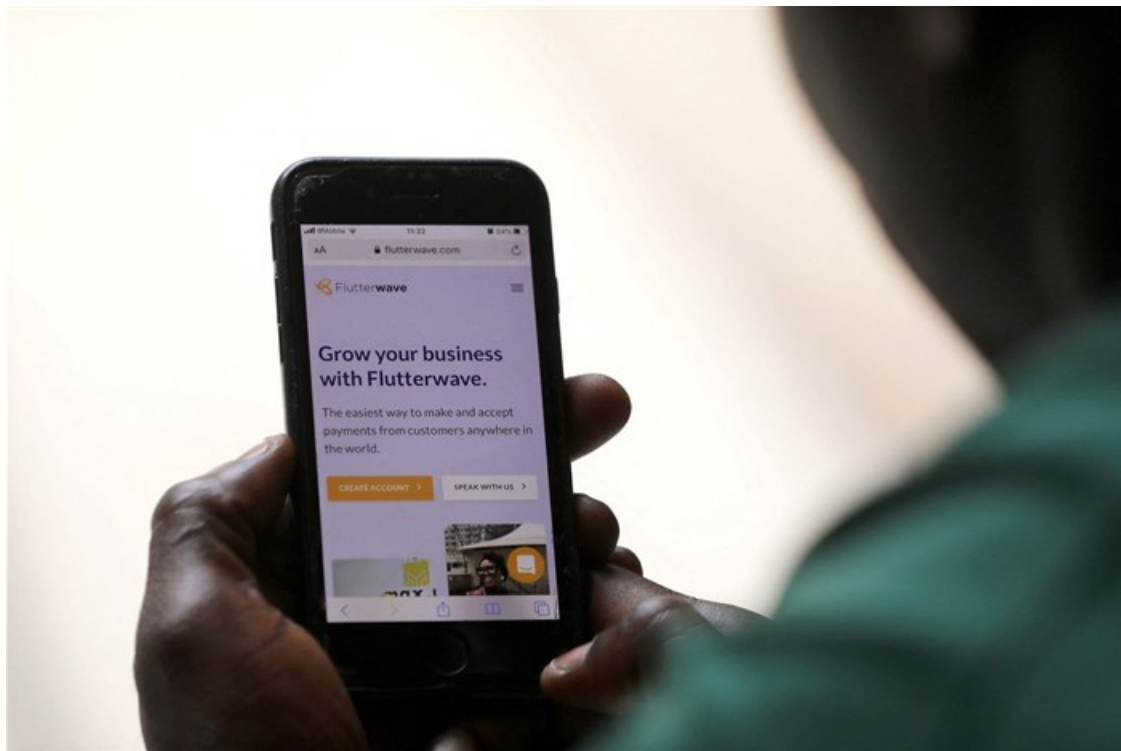


Africa venture capital investments dipped slightly in 2022

Venture capital investments in Africa dipped slightly to \$6.5bn last year but avoided the sharp drop seen in most other global regions, data released by an industry group showed on Thursday, 20 April.



A man poses as he displays the Flutterwave homepage on a mobile phone screen in Abuja, Nigeria on 21 January 2020. *Reuters/Afolabi Sotunde/File Photo*

The investments spread over 853 deals represent a 1% decline from 2021 - a record year in Africa - according to the African Private Equity and Venture Capital Association (AVCA), which promotes private investment on the continent.

That compares to a 32% contraction in global venture capital.

"When evaluated against any year other than the stratospheric 2021, industry activity in Africa's venture capital ecosystem was very strong," AVCA wrote in a report accompanying the data.

Venture capital investments hit a record in the first half of 2022 and would go on to make up two-thirds of deals by value for the year, offsetting an anaemic second half.

While African startups still attracted just a small fraction of the \$445bn invested globally, the continent has seen steady growth, propelled largely by investments in financial sector companies.

The sector accounted for 31% of deal volume and 42% of deal value in 2022, the data showed.

Overall, the median deal size across all investment stages was \$2m, though 15 large deals in companies attracted a combined \$2.2bn.

Sun King, a provider of off-grid solar energy products in Africa and Asia, raised \$260min a series D funding round. Africa-focused fintech firm Flutterwave raised \$250m. And d.light, a Kenya-based off-grid solar company, brought in \$238min venture debt.

West Africa remained the most active region for venture capital investments, propelled by Nigerian startups.

ABOUT THE AUTHOR

Reporting by Joe Bavier; editing by Jonathan Oatis

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