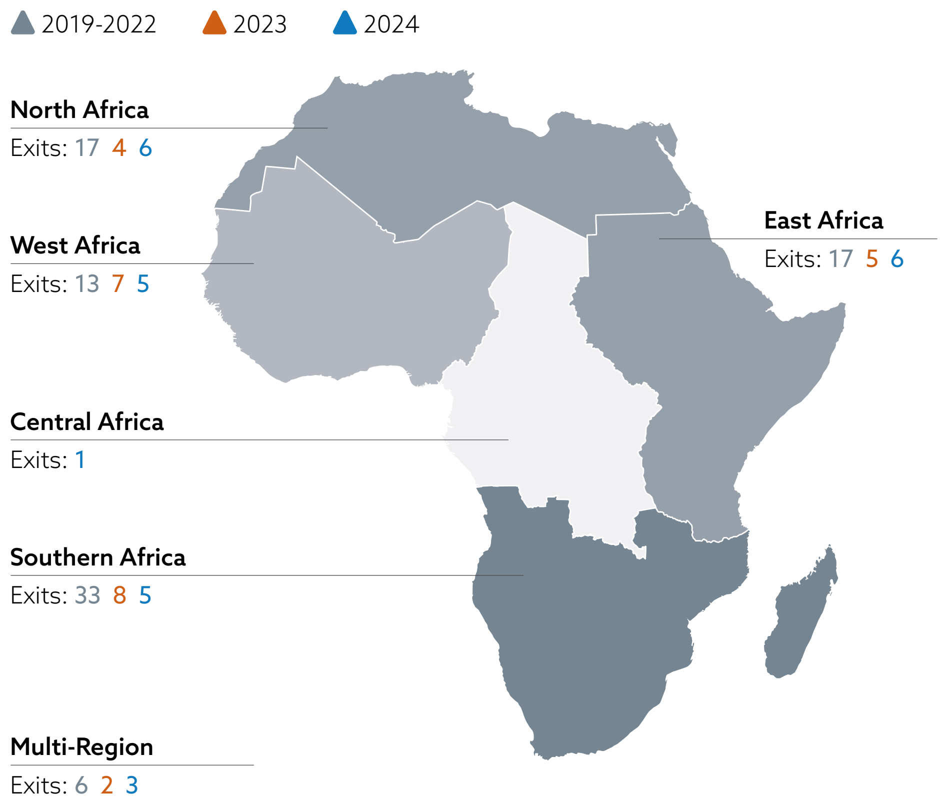
Southern Africa's early lead was underpinned by its relatively advanced M&A infrastructure, particularly in South Africa. However, recent exit activity in the region has slowed, in part due to the contraction of the Financials sector, which had historically underpinned a significant share of exits. Notably, for the first time in its history, Southern Africa recorded no exits in the Financials sector in 2024, down from 6 such exits in 2023. In contrast, the modest uptick in North and East Africa in 2024 was driven by steady deal flow in the Consumer Discretionary sector, supported by expanding consumer markets and improving capital access. In North Africa, where the median hold time is 2.1 years, exits are not only more frequent but also faster than in any other region. Strong investor networks and proximity to MENA capital markets have contributed to these shorter cycles, enabling investors to achieve outcomes with greater speed and predictability. Meanwhile, East Africa's steady performance—with 28 exits recorded over the overall period—reflects continuity in both investor confidence and the maturation of its startup ecosystem.

At the national level, Africa's Big Four markets continued to dominate exit activity in their respective regions, accounting for more than 80% of exits within each. The exception was West Africa, where Nigeria maintained its lead (68% of regional exits) but Ghana emerged as a meaningful second hub, responsible for 25% of exits. This positions West Africa as the continent's only multipolar exit region, suggesting a more geographically distributed entrepreneurial base capable of attracting capital beyond traditional heavyweight markets.

Finally, though fewer in number, multi-region exits stood out for their scale and visibility. With a median holding period of 3.1 years, these exits took longer to materialise—but yielded some of Africa's most high-profile outcomes. Examples include *InstaDeep's* US$689 million acquisition by BioNTech and *Sendwave's* US$550 million acquisition by Zepz. These deals underscore how complex, cross-border operations may demand more time but often produce outsized returns.

Taken together, these regional patterns suggest that Africa's exit landscape is gradually expanding beyond a handful of legacy markets. While South Africa remains a foundational player, the rise of North, East, and parts of West Africa—alongside the momentum of multi-region transactions—points to a more geographically dispersed and liquid ecosystem, with new centres of exit activity continuing to emerge.

Figure 40: **Volume of Venture Capital Exits in Africa by Region, 2019-2024**



Source: AVCA

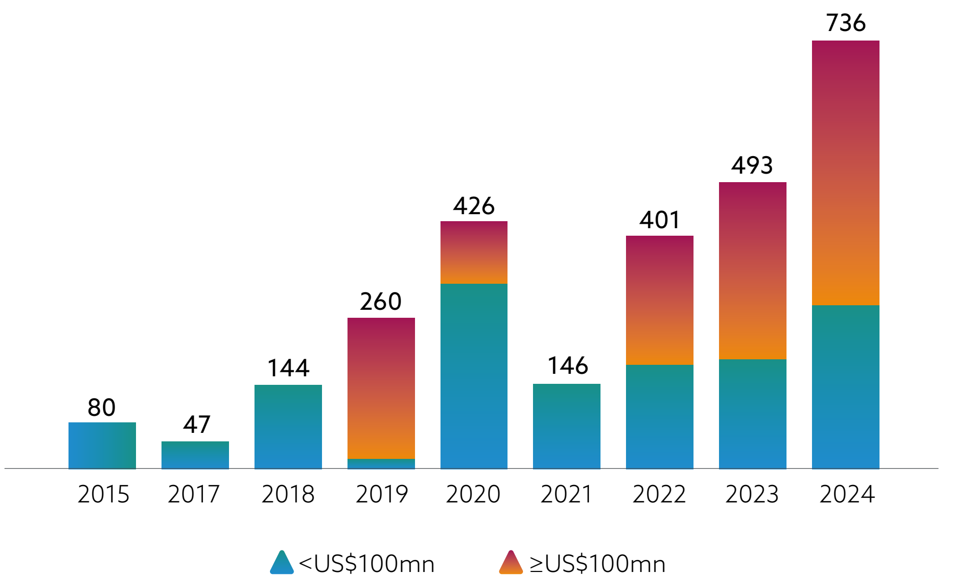
Venture Capital Fundraising

10.1 A Decade of Venture Capital Fundraising

VALUE OF VENTURE CAPITAL FUNDRAISING BY FINAL CLOSE, 2024	VALUE OF VENTURE CAPITAL FUNDRAISING BY FINAL CLOSE, 2015-2024	AFRICA-FOCUSED FUND MANAGER ACTIVITY, 2015-2024
US$736 million (+41% YoY)	US$2.7 billion	35 Fund Managers, 41 Funds Raised

Over the last decade, venture capital fundraising in Africa has evolved markedly, reflecting both the continent's growing entrepreneurial activity and increasing global investor interest. In 2015, only one venture capital fund reported a final close at US$80 million. By 2024, eight funds collectively secured US$736 million, representing a compound annual growth rate (CAGR) of 25%. Along the way, final closes fluctuated—peaking in 2022 by fund count but in 2024 by cumulative capital committed. While large funds (those with a final close of US$100 million or more) were the primary drivers of industry growth, particularly between 2022 and 2024, smaller funds also saw a modest increase in final close values during this period. Overall, US$2.7 billion in capital commitments was raised by 35 unique fund managers across 41 funds between 2015 and 2024, underscoring the long-term expansion of Africa's VC ecosystem. Although fundraising has not followed a strictly linear trajectory, the broader trend points to a sedate maturation of Africa's venture market, which has attracted deeper pools of institutional capital compared to a decade ago.

Figure 41: **Total Value (US$mn) of Venture Capital Fundraising in Africa by Year of Final Close, 2015-2024**



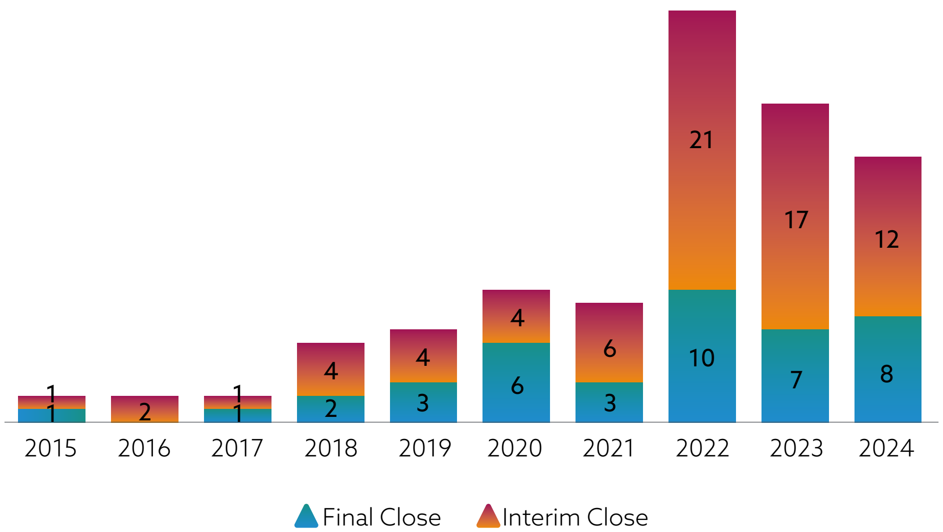
Source: AVCA

Expanding the scope to include interim closes provides a more comprehensive picture of venture capital fundraising in Africa. In particular, it highlights the rise of indigenous and Africa-focused fund managers raising dedicated VC funds. Early adopters include Algebra Ventures (Egypt), 4Di Capital (South Africa), and Sawari Ventures (Egypt), which all held interim closes for their maiden funds between 2016 and 2018.

Interim fundraising was most prominent between 2022 and 2024, serving as both a stepping stone for new market entrants and a mechanism for managers finalising their fundraising lifecycle. Over this period, more than three quarters of all interim closes each year were first closes, underscoring the steady inflow of fresh institutional capital into Africa's early-stage investment ecosystem. Notably, first-time fund managers played a significant role, accounting for approximately 50% of all partial closes. This is evidence of venture capital's growing appeal on the continent, which translated into both an increase in the number of funds coming to market and a rise in their overall value. Several recent examples illustrate this trend. In April 2023, *Equator Africa Fund I* secured a US$40 million first close as a climate-tech VC firm. In February 2024, African Renaissance launched its *Horn of Africa Fund,* targeting early-stage, high-growth SMEs. Meanwhile, later in May, OpenseedVC announced the first close of its US$10 million target fund, which is structured as an angel-style early-stage vehicle. The mix of operator led and institutionally backed funds, many with sector or geographic specialisation, reflects the increasing sophistication of Africa's VC ecosystem.

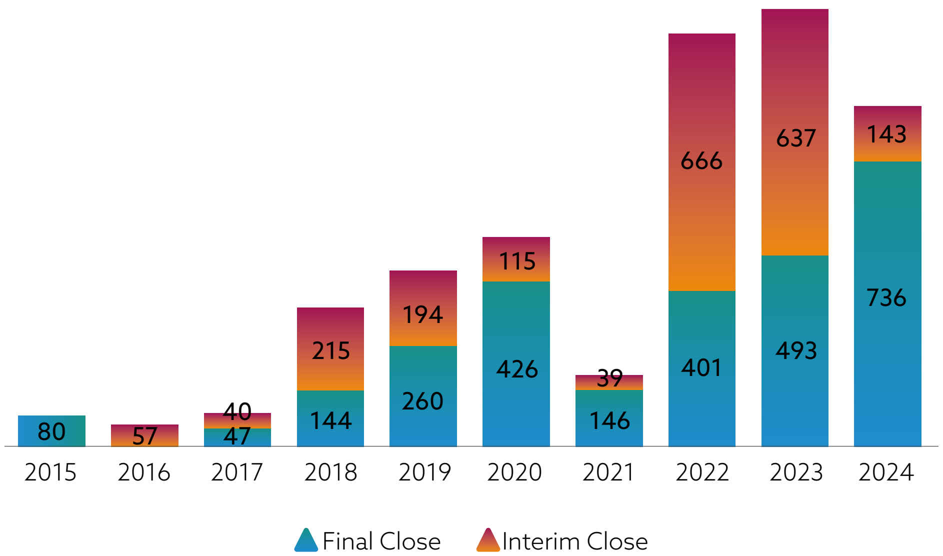
While interim fundraising declined to US$143 million in 2024, this shift was largely due to many funds reaching final close rather than a slowdown in market activity.

Figure 42: **Volume of Venture Capital Funds in Africa by Closing Type, 2015-2024**



Source: AVCA

Figure 43: **Value (US$mn) of Venture Capital Fundraising in Africa by Closing Type, 2015-2024**



Source: AVCA

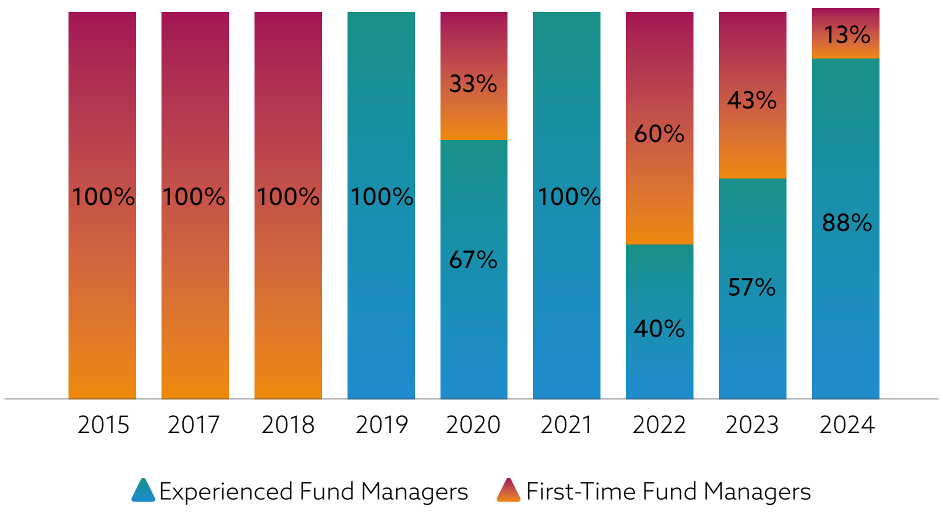
10.2 Fund Manager Experience

The formative years of venture capital fundraising in Africa was dominated entirely by first-time fund managers. From 2015 to 2018, every final close was secured by these new entrants, who forged the continent's earliest dedicated VC strategies. These managers were not only raising capital but also selling the value proposition of investing in African startups—pitching a new strategy to audiences historically focused on private equity funds backing more mature SMEs. Notable pioneers included Novastar Ventures, which secured the only final close in 2015, and Quona Capital, which replicated this feat in 2017.

By 2019, fundraising dynamics had shifted. Some established players, such as 500 Global and Partech, extended their global franchises to Africa, launching their maiden Africa-focused funds but leveraging their global track records. Others, like BECO Capital, successfully raised their sophomore vehicles. The participation of experienced managers accelerated after 2020 and gained momentum between 2022 and 2024, steadily capturing a larger share of final closes: a clear sign of the ecosystem's growing maturity. The present landscape has shifted decisively toward experienced fund managers, which accounted for an unprecedented 88% of all final closes in 2024—the highest proportion recorded to date. This trend reflects strong investor confidence in firms with demonstrated success and established market credibility. It also mirrors broader global private capital market patterns, where seasoned managers have increasingly outperformed newer entrants in capital raising, particularly in an environment of heightened scrutiny and macroeconomic uncertainty. Several large final closes in 2024, including TLCom's US$154 million *TIDE Africa Fund II* and Partech Africa's €280 million *Fund II*, exemplify this preference.

However, the dominance of experienced fund managers is unlikely to entirely eclipse newer entrants. In particular, the six first-time fund managers that held interim closes in 2024 are well-positioned to secure final closes in the near future, which will contribute to a more balanced distribution between experienced and emerging managers over time.

Figure 44: **Share of Venture Capital Fundraising by Type of Fund Manager, 2015 – 2024**



Source: AVCA

Research Methodology

Key Definitions:

VENTURE CAPITAL:

An investment practice within private equity featuring short-medium term direct equity or equity-linked investments in earlier-stage, younger companies that need funding and support to get an idea off the ground, develop a business model or launch into the market. This capital is often deployed to companies in a series of "rounds" of funding as pre-agreed milestones are met.

For the purposes of this report, venture capital deal values include equity, mezzanine, and debt when the latter is part of a larger transaction that also involves equity. Therefore, companies that raise mixed (i.e. equity and debt) funding rounds are classified within the Venture Capital category. For example, the whole value of the US$6.5 million Series B round in Kenyan home furniture manufacturer *MoKo Home + Living* (US$3.5 million equity and US$3 million debt) is taken as venture capital in this Report.

VENTURE DEBT:

Loans offered to early-stage, high-growth companies with existing venture capital backing by venture debt providers (typically banks or private capital funds) to provide liquidity to a business for the period between equity funding rounds.

For the purposes of this report, venture debt deal values include convertible notes, mezzanine, private bonds, and direct lending when they occur in isolation. Companies that raise mixed (i.e. equity and debt) funding rounds are excluded, and only pure debt deals are classified within the Venture Debt category.

Investments

AVCA's Venture Capital Database takes an **investment stage approach** to data collection. There is no minimum deal value threshold for data collection. Instead, our methodology tracks startups and early-stage companies that have raised seed, post-seed to late-stage financing only.

The following exclusions are applied to our methodology:

- **Pre-Seed Deals**. The focus on seed+ stages is because seed funding is (often, but not always) the first official equity funding stage. Given that the most common sources of pre-seed funding are the founders themselves, angel or family networks, this stage is excluded from our analysis.
- Deals from **Accelerators and Incubators**. Deals featuring accelerators or incubators have only been included when they were part of a larger consortium of investors that participated in the financing or funding round of a company.
- Deals from **Angel Investors**. Deals featuring angel investors have only been included where they were part of a larger consortium of investors that participated in the financing or funding round of a company.
- **Growth Equity**. Deals classified as growth equity are excluded from our methodology. AVCA Research classifies these transactions as private equity. As such, these deals are included in AVCA's *African Private Capital Activity Report*, not the *Venture Capital in Africa Report*.
- **Crowdfunding**. Deals where capital was sourced solely from crowdfunding platforms are excluded.
- **Grants, Competition** or **Award** financing is also excluded.

Exits

AVCA's Venture Capital Exit database defines an exit as the point at which a venture capital (VC)-backed company is no longer under VC ownership. Exits include any sale that results in a change in majority ownership, such as acquisitions, secondary sales, or buyouts. Public listings are also considered exits and include both IPOs and reverse mergers. The database only records full exits by the venture capital firm or fund. If multiple venture capital firms or funds invest in and exit the same company at the same time, the transaction is recorded as a single exit.

Fundraising

AVCA's Venture Capital Fundraising database only includes final closes by individual venture capital funds. However, the report also provides an indication of interim closes that were reported between 2015 and 2024. It is to be noted that only funds that focus solely on Africa or have an allocation to Africa alongside a broader emerging markets investment mandate are included in the report. Funds with a global investment remit that invest in Africa are excluded.

Geographic Scope

This Report is by no means exhaustive but intends to be indicative of the overall venture landscape in Africa. To provide a holistic overview of the volume and value of venture financing being channelled to the continent, this report covers the following:

1. Startups Headquartered In Africa.

2. Africa-Focused Startups. We define this as early-stage companies headquartered outside of Africa, but whose primary business, operations and market is in Africa. An example of what this Report classifies as an Africa-focused startup is Flutterwave, a payments infrastructure provider connecting Africa to the global economy. Although incorporated in the United States, this company operates in Nigeria, Kenya, Ghana and South Africa, thus meeting our methodology as an Africa-focused startup.

Sector Classifications

The classification of invested company by sector is based on the *2025 Global Industry Classification Standard Classifications (GICS)*.

Data Sources & Quality Controls

AVCA Research collects data on a bi-annual basis from a range of public and private sources. Public sources include news outlets, company press releases and public platforms. Private sources include data obtained directly from fund managers, investors and founders as well as from subscription-based platforms. The data from private sources are treated as confidential, and only reported in aggregate.

AVCA Research supplements these sources using desk-based research to ensure data completeness. AVCA Research reviews all data obtained, queries any obvious errors, verifies the cut-off rules, and processes all necessary changes to historical data that have been reported by contributors. As such, AVCA cannot guarantee the ultimate accuracy of the data.

Endnotes

1 CB Insights, 2025. *State of Venture 2024 Report*
2 Pitchbook, 2024. *2025 APAC Private Capital Outlook*
3 Calculations of global industry growth averages are obtained using data from the Crunchbase *2023 Global Funding Report*. Calculations of Africa's growth averages are based on AVCA Data.
4 Calculations of global venture capital median deal sizes are obtained using data from the KPMG *Venture Pulse Q4 2023 – Global analysis of Venture Funding* Report. Calculations of Africa's median deal sizes are based on AVCA Data. For direct comparability between datasets, the median value for late stage deals in Africa only includes Series C and Series D transactions.
5 Please note the annual evolution of median deal values presented here exclude those in the "Series Unknown" category.
6 Mainstream refers to the time taken for a minimum 80% of startups in the cohort to raise their next funding round
7 Each regional profile in Section 5.1 includes both venture capital and venture debt activity. The "Overall Deal Activity" and "Rank in Africa" metrics are based on combined venture capital and venture debt deals. However, deal volume and value by country reflect venture capital activity only.
8 Business Registration Service, 2024. *Registrar of Companies Summary of Registered Entities*
9 The Citizen, 2025. *Why 2025 Will Be a Good Year for Startups in Tanzania*
10 Defined as those with at least one female founder
11 Crunchbase, 2024. *Digital Banking Startups Are Hot Again*
12 Pitchbook, 2025. *Retail Fintech VC Trends (Q4 2024)*
13 On average, in 2024 the other ten sectors (per the GICS Classification) secured an average of 69% of the annual deal volume and 39% of the annual deal value they attracted between 2021 and 2023.
14 African Union Development Agency, 2024. *Home Grown Solutions Accelerator: Learnings From 3 Years of Healthcare Venture Acceleration*
15 This report draws on the Global Impact Investing Network's definition of impact investing to define impact investors as: investors with an intentional desire to solve problems, address opportunities, and generate positive, measurable social and environmental impact alongside a financial return.
16 Four exits between 2021 and 2023 involved undisclosed buyers. As a result, the proportions shown in this chart exclude these transactions and reflect only the exit deals where the buyer type could be clearly categorised.
17 TechCrunch, 2022. *Sun King Expands Series D to $330M*
18 EY, 2024. *EY Global IPO Trends 2024*
19 Pitchbook, 2024. *Evolving Economics of 10-Year VC Funds*
20 The Corporate Venture Capital category includes venture capital arms / subsidiaries of corporate companies as well as individual companies making unique investments outside of a formal firm or fund structure.

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Championing Private Investment in Africa

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AVCA plays an important role as a champion and effective change agent for the industry, educating, equipping and connecting members and stakeholders with independent industry research, best practice training programmes and exceptional networking opportunities.

With a global and growing member base, AVCA members span private equity and venture capital firms, institutional investors, foundations and endowments, pension funds, international development finance institutions, professional service firms, academia, and other associations.

This diverse membership is united by a common purpose: to be part of the Africa growth story.