The African Tech Startups Funding Report

2024

DISRUPT Africa

10th edition

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CONTENTS

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INTRODUCTION

To our friends across Africa's tech startup ecosystem:

The Disrupt Africa team is delighted to present to you the 10th edition of the African Tech Startups Funding Report, covering 2024.

Back in December 2015, as a fairly newly-founded startup ourselves, the Disrupt Africa team sat down to compile a "listicle" of key funding rounds that had taken place over the course of the previous year. The sheer number of them surprised us, and we doubled down to find more, eventually releasing the very first edition of this publication in January 2016.

The very first African Tech Startups Funding Report found that 125 ventures had raised US$185,785,500 125 between them in 2015. We, both ourselves as a company and the ecosystem as a whole, have come a very long way since then, but we are very proud to have released a first-of-its-kind publication all those years ago, and to still be releasing it each year.

Unfortunately, this edition, like the last, tells a tale of regression. In last year's report, we noted that the decline in funding had perhaps not been as bad as many were predicting it would be. In 2024, however, the "funding winter" really bit hard, and we saw a further, more significant drop in funding, with just 200 startups raising a little over US$1.1 billion.

The last couple of years have undoubtedly been tough for Africa's startup space - closures, down rounds, and almost relentless negativity as funding continues to fall. Yet the innovation remains, African tech entrepreneurs continue to show their resilience, and the numbers from Q4 2024 and so far in Q1 2025 suggest an uptick in activity.

Even in these down times, we must never forget where we started. Compiling that "listicle" back in late-2015, when a Series A round was almost as rare as a unicorn, and if it did happen maxed out at US$1 million, could we ever imagine that funding would top US$3 million in 2022, and that indeed we would be disappointed with a total above US$1 billion in 2024?

Some could, and those people that invested in African tech ventures back then are still doing so now, convinced of the potential of the space. As are we. Bumps are to be expected along the road; it is how you navigate them that counts. The good times will return, indeed there are signs they already are, but in the meantime we need to ensure quality, innovative, sustainable startups, with good governance and reporting entrenched within their organisational structures, are ready and waiting for the uptick in venture capital.

In the following pages, we detail the value of funding flowing into Africa's various markets, the number of funding rounds raised in each country and sector, average deal sizes, as well as standout deals. We have provided analysis of four key markets across the continent, and looked at in-depth at eight different tech sectors.

A separate section is dedicated to tracking acquisitions on the continent, while the full list of funded African tech startups is provided as an appendix, sorted by country and sector.

We remain available at any point for follow-up discussions and questions; and would also appreciate feedback as to how we can work to make our publication of more value to you in the future.

All the best for 2025!

Gabriella Mulligan **Tom Jackson**

Co-founders of Disrupt Africa

METHODOLOGY

The African Tech Startups Funding Report 2024 is based on data gathered by the Disrupt Africa team over the course of 2024. The information contained herein is an accurate work of journalism - the compilation of our list of funding rounds, as well as all analysis within the report, has been conducted in-house.

A complete record of funding rounds was kept over the year, as they were disclosed publicly or confidentially to the Disrupt Africa team. Using that initial dataset as a base, we have polled hundreds of startups, investors, hubs and other ecosystem players to identify rounds that we may have missed, or to clarify the amount raised where this was not initially disclosed.

Where amounts were publicly disclosed, or startups have informed us they can be disclosed, they are declared in the report. Where the figure was given in confidence, the number has been included in the aggregate total but not identified in the report.

Where we were unable to definitively ascertain the amount raised by a particular company, we have estimated the lowest possible figure based on the details we have managed to obtain. For example, if a startup indicated their funding was a "seven-figure dollar amount", we have estimated that figure as US$1,000,000.

In a few cases, we have used a combination of the investment parameters of the funder in question, previous rounds raised by the startup, and the size of rounds raised by similar companies in similar sectors, to come up with a minimum possible figure.

In all, 137 (68.5%) of the 200 funded startups disclosed the amount raised, with the rest off-the-record or estimated. This was an improvement on 2023, when 237 (58.4%) of the 406 funded startups disclosed the amount secured.

We do not claim to have identified every funding round going to an African tech startup in 2024, as there will be some that took place quietly. As such, the overall total funding raised is likely to be higher than our total; especially given our very conservative estimates of undisclosed rounds.

This report seeks to ascertain a minimum figure for funding for 2024 as we continue to track the growth of the African tech startup ecosystem, for the 10th consecutive year.

Comparative data used to reflect on progress over the years since 2015 stems from previous editions of this report, published annually for the preceding nine years. Data regarding the makeup of startup teams was either provided by startups themselves, or collected from publicly available information on platforms such as LinkedIn. Employment figures at the time of investment were either provided by the startup or sourced from LinkedIn.

A note on the definition of a startup. In deciding what "startups" to include and exclude from this study, Disrupt Africa has followed its usual editorial process, working on a case-by-case basis to decide whether a company qualifies as a startup. The definition of "startup" is more subjective than objective in any region; especially so in Africa where the scene is so nascent and there are no established qualifications in terms of revenues and employee numbers.

Startups are relatively young businesses where success is not guaranteed, where people choosing to work for the company are forgoing stability in exchange for innovation and the promise of tremendous growth. This ability to grow is key, what differentiates startups from small businesses is the potential - and desire - to scale regardless of geography.

More specifically, for the purposes of this report, the majority of companies featured are usually no older than 10 years old (though this is not a fixed rule), are still in the process of scaling up, their potential profitability is still growing - regardless of whether profitability has to date been achieved -, and they may still seek external funding. We have excluded companies that are spin-offs of corporates or any other large entity.

The definition of "African startup" is also a controversial topic. In the clearest scenario, an African startup would be headquartered in Africa, founded by an African, and have Africa as its primary market. This, however, is rarely the case. Many Africa-based, Africa-focused startups are founded by non-Africans. Many Africa-focused, African-founded startups are, for regulatory and financial reasons, headquartered outside the continent. Many Africa-founded, Africa-based startups target customers elsewhere in the world.

Once again, Disrupt Africa tackles this issue on a case-by-case basis, and we may not always get it right in everybody's eyes. For the most part, the startups included in this report are at least Africa-based and Africa-focused, and we have applied thinking around the economic impact of a company - and where that impact is most felt - in the event of a startup diverging from this.

OVERVIEW

OVERVIEW

African tech startup funding plummeted in 2024 as the “funding winter” took its toll on the sector.

After bucking global trends in a record-breaking 2022, 2023 had seen the global capital shortage begin to bite, with the number of funded ventures, and the total funding raised, declining for the first time since 2016. In 2024, venture funding collapsed, setting the sector back to 2020/2021 levels of investment.

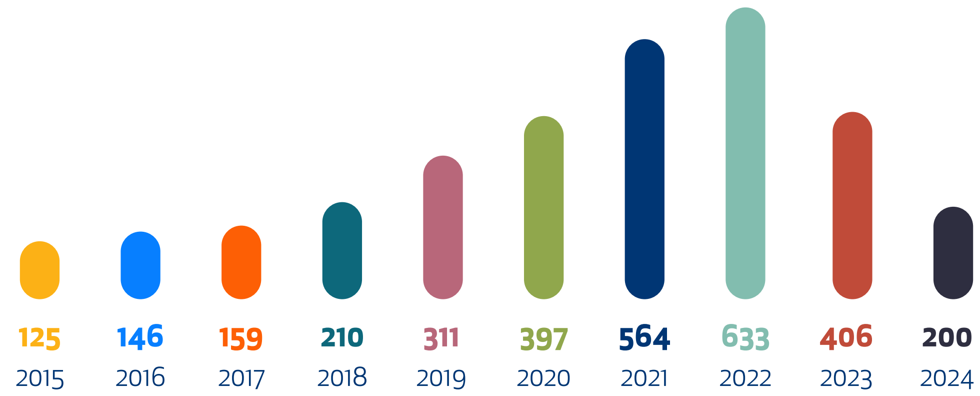
A total of 200 startups raised US$1,119,802,000 over the course of the year. This was fewer startups than as long ago as 2018, and less investment than that seen in 2021, though significantly more than in 2020.

The number of funded ventures was down 103 per cent on the 406 that raised in 2023. This is the second year in a row we have witnessed a decline in this regard, having reported increases in every year since tracking began in 2015.

The US$1,119,802,000 raised by those 200 startups was down 53.5 per cent on the US$2,406,914,000 banked in 2023. This is the second year in a row the sector, which has expanded so exponentially in the last few years, has seen a decline in total funding, which had been rising steadily since 2016. The rate of decline almost doubled year-on-year.

The size of the average deal was US$5,599,010, down 5.5 per cent on US$5,925,034 in 2023. That had been up 12.5 per cent on US$5,265,515 on 2022. A total of 111 startups raised US$1 million or over in 2022, representing 355.5 per cent of the total. Egyptian fintech company MNT-Halan (US$157.5 million), Moniepoint (US$110 million), Moove (US$100 million), Basi-Go (US$58.3 million), M-KOPA (US$51 million) and NALA (US$40 million) were the biggest raisers.

Funded African tech startups by year



Total African tech startup funding by year

2024	1,119,802,000	2023	2,406,914,000
2022	3,333,071,000	2021	2,148,517,500
2020	701,460,565	2019	491,623,400
2018	334,520,500	2017	195,060,845
2016	129,113,200	2015	185,785,500

US$

Number of active investors falls again.

The number of active investors - individual or institutional - fell again in 2024, by 34.3 per cent to 346, from 527 in 2023. That itself had been down 46.6 per cent from 987 in 2022. That makes it two years of decline after steady growth before that.

Number of disclosed investors in African tech by year

Meet our VC partner...

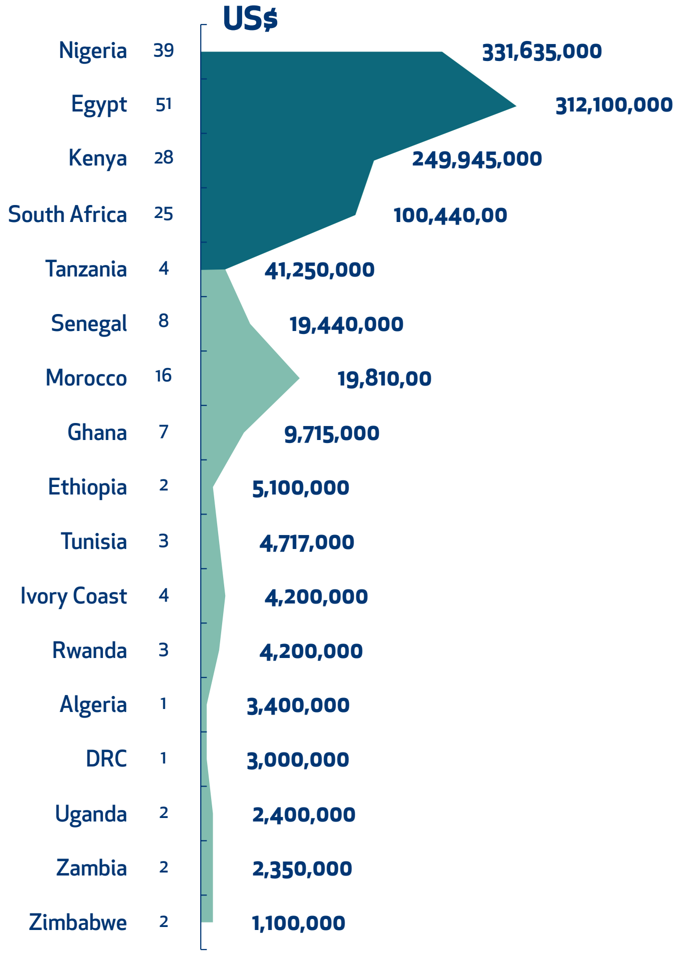
"Big four" retains dominance as capital finds safe haven.

Though each of the so-called "big four" of African tech - Nigeria, Egypt, Kenya and South Africa - raised significantly less funding than in 2023, they retained their overall share of funding, as capital remained focused on markets perceived as being less risky during the global capital shortage.

The share of funding heading into these four countries had leapt to 90.4 per cent in 2023, as the economic headwinds started to blow, compared to an 80.8 per cent share in 2022, and fell only marginally in 2024, to 88.8 per cent.

In the same vein, far fewer countries saw tech startups receive funding - just 17, compared to 26 in 2023 and 27 in 2024. Indeed, we haven't seen fewer countries represented in these datasets since 2016.

African tech startup funding by country



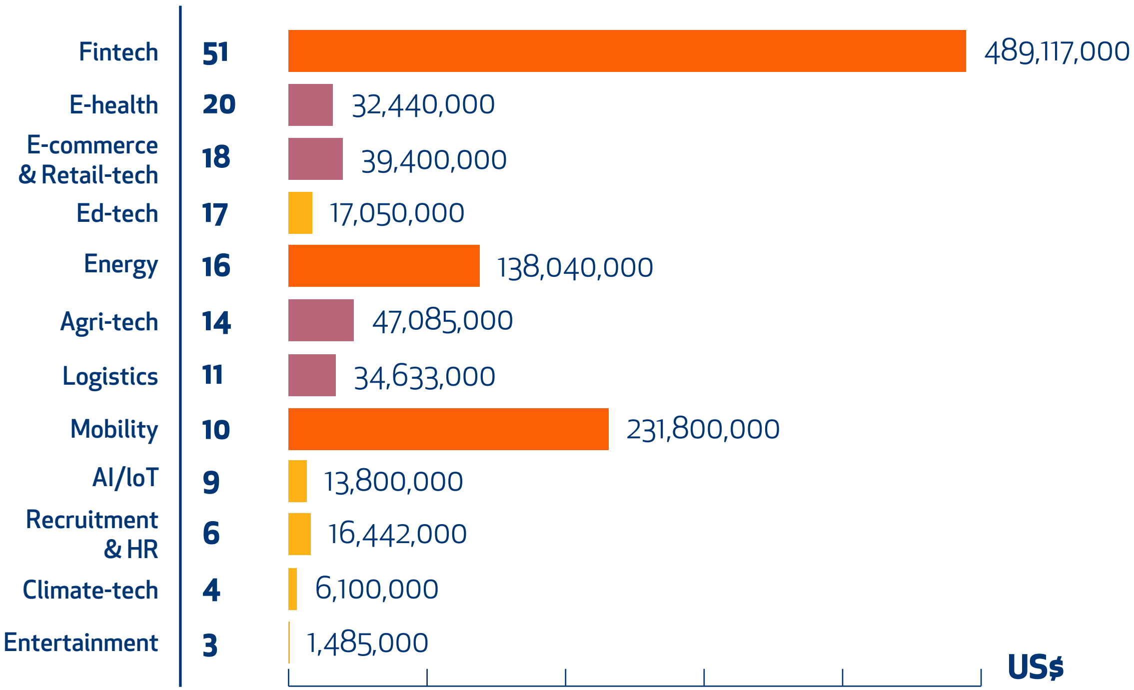
Fintech is still the leading sector by some way, but has again taken serious knocks.

Fintech once again proved by far and away the most popular sector for investors in African tech startups in 2024, yet it saw a second successive year of decline, and indeed declined at a greater rate.

Fifty-one fintech startups raised funding in 2024, more than a quarter of the continent's total, while those ventures raised a combined total of almost US$500 million. Both those numbers were down for a second consecutive year, however, by 60 per cent and 40 per cent respectively.

Serious dents in fintech funding, then, but other sectors performed just as badly, and in some cases worse, meaning the sector's share of funding is broadly the same as in previous years. Of all the leading sectors, only mobility saw a leap in funding raised, by 14.4 per cent to US$231,800,000, meaning it came in second for the first time.

Indeed, the big rounds raised by fintechs like Moniepoint, MNT-Halan, NALA and Yellow Card, and mobility ventures Moove and BasiGo, account for almost half the continent's total venture funding in 2024. Without them, the broader funding picture would look a lot worse.



African tech startup funding by sector, 2024

Slowly but surely, African tech VC is getting later-stage.

Of the rounds raised by the 200 African tech startups funded in 2024, in 84 of them - only 42 per cent - the stage of funding was disclosed. Of those 84 rounds, the majority - 75 per cent - were pre-Series A or earlier (also including seed and pre-seed).

This was down from 78.4 per cent in 2023, and 79.7 per cent in 2022.

Almost 18 per cent of deals were Series A, almost five per cent Series B, and nearly 2.5 per cent Series C, the latest stage at which a company raised in 2024.

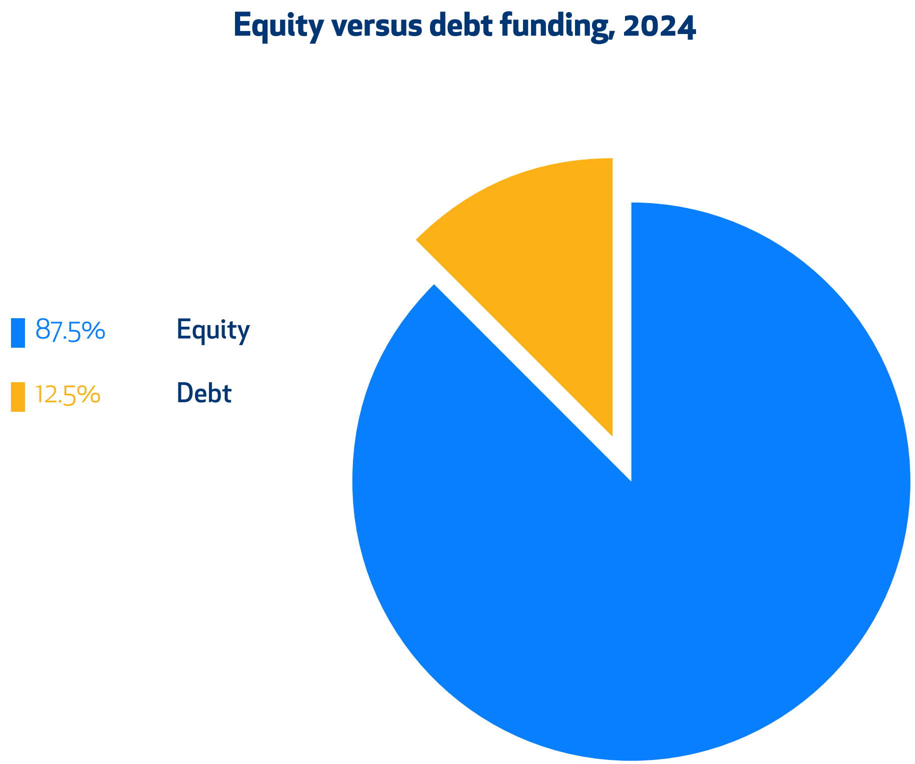
Stage at which African tech startups raised capital, 2024

27	32.1%	Pre-seed
28	33.4%	Seed
8	9.5%	Pre-Series A
15	17.9%	Series A
4	4.8%	Series B
2	2.4%	Series C

Equity funding remains dominant but debt still on the rise.

Only 25 of the 200 funded startups in 2024 raised any debt funding across any of their rounds, yet the share of 12.5 per cent was a significant leap on 10.6 per cent in 2023, 5.2 per cent in 2022, and 4.6 per cent in 2021.

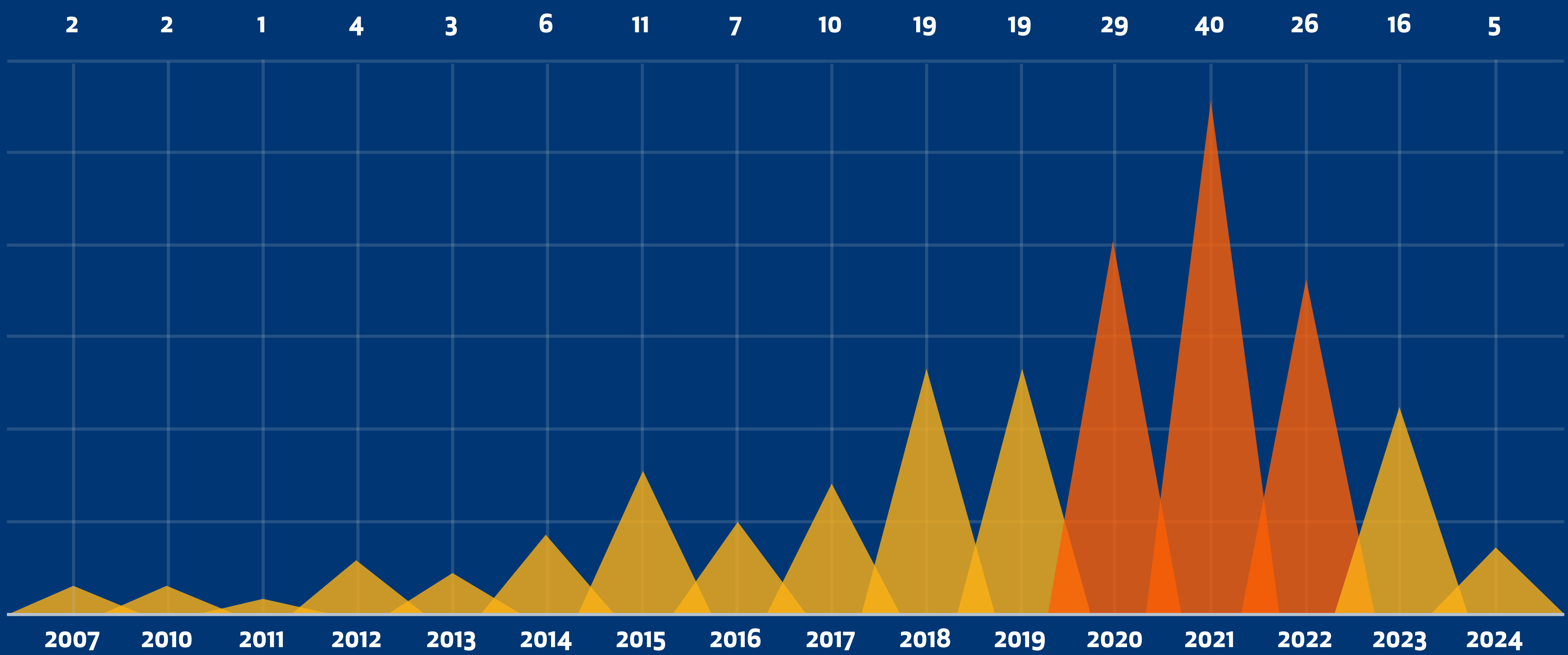
The perceived risk of African tech startup investments means companies remain much more likely to raise equity capital, but later-stage startups, especially those in the energy and fintech sectors, are increasingly able to take on debt funding.



Over 40 per cent of 2024's funded startups launched in the last four years

Given the predominance of seed, pre-seed, and pre-Series A rounds, it is unsurprising that the majority of the African tech startups that raised funding in 2024 are quite young, with 87 - 43.5 per cent of the total - founded in the last four years.

Launch date of funded African tech startups, 2024



Gender diversity takes a hit as African tech startup funding falls.

Thirty-seven (18.5%) of funded African tech startups in 2024 had at least one woman on the founding team, down from 107 (26.3%) in 2022. This was a setback after a few years of progress - 128 (20.2%) of funded startups in 2022 had a female co-founder, and 121 (21.5%) in 2021.

Only 25 (12.5%) had a female CEO, down from 62 (15.3%) in 2023.

18.5% of funded ventures had at least one female co-founder.

12.5% of funded ventures led by a female CEO.

Acceleration, incubation remain key to fundraising success.

A total of 97 (48.5%) of the funded African tech startups in 2024 took part in some form of accelerator or incubation programme either prior to raising, or as part of their raise. This was down from 198 (48.8%) in 2023, and 330 (52.1%) in 2022.

It remains evident, however, that acceleration and incubation still play a key role in providing, or easing access to, funding in the African tech ecosystem. International accelerators such as Y Combinator, Techstars and 500 Global are actively investing in African ventures, but there are plenty of active local programmes too.

Most active accelerator programmes in African tech

Y Combinator
techstars_
500 GLOBAL
Startupbootcamp
PLUGANDPLAY
The Baobab Network.
CATALYST FUND POWERED BY BFA GLOBAL
<norrsken>

Africa's tech startup sector remains a serious creator of jobs, in spite of the hard times.

Given the number of funded startups declined so significantly in 2024, it is unsurprising that the number of jobs these startups have provided is less.

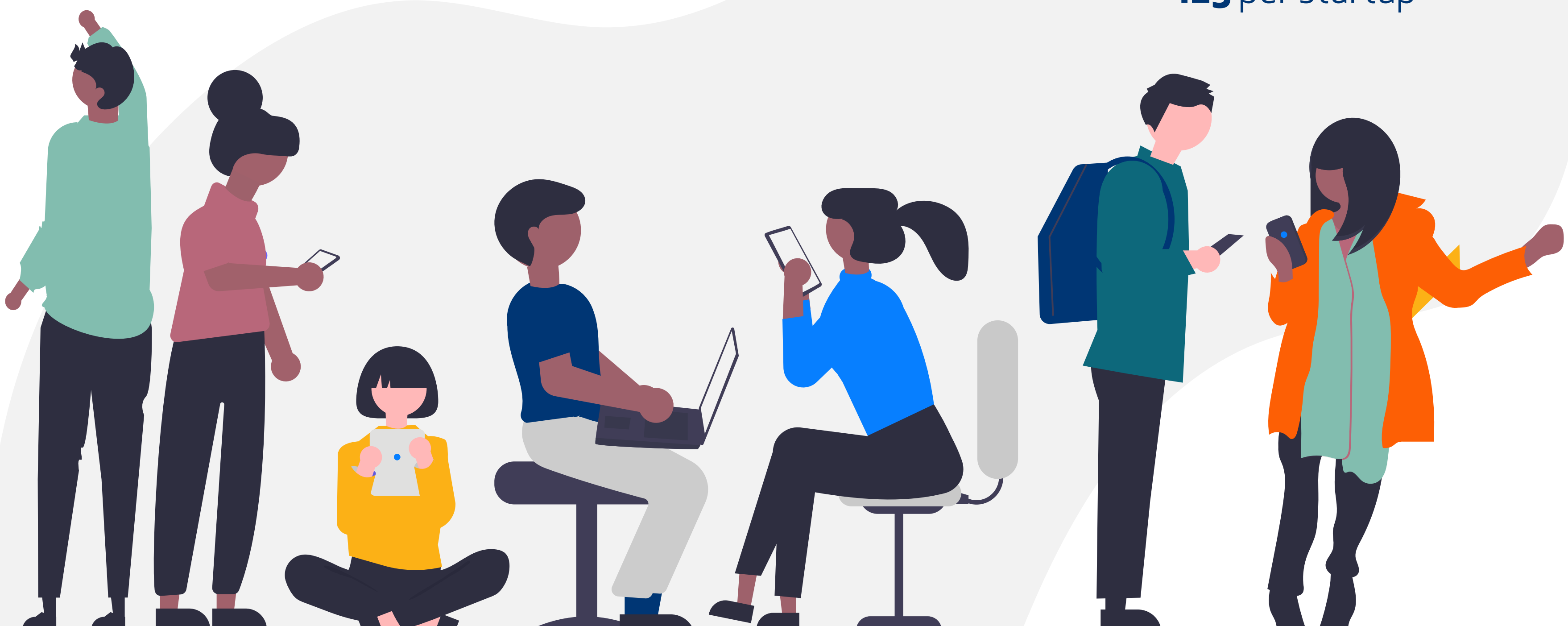
However, the space is still a major provider of employment, with the 200 funded startups, at the time of their first raise of the year, employing 24,996 people between them, an average of 125 per startup.

In 2023, the 406 funded ventures employed 27,524 individuals, an average of 68 per startup, while in 2023 it was 25,554, an average of 63 per company.

200 startups

24,996 employees

125 per startup



COUNTRIES

COUNTRIES

Nigeria

Nigeria returned to its usual position as the best-funded country in African tech, having relinquished the spot to Kenya in a disappointing 2023. A total of US$331,635,000, 29.6 per cent of the overall total, was raised, narrowly pipping Egypt to top spot. This figure was secured by 39 startups - 19.5 per cent of the African total, ranking Nigeria second behind Egypt in this regard.

> US$**331,635,000** secured by
> **39 Nigerian** tech startups

Both of these figures nonetheless represent a significant decline on 2023, with the number of funded ventures falling by 68.5 per cent from 124, and total funding down 17.1 per cent from US$399,909,000. The average raise is up, however, to US$8,503,462 per startup from US$3,225,072 in 2023.

Funded ventures **down** by **68.5%**

Total funding **down** by **17.1%**

The standout rounds of the year were raised by fintech startup Moniepoint (US$110 million) and mobility company Moove (US$100 million), rounds which ensured the fintech and mobility sectors accounted for 52.1 per cent and 30.2 per cent of Nigerian venture funding respectively. Almost 40 per cent of funded Nigerian tech startups operate in the fintech sector.

Later-stage funding has become more prevalent. Of the 18 rounds in which the stage of funding was disclosed, pre-seed, seed or pre-Series A funding accounted for a combined 72.2 per cent of the total. This was down from 77.8 per cent in 2023 and 86.7 per cent in 2022, as we see a higher percentage of rounds at Series A and beyond.

Five out of 39 startups raised any form of debt funding. This 12.8 per cent share was up from 8.1 per cent in 2023, five per cent in 2022, and 4.3 per cent in 2021.

Levels of gender diversity remained relatively stagnant. Eight of the Nigerian funded ventures had at least one female co-founder, a share of 20.5 per cent. This was down from 22.6 per cent in 2023. However, a higher proportion of funded startups were led by a female CEO - 17.9 per cent, compared with 15.3 per cent in 2023.

Accelerator participation levels among funded startups has declined. Twenty (51.3%) have been accelerated at some point in their trajectory, compared to 80 (64.5%) in 2023, and 109 (60.6%) in 2022.

The 39 funded Nigerian tech startups employ between them 6,470 people, down marginally from 6,669 in 2023 and 6,751 people in 2022. The average employed per startup is, however, up to 166 from 53 in 2023 and 38 in 2022, again reflecting the later stage at which companies are raising.

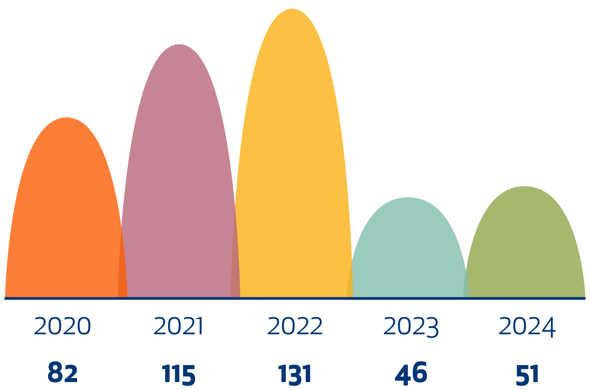
Nigeria had been ploughing ahead of other African geographies, firmly establishing itself as the leading startup ecosystem on the continent until it was hit by global and local economic headwinds in 2023. Though 2024 has also proven a difficult year, the country's tech startup ecosystem does seem to be weathering the storm better than its "big four" counterparts, and the big rounds for the likes of Moniepoint and fellow fintech Yellow Card late in the year hopefully point to a brighter 2025.

Egypt

Egypt was another country for which 2023 was an extremely tough year, but like Nigeria it has proven some durability in 2024 even as difficult economic conditions meant VC funding was extremely sparse.

It was the only country to report an increase in the number of funded tech startups, up to 51 - 25.5 per cent of the African total - from 46 in 2023. This was the most of any ecosystem on the continent. Total funding, however, declined again, by 47.1 per cent to US$312,100,000. This nonetheless made up 27.9 per cent of total African startup funding, and was second only to Nigeria.

Funded Egyptian tech ventures by year



It is to be noted, however, that in 2023 the country's total was underpinned by a single round, with the US$510 million attracted by fintech company MNT-Halan accounting for 86.4 per cent of Egypt's annual total. MNT-Halan raised big again in 2024, but only to the tune of US$157.5 million - 50 per cent of the total. Interestingly, this means that Egyptian startups not called MNT-Halan actually raised more capital in 2024 than they did in 2023.

The average raised per startup fell to US$6,119,608 from US$12,831,913 in 2023, with the latter figure having again been skewed significantly by the MNT-Halan raise.

Fintech is typically popular in Egypt, and 2024 was certainly no different. The sector saw 15 startups secure funding, 29.4 per cent of the country's total, and between them they raised US$236,000,000, or 75.6 per cent of Egyptian startup funding.
As in Nigeria, funding is slowly moving later-stage. Twenty-eight per cent of 2024 rounds at which stage was disclosed were at Series A or beyond, compared with 18.1 per cent in 2023. Five of the funded startups (9.8%) raised any form of debt, up from 6.5 per cent in 2023, 3.8 per cent in 2022 and 1.7 per cent in 2021.

Only 9.8 per cent of the Egyptian tech startups backed in 2024 have at least one female co-founder, down from 23.9 per cent in 2023, though five (9.8%) have a female CEO, up from 4 (8.7%) in 2023.

Accelerator participation is common in Egypt, with 28 of the backed ventures having been accelerated (54.9%). In 2023 there were 21 (45.7%), in 2022 there were 64 (48.8%); and in 2021 there were 57 (49.6%).

Startup employment bounced back after feeling the squeeze in 2023. The funded startups employ between them 5,956 people, an average of 117 per startups. This is an increase from the 3,085 jobs reported in 2023, which was an average of 67 per startup and represented a huge decline on the 11,153 people employed by startups in 2022.

Until 2023, Egypt had been on an impressive growth trajectory, rising higher in the ecosystem rankings reported by Disrupt Africa each year, and maturing nicely into a balanced and vibrant market. Though 2024 figures also represent a decline, it is less dramatic than in other leading markets, and Egypt's funding total is less dependent on MNT-Halan raising big than it was in 2023. This gives us hope the country's tech investment ecosystem will return to something resembling full strength in the next couple of years.

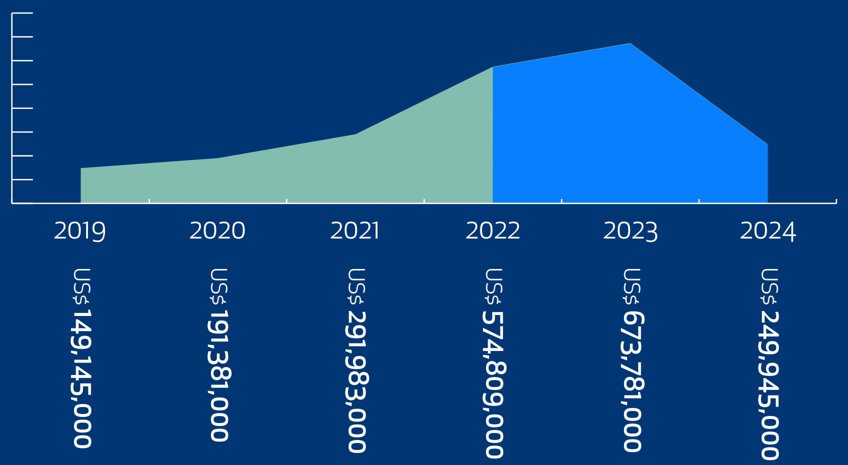
Kenya

It was a tough year for Kenyan tech startups from a funding perspective, with significant drops in both the number of startups that secured investment, and the total they secured.

Twenty-eight startups (14 per cent of the African total) secured investment, the third highest figure but one that fell by 54.8 per cent from 62 startups in 2023, when it had the second most after Nigeria. It is the second consecutive year of decline in that regard, with 2023's tally having been down 31.9 per cent on 2022.

Total secured funding fell even more dramatically. Those 28 startups raised between them US$249,945,000, 22.3 per cent of African tech's US$1,119,802,000 total. This was down a whopping 62.9 per cent on the US$673,781,000 raised in 2023, when Kenya had led the way for investment.

Kenyan startup funding by year



Indeed, Kenya had bucked general trends in 2023, by seeing funding increase by 17.2 per cent at a time when investment was falling elsewhere. Ultimately, though, this proved to be a period of growth slowing, ahead of a collapse in 2024, which was a difficult year for the Kenyan startup ecosystem as investment decline badly and several leading startups closed their doors or were forced to dramatically pivot their business models.

The average raise in 2024 was US$8,926,607, down from US$10,867,435 in 2023.

Agri-tech was the leading sector in terms of funded startups, with nine ventures representing 32.1 per cent of the Kenyan startups that secured investment. Interestingly, only one Kenyan fintech startup raised capital in 2024, whereas in 2023 more than 25 per cent of funded Kenyan ventures were active in that sector.

In terms of total funds raised, mobility led the way with US$102,300,000 (40.9 per cent of the total), followed by energy with US$86,590,000 (34.6%) and agri-tech with US$39,285,000 (15.7%). Again fintech's share of investment is far lower than in other leading markets on the continent.

Eleven startups disclosed the stage at which they raised, with 72.8 per cent of those doing so at either pre-seed, seed or pre-Series A. As in other markets, the numbers demonstrate a slight shift towards investing at later stages, with investments before Series A having accounted for 78.9 per cent of disclosed deals in 2023.

Of the funded startups, eight (28.6%) raised some element of debt funding, a percentage significantly up on 17.7 per cent in 2023 and 6.6 per cent in 2022. The perceived risk of debt funding, particularly in African markets and in the current economic climate, hasn't gone away, but reputed energy ventures in particular continue to attract debt funding even despite the economic trends.

Whereas in 2023 Kenya's gender diversity performance among funded startups was far better than elsewhere on the continent, it performed less well in 2024. Nine (32.1%) of the funded ventures have at least one female on their founding team, down from 26 (41.9%) in 2023, while only four (14.3%) have a female CEO, down from 14 (22.6%) in 2023.

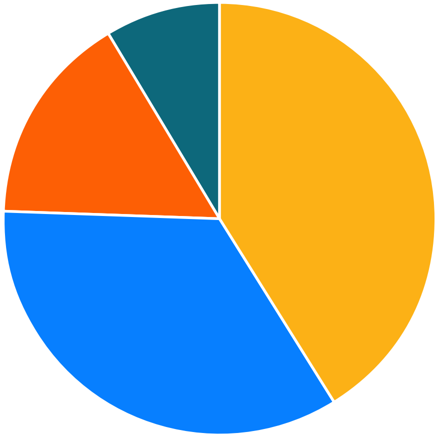
Accelerator participation remains common, with 15 (53.6%) of the startups funded in 2024 having been accelerated at some point. The rate was 43.5 per cent among 2023's list of ventures; and 44 per cent in 2022.

The funded Kenyan ventures employ between them 8,057 people, an average of 288 per company. This is down from 9,517 in 2023.

Funded Kenyan startups by sector (number of startups)

9	32.1%	Agri-tech
4	14.3%	E-commerce & retail-tech
4	14.3%	Energy
11	39.3%	Other

Funded Kenyan startups by sector (total funding raised)



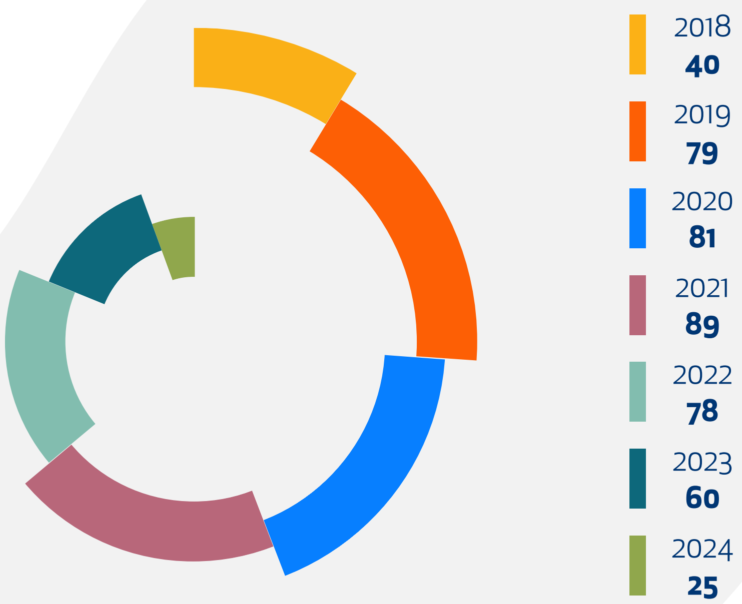
40.9%	US$ 102,300,000	Mobility
34.6%	US$ 86,590,000	Energy
15.7%	US$ 39,285,000	Agri-tech
8.8%	US$ 217,770,000	Other

South Africa

It was a year of damaging decline for the South African startup ecosystem from a funding perspective, which fell to fourth for both number of ventures backed and total investment secured.

Just 25 South African startups raised funding over the course of 2024, representing a mere 12.5 per cent of the total. This was down by 58.3 per cent from 60 startups in 2023, which had in turn been down 23.1 per cent from 78 in 2022. Indeed, the number of funded startups in South Africa has been declining since 2021, at a quickening pace.

Funded South African tech startups by year



The same decline is evident with total funding, which collapsed to US$100,440,000 - just nine per cent of the African total - from US$512,316,000 in 2023, when South Africa accounted for more than 20 per cent of investment. These disappointing numbers stand in stark contrast to 2023, when South Africa has bucked trends and reported 55.4 per cent growth in funding.

The average raise was US$4,017,600 per startup, down from US$8,538,600 in 2023.

Fintech was the main driver behind what little funding did come into the South African ecosystem, with 24 per cent of the funded startups active in that sector, accounting for US$28.3 million (28.2%) of the total.

Of the startups that disclosed what stage they raised at, 33.3 per cent did so at pre-seed, and another 33.3 per cent at seed. While in 2023, South Africa's ability to ride out the funding winter was based around a large amount of later-stage rounds, which a staggering 44.7 per cent at Series A or later, what funding there was in 2024 was much more early-stage, and therefore much less.

Only two rounds (8%) had any element of debt, a share that was nonetheless up from five per cent in 2023.

Six of the funded ventures (24%) had at least one female co-founder, down from 21 (35%) in 2024. Five (20%) had a female CEO, a share that was up from 16.7 per cent in 2023.

Six of the funding ventures - 24 per cent - had undergone some sort of acceleration, a share that was up from 18.3 per cent in 2023, while the 25 funded South African ventures employed 1,301 people between them at the time of securing investment.

Rest of Africa

Startups raised funding in 17 African countries in 2024, a big drop from 2024, when 26 nations were represented, and one that returns the sector to 2017 levels of geographic spread. In the face of a global funding shortage, capital has centred on markets deemed less risky.

The "big four" markets of Egypt, Nigeria, Kenya and South Africa and Egypt together contributed 143 startups to the funding list - 71.5 per cent of the total. The proportion of funded startups based in the big four has been in decline for years, as more and more new markets attract investors through their doors, yet that decline was minimal in 2024, with the share falling by just 0.4 per cent year-on-year.

The same four countries raised between them a grand total of US$994,120,000 - 88.8 per cent of the US$1,119,802,000 raised by African tech startups over the course of the year. Again, the share of funding for these leading markets has fallen, but barely, from 90.4 per cent in 2023.

Fifty-seven startups from 13 additional African countries secured investor backing in 2024.

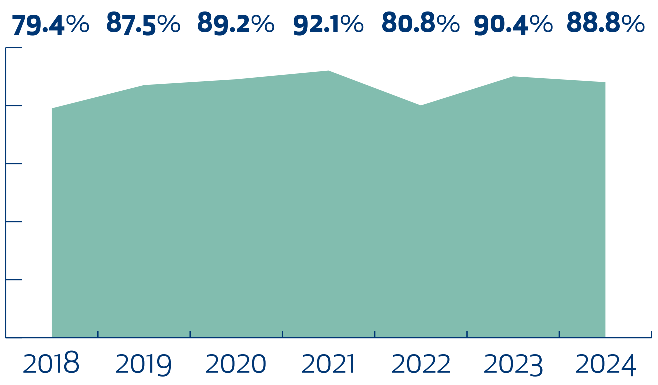
Morocco retained its position as the "best of the rest", though its 16 startups (eight per cent of the African total) was down 20 per cent from 20 in 2023. That number had also been a fall of 25.9 per cent from 27 startups in 2022. Those 16 startups raised US$19,810,000, marginally down on US$20,718,000 in 2023.

Senegal saw eight startups secure funding, down 33.3 per cent from 12 startups in 2023. The total funding for the country was US$19,440,000, up 67.8 per cent from US$11,586,000 in 2023, which in turn had been up 45.1 per cent from US$7,983,000.00 in 2022.

The "best of the rest" for funding, fifth for number of startups and total funding every year between 2018 and 2021, **Ghana** has been in steady decline as a funding destination since 2022. This year, it again performed poorly, with just seven startups raising a lowly US$9,715,000 between them. Total investment was down 64.4 per cent on US$27,276,200 in 2023, which itself had represented a massive 81.6 per cent decline on 2022.

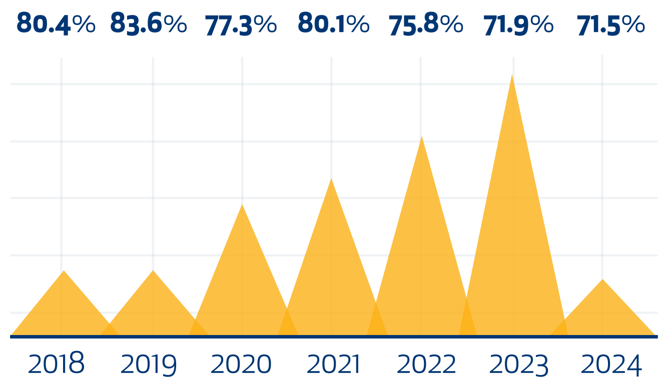
Tanzania saw six startups raise US$41,250,000 between them, a big jump from just US$2,808,000 in 2023 but one wholly attributable to the US$40 million raised by fintech startup NALA.

Funding to the "big four" markets, by year



%

Funded startups based in the "big four" markets, by year



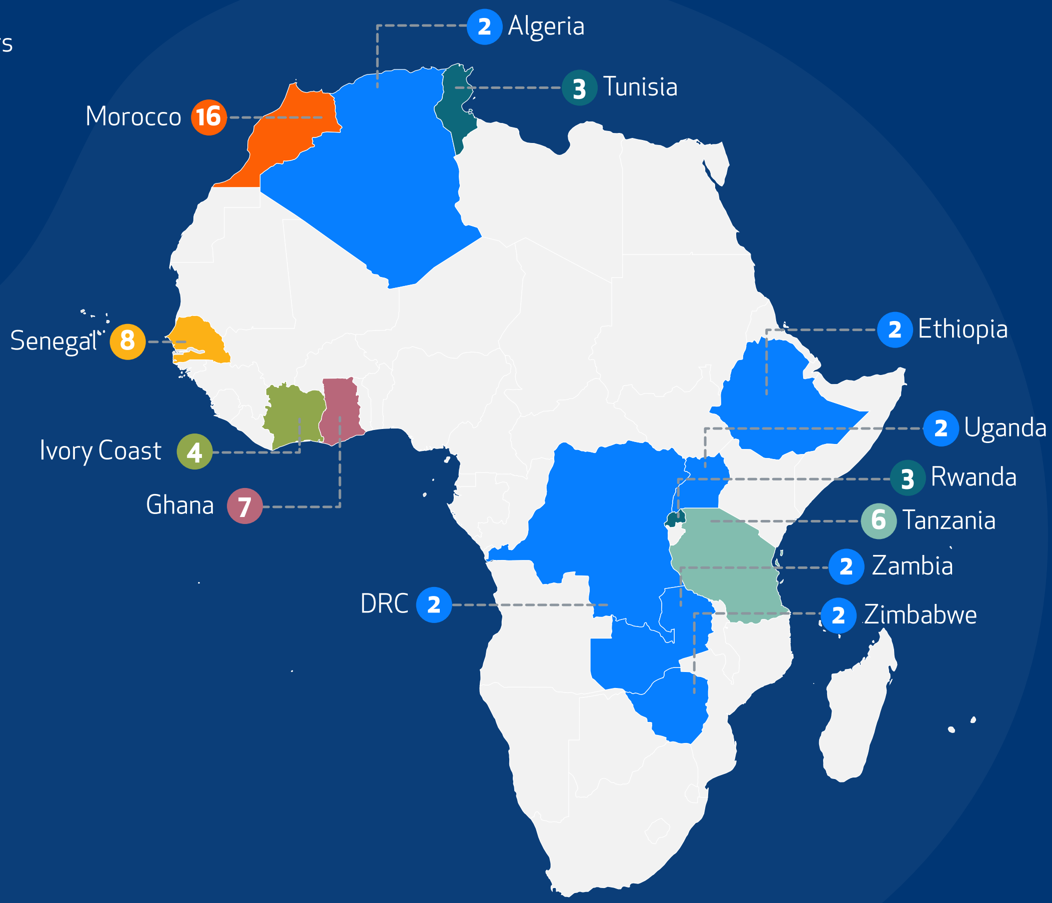
COUNTRIES

Four ventures from **Ivory Coast** secured investment, down 60 per cent from 10 in 2023, while total funding for the West African country fell once again - to US$4,717,000 from US$12,154,000 in 2023 and US$16,028,000 in 2022.

Rwanda saw three startups raise a combined US$4,200,000, down from US$44 million in 2023, when big rounds for Kasha and Ampersand had briefly inflated the country's numbers from a more similar amount in 2022.

Three **Tunisian** startups raised funding, down significantly from 11 in 2023, while total funding there was also down, to US$5,100,000 from US$6,046,000 in 2023. In 2022, Tunisian ventures banked US$119,936,000 in investment, so the drop-off has been stark.

Ethiopia, **Uganda**, **Zambia** and **Zimbabwe** each had two startups raise funding in 2024, while there was one round in **Algeria** and the **Democratic Republic of Congo** (DRC), respectively.



SECTORS

Fintech

Fintech once again proved by far and away the most popular sector for investors in African tech startups in 2024, yet it saw a second successive year of decline, and indeed declined at a greater rate.

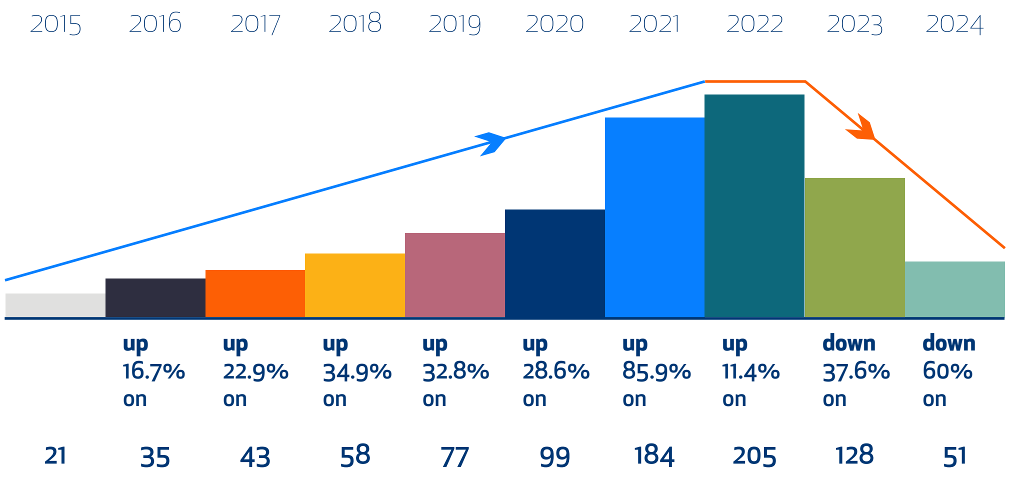
Fifty-one fintech startups raised funding in 2024, 25.5 per cent of the African total. This was down by 60.2 per cent on 128 fintechs in 2023, which accounted for 31.5 per cent of ventures.

Total funding also declined again, by 40 per cent to US$489,117,000, though the sector's share of total funding was marginally higher, with fintech's share of investment falling to 40 per cent from 43.4 per cent in 2023.

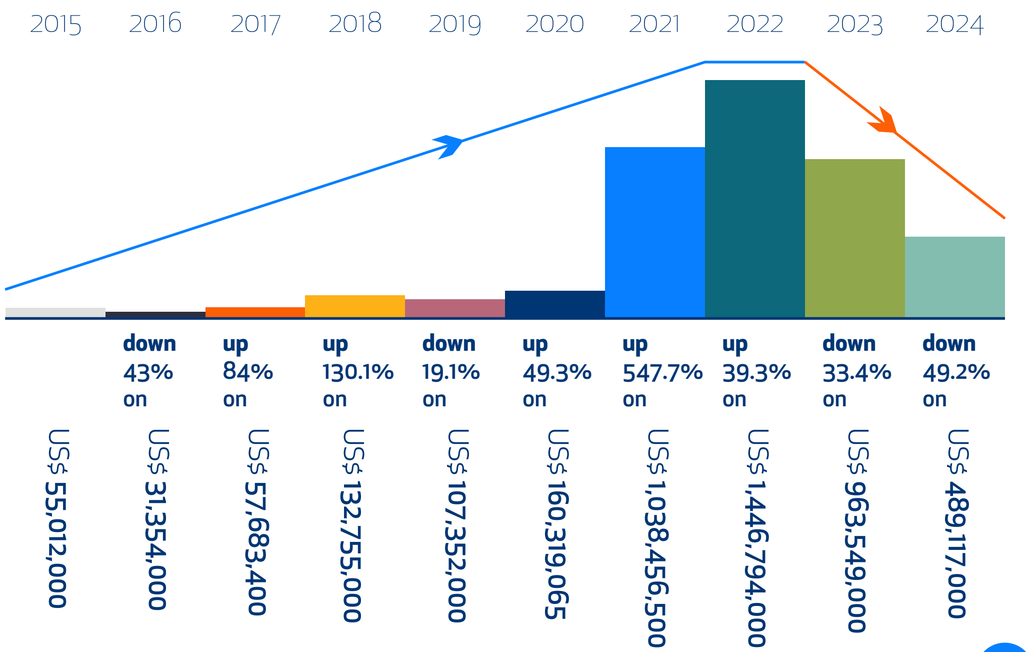
The average ticket size was US$9,590,529, up from US$7,527,727 in 2023 and US$7,057,531 in 2022. Funding is generally taking place at later-stages, given global conditions, with 32 per cent of rounds with disclosed stages coming in at Series A or higher, compared to 22.9% in 2023. Four fintech startups (7.8%) raised some element of debt capital as part of their round, compared to 11 (8.6%) in 2023.

From a gender diversity lens, seven fintechs (13.7%) had a female co-founder, down from 27 (21.1%) in 2023. Seven had a female CEO, 13.7 per cent of the total, which in this regard was a better share than the 9.4 per cent of funded fintech startups led by a woman in 2023.

Funded fintech startups by year



Total fintech funding by year



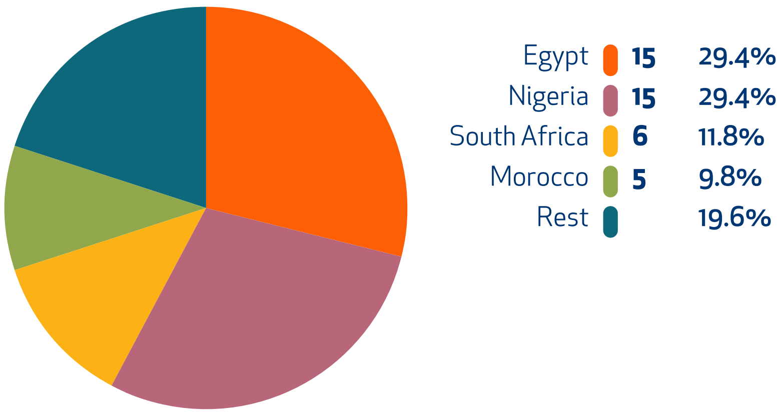
SECTORS

Twenty-one (21) of the year's funded ventures (41.2%) have taken part in an accelerator at some point in their journey, down from 74 (57.8%) in 2023, 112 (54.6%) in 2022, and 70 (38%) in 2021. The 51 startups employed 7,964 people between them at the time of their rounds, an average of 156 per startup. This was up from 5,113 people (40 per startup) in 2023, reflecting the later stage at which many of the rounds took place.

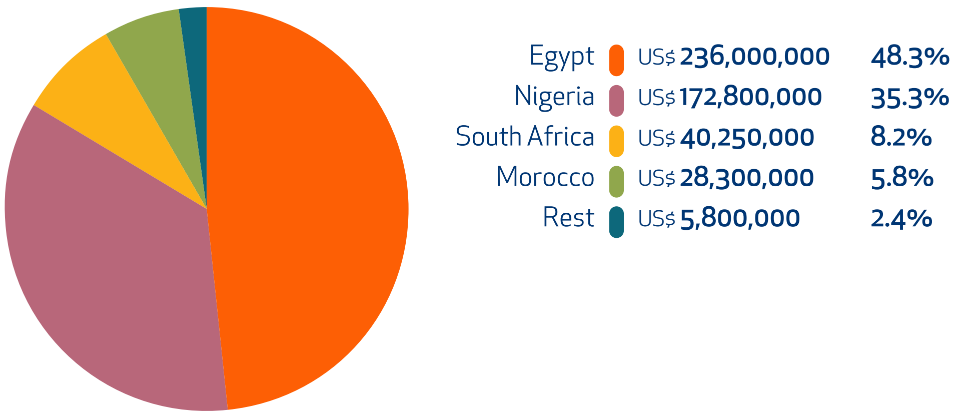
From a geographic perspective, Egyptian and Nigerian startups make up the lion's share of both ventures and total funding, accounting for a combined 58.8 per cent of startups and 83.6 per cent of cash. While Egypt has always been a leader, not least because of the bumper rounds raised each year by MNT-Halan, Nigeria joined the party to an extent in 2024, boosted by big rounds for the likes of Moniepoint and Yellow Card.

The results in the fintech space in 2024 echo the overall decline witnessed across the funding ecosystem on the continent. The leading vertical has been affected as much as elsewhere; indeed, more, with its share of funding in decline for two years now. Yet conversely, with the enduring attractiveness of fintech to investors and the size of the rounds secured in the space, it will no doubt be this sector that leads the continent out of its "funding winter", hopefully in 2025.

Number of funded fintech startups by country



Total fintech funding by country



E-health

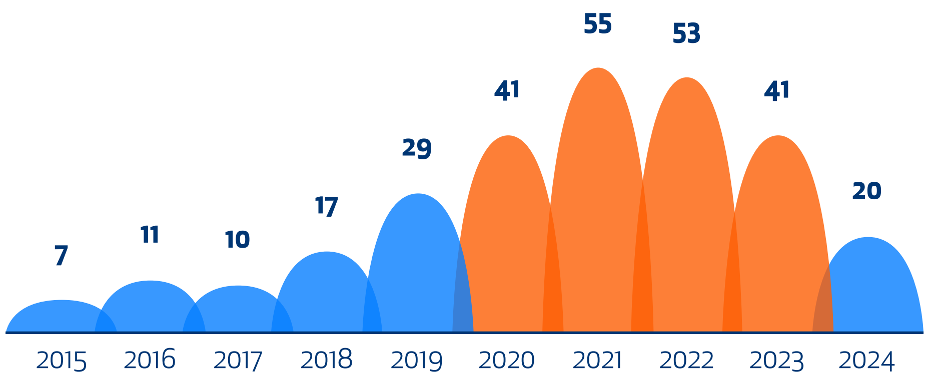
E-health ranked second, sector-wise, for number of funded startups, with 20 ventures, 10 per cent of the African total, securing funds. This, however, represented a decline of 51.2 per cent from 41 startups (10.1%) in 2023.

That in turn had been down from 53 startups (8.4%) in 2022 and 55 startups (9.8%) in 2021, meaning we are seeing a hastening decline in investment after a few years of growth.

The 20 e-health startups backed in 2024 raised between them US$32,440,000, just 2.9 per cent of the African total and a significant 76.1 per cent fall from US$135,810,000 (5.6%) in 2023. The average round size declined to US$1,622,000 from US$3,312,439 in 2023.

Investment was much earlier-stage than in previous years. Of the 40 per cent of ventures that disclosed the stage at which they raised, four (50%) were pre-seed, three (37.5%) pre-Series A, and one (12.5%) seed. All earlier than Series A, then, in contrast to 2023 when more than a quarter of rounds were Series A or B. Ten per cent of rounds included any debt funding.

Number of funded e-health startups, by year

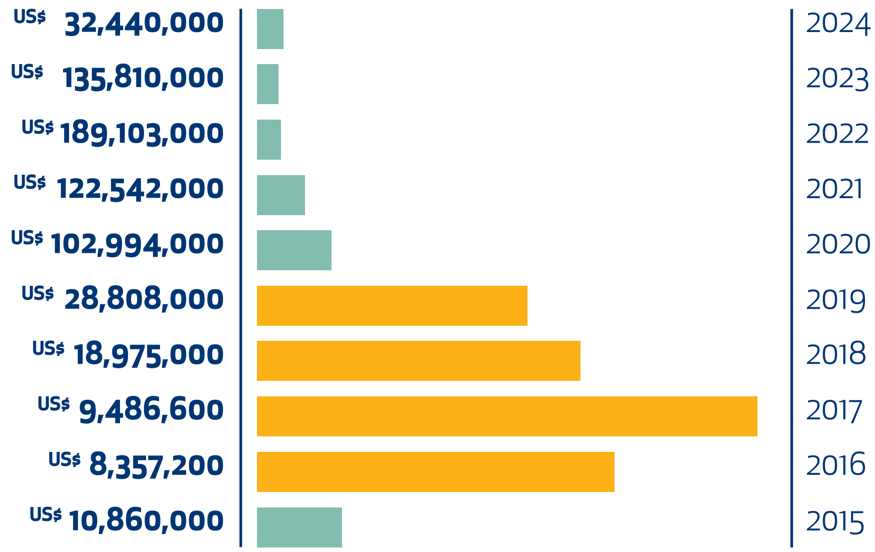


In the wake of the fall in investment volumes, gender diversity has also taken a hit. Just two (10%) of funded e-health ventures in 2024 had at woman on the founding team, down from 15 (36.6%) in 2023, while only one (5%) was led by a female CEO, down from 10 (24.4%) the year before.

As funding became earlier-stage, levels of acceleration increased, with 14 (70%) of funded ventures having taken part in some form of accelerator or incubator, a rate that was higher than the 51.2 per cent in 2023 and 39.6 per cent in 2022.

The funded startups employed between them 1,589 people, 79 per company, down from 1,923 employees in 2023. In terms of where the startups were located, a quarter of them were based in each of Egypt and Nigeria, while Tanzania, Rwanda and Senegal also performed well. Egypt and Nigeria also led for amount of funding, with 38.5 per cent and 19.1 per cent respectively.

Total e-health funds, by year



E-commerce and retail-tech

African tech's most "up and down" sector had a second consecutive down year, with the 18 startups that raised, nine per cent of the overall total, being down 60.9 per cent on 46 startups in 2023. That in itself had been a decline of 37.8 per cent from 74 startups in 2022.

Those 18 ventures raised a combined US$39,400,000 (3.5 per cent of the total), down 66.7 per cent from US$118,352,000 in 2023. Of cold comfort was the fact this decline was smaller than the 78.7 per cent drop in 2023, from US$556,761,000 in 2022. In previous years, funding for this sector has peaked and troughed apparently at random, but given the current climate the reverse has been real, and sustained.

The average round size was down to US$2,188,889 from US$2,572,870 in 2023 and US$7,523,797 in 2022. This came as e-commerce and retail-tech funding went a lot more early-stage than in previous years. Of the nine ventures (50%) that disclosed the stage at which they raised, pre-seed, seed, and Series A accounted for one-third each, whereas in 2023 Series B and C rounds were reported.

More debt funding is entering the space, however, with four rounds (22.2%) including some element of debt, up from one (2.2%) in 2023.

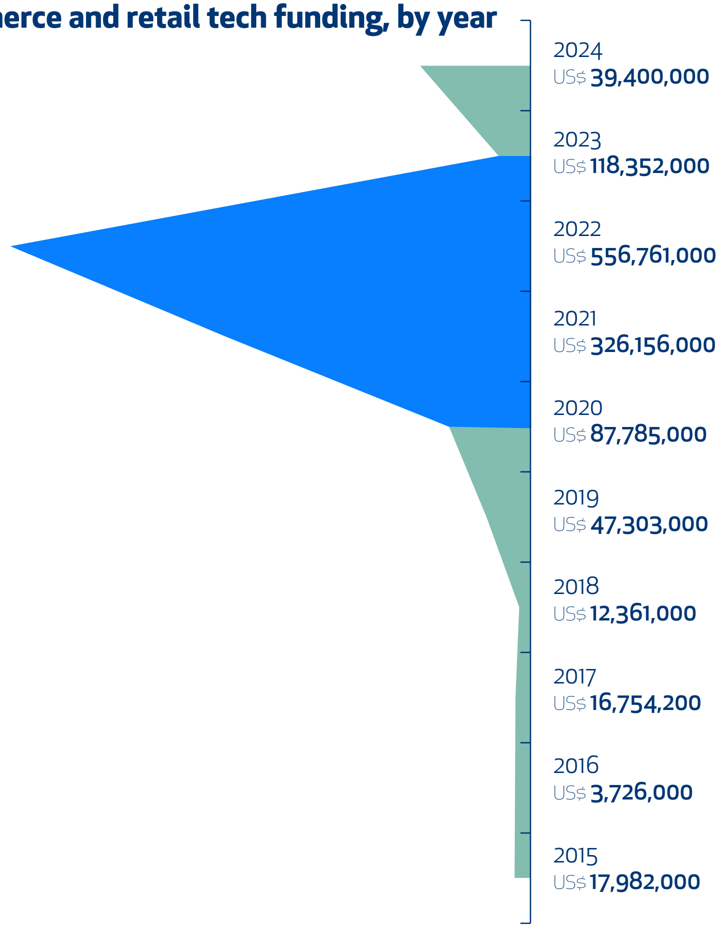
Three startups had a female co-founder, a share of 16.7 per cent, down from 34.8 per cent in 2023 and 18.9 per cent. Two (11.1%) had a female CEO, down from 11 (23.9%) in 2023.

Twelve of the ventures - 66.6 per cent of the total - have undergone an accelerator or incubator programme at some point in their lifecycle, up from 22 (47.8%) in 2023 and 41 (55.4%) in 2022.

Between them, funded e-commerce and retail-tech startups in 2024 employed 1,655 people, an average of 92 per startup. This was down from 3,976 people in 2023, which averaged out at 86 per company.

The startups were primarily spread across four markets - Egypt (5; 27.8%), Kenya (4; 22.2%), Nigeria (4; 22.2%), and Morocco (2; 11.1%), while total funding was primarily centred on Egypt and Nigeria, with the former accounting for US$20,050,000 (50.9%) and the latter US$13,150,000 (33.4%).

E-commerce and retail tech funding, by year



Ed-tech

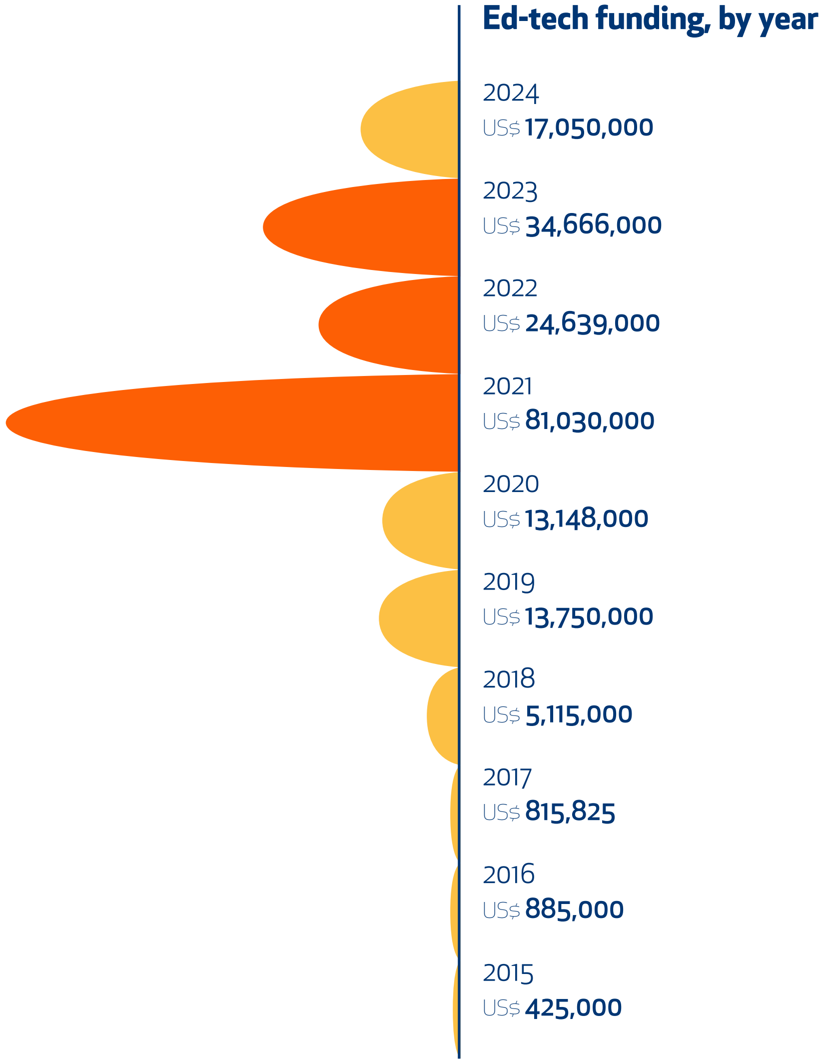
The African ed-tech space came in fourth for the number of funded ventures in 2024, though still saw a a decline of over 25 per cent to 17 from 23 in 2023. Meanwhile, total funding dropped dramatically, with those startups securing a combined US$17,050,000 - 1.5 per cent of the African total, and down 50.8 per cent on US$34,666,000 the year before.

The average round was US$1,002,941, down from $1,507,217 in 2023, while all rounds where stage was disclosed were either pre-seed or seed. No debt funding was raised.

While funding has declined, gender diversity has marginally improved, with 30.4 per cent of the funded ed-techs in 2024 having at least one female co-founder, up from 29.6 per cent in 2022 and 24.1 per cent in 2021. Four (17.4%) had a female CEO.

Nine of the funded ventures - more than half - have taken part in an accelerator, all of them being alumni of the EdVentures programme in Egypt, while the startups employ between them 923 individuals, 54 per startup. This was down from 1,769 employees, 77 per company, in 2023.

Egypt leads the way when it comes to funded ed-techs with 12 startups (70.6%), with Ed-Ventures again making its presence felt in this regard. Nigeria had three (17.6%), and South Africa and Algeria one each. Egypt also led the way for total funding, accounting for 42.4 per cent, followed by South Africa (29.3%) and Algeria (19.9%).



Energy

Sixteen African energy startups raised funding in 2024, eight per cent of the total, which represented a decline of 20 per cent from 20 in 2023. That figure had been down from 24 startups in 2022.

As ever, however, energy funding in Africa is not about the number of startups that raised capital, but rather the total amount. Those 16 ventures raised a combined US$138,040,000 - 12.3 per cent of the total, and the third largest after fintech and mobility. This was down 79 per cent on US$655,863,000 in 2023, which was 27.2 per cent of the African total, and the second highest amount.

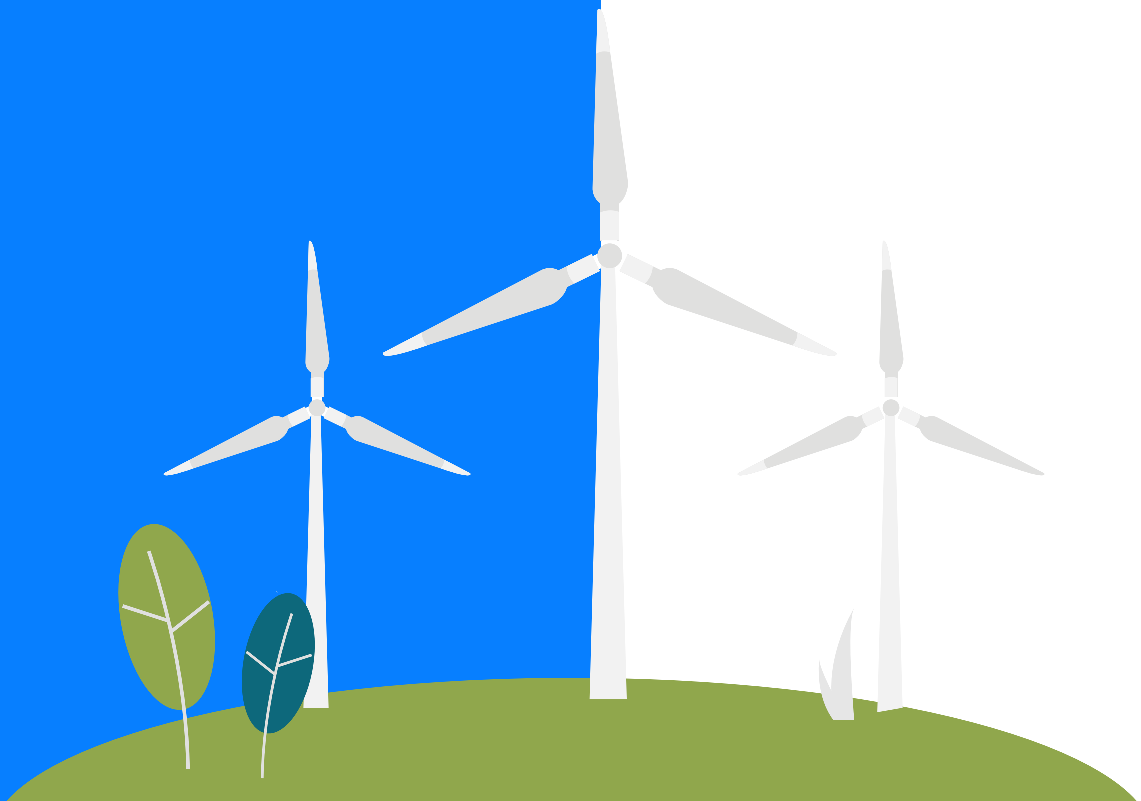
Energy has always overperformed as a sector compared to the amount of startups raising - the nature of the business is that more funding is required.

Agri-tech

Fourteen African agri-tech startups (7%) secured funding in 2024, down 41.7 per cent on 24 startups (5.9%) in 2023. That had been up 4.3% on 23 (3.6%) in 2022, which was up 4.5% on 22 startups (3.9%) in 2021.

Those companies raised US$47,085,000 (4.2%), down 44.4 per cent on US$84,640,000 (3.5%) in 2023.

The agri-tech space has been a staple of the startup ecosystem in Africa since its early days, and while the number of funded startups remained consistent, 2023 marked the first year on record that funding into the sector declined. That trend has continued into 2024.



Logistics

Eleven logistics companies raised funding, representing 5.5 per cent of the total. That was down 60.7 per cent from 28 startups (6.9%) in 2023.

A total of US$34,633,000 - 3.1 per cent of the total - was raised by those companies, down 23 per cent on US$44,949,000 (1.9%) in 2023. That had been down 52.7 per cent on US$95,123,000 (2.9%) in 2022.

Mobility

Only 10 African mobility startups raised funding in 2024, making up five per cent of the total. This was down 37.5 per cent on 16 startups (3.9%) in 2023, which itself was down 27.3 per cent on 22 in 2022.

These startups performed extremely well for total funding, however. They raised a combined US$231,800,000 - 20.7 per cent of the African total, second only to fintech. It also marked a rare increase, up 14.4 per cent from US$198,488,000 in 2023.

That had in turn been up 109.5 per cent from US$105,445,000 (4.9%) in 2022.

A further 43 startups from a variety of other sectors raised a combined US$93,837,000. These included spaces such as recruitment and HR, prop-tech and auto-tech, which had especially lean years and did not warrant their own pages of analysis as in previous editions of the report, as well as up-and-coming sectors like AI/IoT, climate-tech and travel-tech.

It was a relatively strong year for AI/IoT, which saw both the number of funded ventures and total funding increase, to nine and US$13,800,000, respectively.

Six recruitment and HR startups secured investment, down 50 per cent on 2023, while total funding also declined, to US$16,442,000 from US$19,658,000.

Four climate-tech ventures raised a combined US$6.1 million, as the sector sees lift-off of sorts from a venture capital perspective.

Funding for African entertainment ventures fell significantly. Only three such startups secured investment, down from 7 in 2023 and 12 in 2022, while total funding fell off a cliff. Those three ventures secured a combined total of US$1,485,000, down from US$31,771,000 in 2023 and US$59,820,000 in 2022.

Two prop-tech startups raised a total of US$4.4 million, another sector that saw a significant drop between 2023 and 2024, while marketing and auto-tech saw just one round each, in stark contrast to previous, more successful years.

A further 17 African tech startups from a host of other sectors raised a combined US$47,770,000.

ACQUISITIONS

Continuing decline in M&A activity in African tech as "funding winter" goes on.

The number of acquisitions declined alongside investment in 2024, as for the second year in a row the capital shortage took its toll on M&A activity.

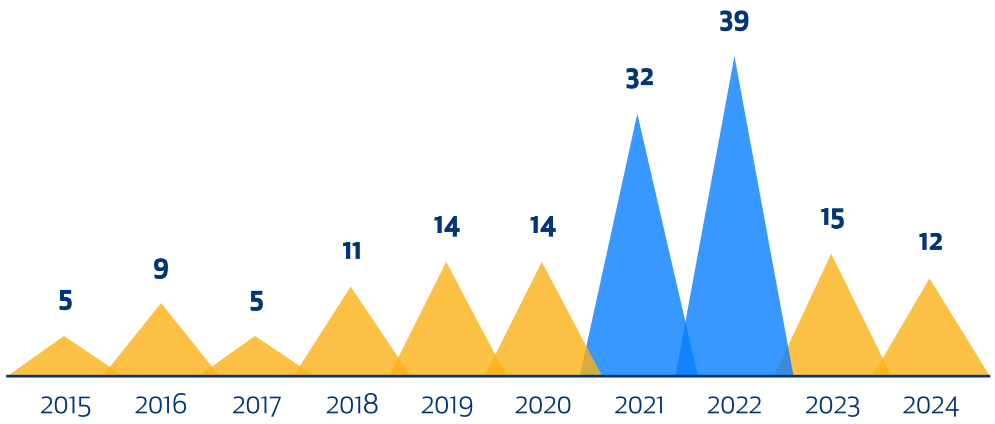
The number of such deals fell 20 per cent to 12, having also fallen by 61.5 per cent in 2023. This followed several years of steady growth, as a growing number of exits accompanied the increasing flow of venture capital into the tech space.

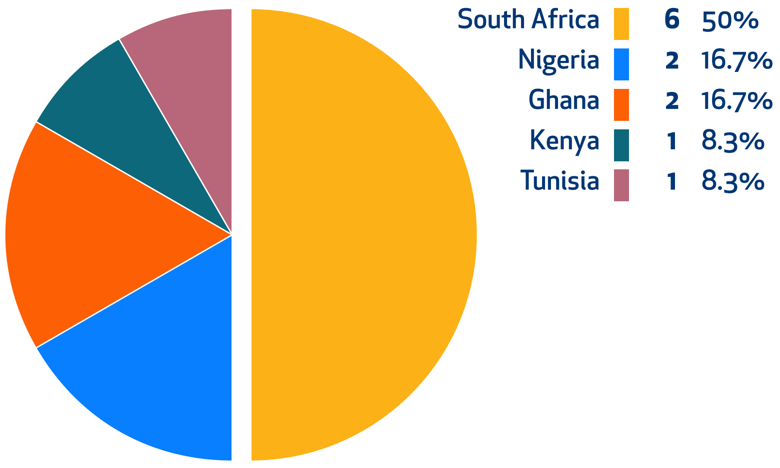
Half of the deals that did take place involved South African startups being acquired, while there were two each from Nigeria and Ghana. Deals also took place involving Kenyan and Tunisia startups.

Six of the deals were genuine trade sales, while five were startup-on-startup, and one an investor buyout. This was a welcome change from 2023, when 14 of 15 deals were start-up-on-startup. These deals typically involve less capital, or indeed sometimes none at all in the case of share swaps, while in 2023 especially a good number of the deals that took place involved a "startup in distress". This was less the case in 2024.

Three (20%) of the acquisitions involved mobility startups, with recruitment and HR (2) and fintech (2) the next best-performing in this regard. Whereas in previous years fintech startups have been the most likely to be acquired, accounting for 60 per cent of deals in 2023 and 31 per cent in 2022, this was not the case in 2024.

African tech startup acquisitions by year (2015-2023)





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