Dream VC Investor Accelerator – Capstone Project

African Venture Studio Report 2026: The first external cheque

November 2026



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Confidentiality and disclosure

Portfolio data supplied under confidentiality arrangements are presented only in aggregated and anonymised form, and no company-level figures derived from that confidential dataset are disclosed. The authors' relevant professional associations and interests involving studios in the sample are disclosed in Annex A.7, together with the safeguards applied.

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Data sources

Africa: The Big Deal deals and investors databases, January 2019 to September 2026, used with permission. The studio directory draws on the 2026 FMO, GIZ SAIS and Briter white paper and the African Venture Studio Summit Directory 2026. The authors also identified, researched and tabulated the venture studios in the report and their portfolio companies from individual studio sources, and this manual compilation forms the basis of the report's studio and portfolio company dataset.

Edition

November 2026. Data current to 30 September 2026. Outstanding research questions and proposed extensions are discussed in Chapter 9.

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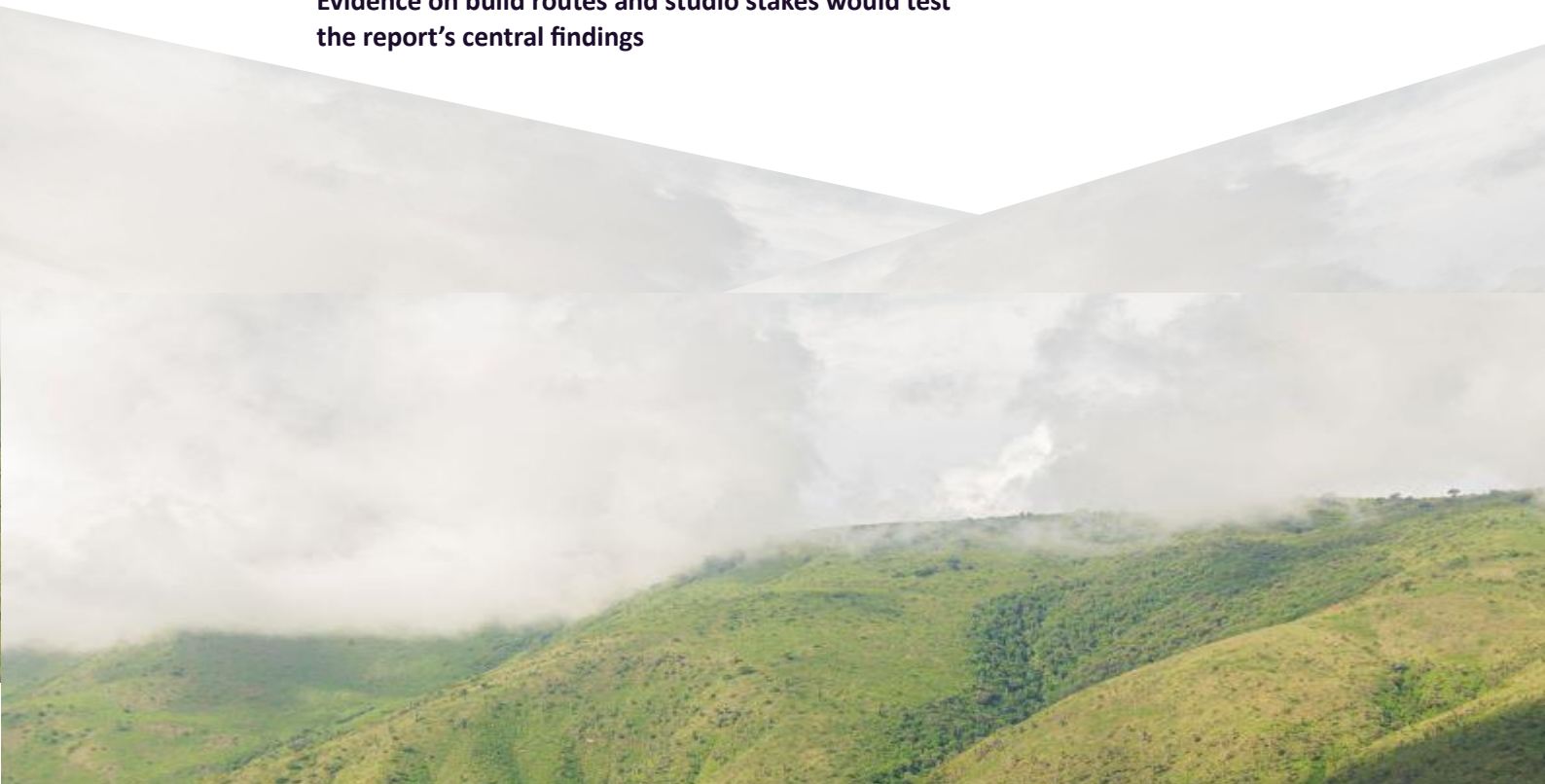
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Foreword from the authors

We set out to answer a question the published record leaves open. **How many companies in African venture studio portfolios secure external investment, and who writes their first cheque?** Existing research reports that studio companies reach early funding sooner and raise follow-on capital more often than companies supported by other models, but those rates describe specific groups, such as the companies studios built in-house or those that have already raised a seed round.

We approached the question from within the model, having built and supported ventures in Kenyan venture studios. That experience shaped the question, and the evidence decides the answers. Our associations with three studios in the sample, and the safeguards applied, are set out in Annex A.7.

We verified 68 African venture studios, documented their publicly disclosed portfolios and matched 456 companies to funding records from January 2019 to September 2026. That let us examine fundraising outcomes, identify the investors involved and compare studio companies with startups outside the model.

Two findings stand out. First, just **over a quarter of companies** in the disclosed portfolios, 124 of 456, have secured a recorded external round, which makes the first external cheque into studio companies the largest opportunity for investors and funders.

Second, studio companies that secure a first round are **more likely to raise again.** Among companies first funded between January 2021 and September 2024, 48% of studio companies **raised a second round** within 24 months, against 28% of startups outside studios, an advantage concentrated among studios that run their own funds. Most of the funding gap therefore occurs before the first external cheque.

This report is a starting point. Despite our checks, omissions and classification errors are possible, and we welcome corrections from practitioners. We offer the findings to investors, development finance institutions, studio operators and policymakers shaping how studios are structured, financed and evaluated across Africa, and to researchers pursuing the questions in Chapter 9.

We thank the studio practitioners and contributors who shared their time, insights and data. We owe a particular debt to Briter, whose white paper with FMO and GIZ SAIS and whose African Venture Studio Summit Directory did the groundwork of identifying and profiling the continent's studios, giving this report the foundation it builds on. We are grateful to **Maxime Bayen**, co-founder of Africa: The Big Deal, for the funding data at the heart of this research and for permission to use it, and to **Cindy Ai** and **Mark Kleyner** of Dream VC for their support throughout.

We hope you enjoy reading the report and find it useful in your work.



Joy K. Mutunga



Dennis Nyunyuzi



Caroline W. Njuguna

Executive summary

Nearly three in four companies in disclosed African venture studio portfolios have no recorded external round. The gap to the published benchmark sits at that first step, and the advantage over other startups appears only once companies have raised, concentrated in studios with their own funds. The first external cheque is therefore where most studio companies stop.

What the report studies

Briter's 2026 white paper, produced with FMO and GIZ SAIS, and its summit directory document 48 African venture studios and form the most comprehensive public record of the sector. This report extends that landscape to **68 verified studios, 27 of them not yet in Briter's publications.** Forty-nine disclose portfolios, which together hold 456 companies, matched to Africa: The Big Deal records from January 2019 to September 2026.

Two qualifications apply. First, portfolios do not separate companies that studios built, co-created or invested in, so "studio companies" covers all three. Second, the sample is geographically concentrated. Nigeria, South Africa and Kenya host 40 of the 68 studios, and Central Africa is represented by one studio in Angola, grouped with Southern Africa. Interview evidence is limited to studio practitioners, with founders and external investors not yet interviewed. Chapter 2 sets out the method and sample construction, and Exhibit 42 shows how each limitation moves the findings.

Key research findings

Statistical detail sits in the chapters cited, and Exhibit 41 grades the strength of evidence behind each headline figure.

01 **Most of the gap in funding rates sits at the first external round**

Africa: The Big Deal records an external round for 124 of the 456 companies in disclosed studio portfolios, a funding rate of 27%. Briter's white paper reports 40% or 49%, depending on the edition, for companies studios built in-house, while this figure covers every company a studio lists, including those it co-created or invested in. The difference at the first round is 13 percentage points against the 40% figure and 22 percentage points against the 49% figure, and it narrows at each later round, which suggests the gap sits mainly among companies yet to raise. Small rounds missing from the database may understate our rate, and failed ventures removed from studio websites may overstate it, so the net effect is unknown.

READ MORE
Chapter 3
Exhibits 11 and 13



02 **Follow-on funding rates are higher, but concentrated in studios with their own funds.**

Studio companies first funded from January 2021 to September 2024 raised a second round within 24 months at 48% (80 companies), against 28% for other startups (1,612). The advantage sits with studios that have their own funds, whose companies raised again at 69%, while companies of single entity studios, at 29%, are in line with other startups. The difference is statistically significant on the standard test, even allowing for clustering within studios, but it depends partly on the largest portfolio, without which the studio rate falls to 39%, and it does not clear the stricter threshold applied when many comparisons are tested together.

READ MORE
Chapter 3
Exhibits 14 and 15

03 **Investor participation is fragmented, and African investors fall away at later stages.**

Just under half of the 451 named investors (222) joined at least one first external round. Most of them (71%) did so only once, and none joined more than eight first rounds. African investors account for 59% of named investor participations at pre-seed but 4% at Series C and later, and fewer than half of later rounds with named investors (42%) include one from an earlier round. Later rounds therefore rely largely on investors from outside Africa, for reasons the deal record cannot yet establish.

READ MORE
Chapter 4
Exhibits 22 and 23

04 **Portfolio companies at studios with their own funds reach a first external round three times as often.**

Across all portfolio companies, 52% at studios with their own funds have reached a first external round, against 17% at single entity studios. Finding 02 shows the same pattern at follow-on, so studios' own funds are linked to an advantage at both entry and follow-on. It remains an association, since portfolios mix built and backed companies and studios with funds may select stronger businesses from the outset.

READ MORE
Chapter 5
Exhibits 29 and 30

05 **More visible studios have higher recorded funding rates.**

Portfolio companies at the 41 studios already listed in published industry directories reach an external round at 34%, against 13% at the 27 studios added by this study, though the difference is less certain when the comparison is made between studios. Funding and visibility may reinforce each other, as funded studios are likely to feature more often in publications and at industry events. Benchmarks built from public sources may therefore lean towards better funded studios, a common feature of how an emerging asset class becomes documented.

READ MORE
Chapter 5
Exhibit 32



06 **International studio benchmarks cannot yet be confirmed on African data**

The widely cited figure that 72% of seed funded studio companies reach Series A comes from international studio data. In Africa, fewer than one in five seed funded studio companies reach Series A under any definition of a seed round, in line with other startups. Recorded exits are 2.4% for funded studio companies against 2.9% for other funded startups, and women lead 13% of funded studio companies against 17% of others. No difference is statistically significant. Four studio companies have reached Series A and three have exited, too few to confirm or rule out an advantage. The African case for studios rests on the follow-on advantage in finding 02.

READ MORE
Chapter 6
Exhibit 34

Strategic implications for decision makers

The eight actions below fall to four groups of decision makers (Chapter 8). The most important are that studios **publish funding outcomes** for every company they hold, DFIs and other LPs backing studios **concentrate support on the first external round**, where the gap sits, and venture investors treat **studio portfolios as a regular source of first deals.**

1 FUNDERS, DFIS AND LPS

Require studios to report the share of all portfolio companies that reach a first external round, alongside follow-on rates.

2 FUNDERS, DFIS AND LPS

Pilot co-investment at the first external round alongside a committed independent investor, and scale it only if first round rates rise.

3 VENTURE STUDIO FOUNDERS

Design each company's route to its first external investor before building it, whether through an internal fund, a committed partner vehicle or an agreed syndicate.

4 VENTURE STUDIO FOUNDERS

Publish standard equity terms, including a ceiling on the studio's stake that falls as founders take over. Investors weigh founder ownership closely, though the data cannot yet show whether a ceiling lifts first round rates.

5 INSTITUTIONAL AND VENTURE INVESTORS

Build repeat relationships with studios as a source of first deals. Most investors in studio companies' first rounds (71%) have joined only one, so few have yet built a pipeline of first deals from studio portfolios.

6 INSTITUTIONAL AND VENTURE INVESTORS

Assess the studio's ability to fund later rounds as closely as the company itself. The second-round advantage sits with studios that have their own funds, while companies of studios without a fund raise again at about the same rate as startups outside studios (29% against 28%).



7 INDUSTRY BODIES AND REGIONAL POLICYMAKERS

Establish a common disclosure standard with studios, DFIs and LPs, covering every portfolio company's launch year, build route and status, updated each year. Published funding rates for studios would then cover every company they hold, including those at less visible studios that public sources capture less well.

8 INDUSTRY BODIES AND REGIONAL POLICYMAKERS

Assess whether cross-border capital and exit rules are holding back fundraising in North Africa, including Egypt, one of the continent's four largest venture markets. North African studio portfolios have the lowest recorded funding rate of the four regions, at 17%, and published reporting from Egypt and Tunisia describes startups moving their holding companies abroad to raise larger rounds.

The headline rate is robust, and what drives differences between studios remains open

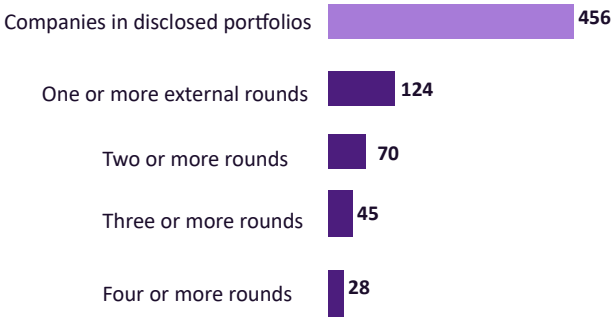
The headline funding rate holds under every definition tested, but what drives the differences between studios remains open. The share of portfolio companies with a recorded external round stays between 26 and 29 percent. The follow-on advantage holds across regions, years, sectors and stages, but leans on the largest portfolio and could still reflect chance. Studios' own funds show the firmest link to higher funding rates, though it is not yet clear whether these studios build stronger companies or back them. Higher rates at studios listed in industry directories are less certain when studios are compared directly. Findings on how studio support ends rest on limited practitioner interviews, and the view that cross-border rules hold back North African fundraising rests on published reporting.

The evidence at a glance

Studio companies trail at the first external round, then raise again more often than other startups.

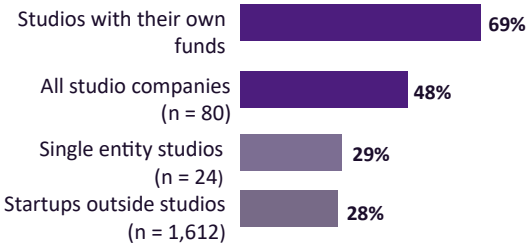
01 Most of the gap in funding rates sits at the first external round

Just over a quarter of 456 portfolio companies reached a first external round, against 40% or 49% for in-house studio companies in Briter's white paper.



02 Follow-on funding rates are higher, but concentrated in studios with their own funds

Almost half of funded studio companies raised again within 24 months (48%), against 28% of funded startups outside studios.



Excluding the largest portfolio's 21 cohort companies, the studio rate falls to 39% against 28%, a gap too small to rule out chance.

03 Investor participation is fragmented, and African investors fall away at later stages

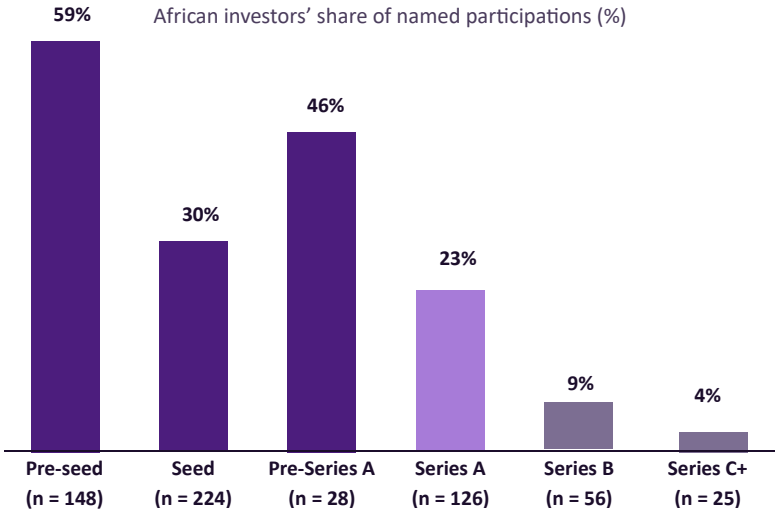
African investors hold 59% of pre-seed participations, 4% at Series C and later.

71%

First round investors who backed only one first round (222 in all)

42%

75 of the 179 later rounds that can be compared include an investor from an earlier round.

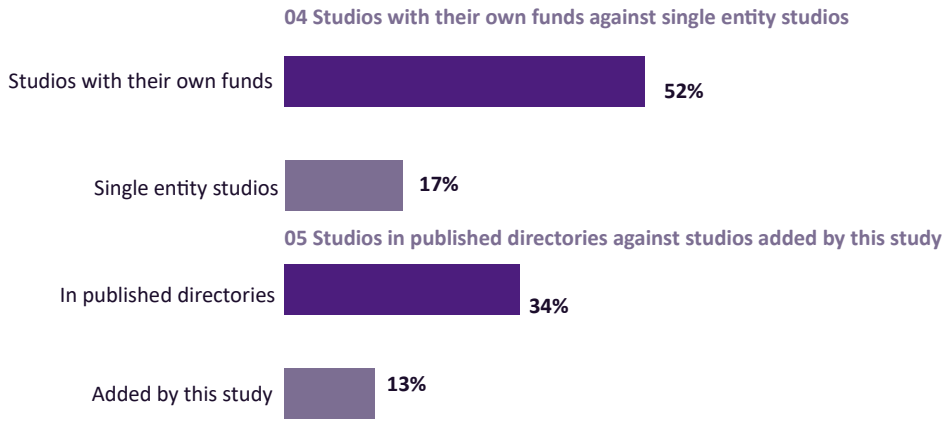


Sources: Africa: The Big Deal deals and investors databases, January 2019 to September 2026, FMO, GIZ SAIS and Briter (2026) and authors' directory and analysis. n is the number of companies in the 2021 to 2024 cohort (finding 02) and of named investor participations at each stage *(finding 03)*.

The evidence at a glance (continued)

04 and 05 Studios with their own funds and more visible studios have higher recorded funding rates

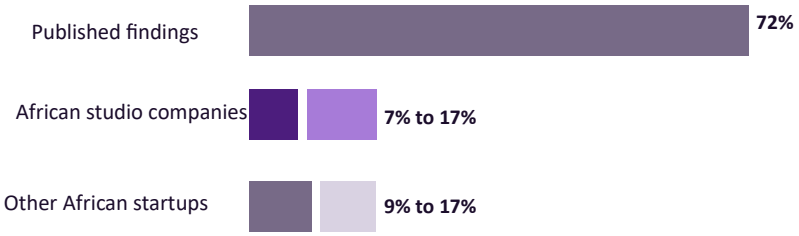
Portfolio entries at studios with their own funds have raised externally at a rate of 52%, against 17% at single entity studios. Entries at studios in published directories show 34%, against 13% at studios added by this study.



Both comparisons count portfolio entries, so the gaps can be read side by side. The gap between studios with their own funds and single entity studios, 35 percentage points, is larger than the gap between studios in published directories and added studios, 21 percentage points, and neither establishes a cause.

06 International studio benchmarks cannot yet be confirmed on African data

Fewer than one in five seed funded studio companies reach Series A, in line with other startups and far below the 72% cited internationally.



The lighter part of each bar shows how the rate varies with the definition of a seed round. Four studio companies reached Series A, too few to confirm or rule out an advantage.

Sources: Africa: The Big Deal deals and investors databases, January 2019 to September 2026, FMO, GIZ SAIS and Briter (2026), GSSN (2020) and authors' directory and analysis.



CHAPTER ONE

Published benchmarks cover narrower groups than whole studio portfolios

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Published benchmarks cover narrower groups than whole studio portfolios

Briter's benchmark follows the companies studios built in-house, and the international benchmark follows companies that have already raised seed. Disclosed portfolios list every company a studio holds, which makes a whole-portfolio rate measurable and frames the question this report answers.

40% or 49%

Share of in-house studio companies raising follow-on funding in Briter's white paper, by edition

72%

Share of seed funded studio companies reaching Series A in the international benchmark, against 7% to 17% in this report

45% to 27%

Development finance share of commitments to Africa-focused venture funds, 2022 to 2024 average against 2025

> ***How does the venture studio model affect access to first external capital for startups in Africa, and what can investors, studio operators and development finance institutions learn from it?***

The case for studios rests on a young evidence base built on specific groups of companies

Development finance institutions, foundations and commercial investors now back African venture studios to fill the "missing middle" between idea and growth capital. The most comprehensive study of African studios, published by FMO, GIZ SAIS and Briter in April 2026, finds that half of the studio-built companies it tracks raise follow-on funding after initial studio support, against around a third of accelerator companies and a fifth of incubator companies. Studio companies also reach pre-seed and seed funding about a year sooner, and 90 percent of studio-built companies raise their follow-on funding as equity or debt.[1]

Studies outside Africa, on self-reported or differently built samples, point the same way. The Global Startup Studio Network reports that 72 percent of seed funded studio companies reach Series A, against 42 percent of conventional startups, and Max Pog finds that studio companies raise a seed round in a median 1.49 years, against 3.03. The Venture Studio Index reports no funding rates.[2] Academic work on studios is recent and qualitative. Case studies describe the studio as a distinct type of organisation that produces "validated, investment-ready ventures", and stress how widely studio designs vary.[3]

The studies reviewed here do not measure the funding rate across entire disclosed studio portfolios. Briter's benchmark measures capital raised after initial studio support, including grants, debt and blended finance. Its population is the ventures studios built in-house, drawn from Briter Intelligence

[1] *Venture Studios in Africa: How Venture Studios Fuel the Early-Stage African Startup Ecosystem, FMO, GIZ SAIS and Briter, April 2026* (Executive summary, Chapter 3, Figures 5, 6 and 8). Based on Briter Intelligence funding records for more than 3,500 African startups, 2015 to 2025.

[2] *Disrupting the Venture Landscape,* Global Startup Studio Network, 2020, as cited in "Venture studios: The express lane for entrepreneurs," AI Fund, January 2023. M. Pog, *Big Startup Studios Research, 2023*. *The Venture Studio Index Whitepaper,* Venture Studio Forum, November 2025. Neither of the first two sources publishes sample sizes or cohort windows.

[3] Davide Viglialoro et al., "Institutionalizing portfolio entrepreneurship: The venture studio model," *Technovation,* 2026, Volume 158, 103699. D. Moiana, A. Ghezzi and A. Rangone, "Venture studios: Beyond entrepreneurial support organisations? A case study analysis and framework," *Proceedings of the European Conference on Innovation and Entrepreneurship*, 2024, Volume 19, Number 1, pp. 532 to 539.

records of disclosed companies, and the white paper notes that "some under-reporting may exist for companies that dissolved before raising funds."[4] Disclosed portfolios list every company a studio holds, whether or not it has raised, so the funding rate across them can be measured on an independent deal record, Africa: The Big Deal (Exhibit 1).

EXHIBIT 1

Nearly three in four studio companies have no recorded external round, across all 456 companies in disclosed portfolios



456 companies in the disclosed portfolios of 49 studios, each counted once. External rounds recorded January 2019 to September 2026, as defined in Annex A.3. Briter benchmark (white paper, Figure 5): in-house studio companies in Briter Intelligence records, 2016 to 2025, a different population and period, compared in Chapter 3.
Sources: Africa: The Big Deal, FMO, GIZ SAIS and Briter (2026), and authors' analysis.

Disclosed portfolios make a whole-portfolio rate measurable

The study covers 68 verified African venture studios. Forty-nine disclose portfolios containing 456 unique companies. It makes **four contributions to the published record:**

- A funding rate for all 456 portfolio companies on an independent deal record, compared round by round with Briter's benchmark.
- A comparison with startups outside studios on the same deal record, sources, thresholds and dates.
- An investor-by-investor map of who writes the first external cheque, who follows and where African investors fall away.
- A directory of 68 verified studios, reconciled with Briter's and adding 27 not yet in its publications.

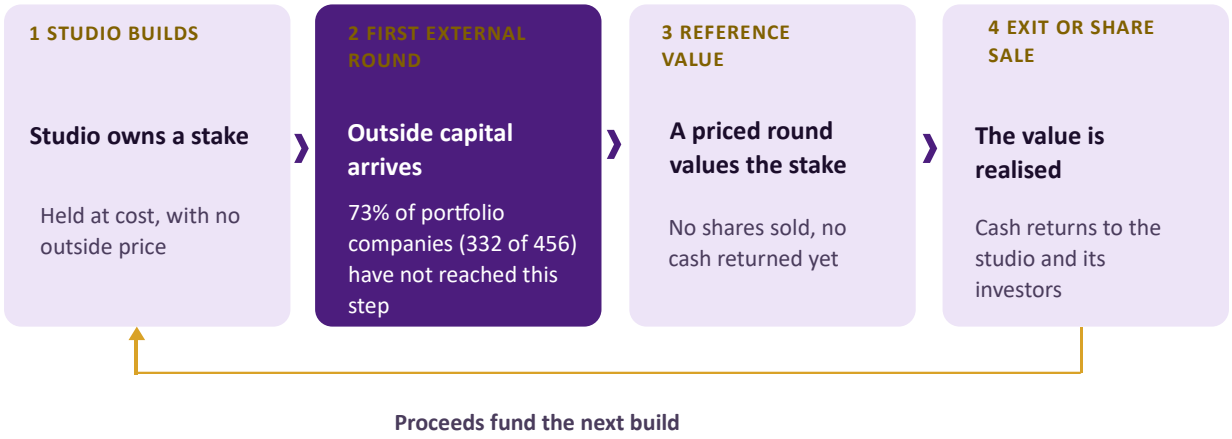
The first external round can give a studio's stake its first outside price

A priced equity round gives the studio's stake its first outside reference value and ends the company's sole reliance on studio funding. It neither sells the studio's shares nor provides liquidity, and studio support often continues beyond it (Chapter 7). An exit or a sale of shares in a later round can then realise that value, which is mainly how a studio recycles its capital (Exhibit 2). The first recorded external round of a company that raised before the deal record opens in 2019 may not be its first outside price.

[4] *Venture Studios in Africa*, Chapter 3, Box 3, p. 25, and p. 26.

EXHIBIT 2

Capital recycling begins at the first external round, still ahead for most studio companies



Schematic illustration. A priced equity round gives the studio's stake a reference value, set by the price an outside investor paid. Grants and conventional debt fund a company without pricing its equity, so they do not create that value. The 73% covers 456 companies in the disclosed portfolios of 49 studios, January 2019 to September 2026. Some may have raised before 2019, when the deal record begins.
Sources: FMO, GIZ SAIS and Briter (2026), Africa: The Big Deal and authors' analysis.

Capital recycling matters more as private funds return less cash to investors and development finance commits a smaller share to Africa-focused venture funds

The FMO, GIZ SAIS and Briter white paper lists capital and liquidity among the structural constraints on studios. Studios carry higher operating costs than venture funds and cannot live on management fees, so they depend on "earlier and more frequent liquidity events".[5] In McKinsey's January 2026 survey of 300 limited partners, distributions to paid-in capital rank joint second among allocation metrics, level with multiple of invested capital. Globally, private equity distributions fell to 6 percent of assets under management in the year to June 2025, against an average of 16 percent from 2015 to 2019.[6] Development finance institutions, the anchor investors in African venture, provided about 45 percent of commitments to Africa-focused venture funds in 2022 to 2024 and 27 percent in 2025 (Exhibit 3).[7] A studio's ability to recycle capital therefore depends on its companies reaching the financing milestones that make exits and share sales possible, and the first external round is the earliest of them.

[5] *Venture Studios in Africa: How Venture Studios Fuel the Early-Stage African Startup Ecosystem*, FMO, GIZ SAIS and Briter, April 2026, Chapter 4

[6] *Clearer View, Tougher Terrain: McKinsey Global Private Markets Report 2026,* McKinsey & Company, February 2026, Private Equity chapter.

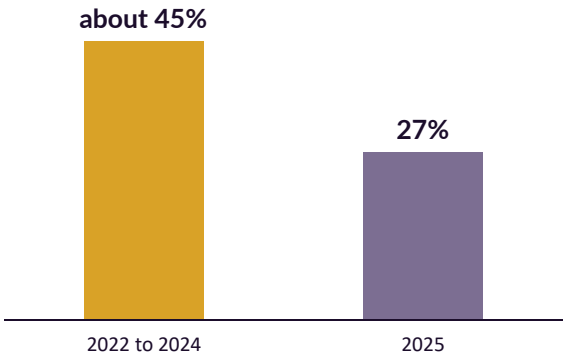
[7] *"Development capital financed Africa's venture boom. It's now slowing,"* TechCabal, 23 February 2026, drawing on AVCA fundraising data.

EXHIBIT 3

Development finance fell from 45% to 27% of commitments to Africa-focused venture funds, and the cash global private equity funds return to investors fell from 16% to 6% of the value they hold

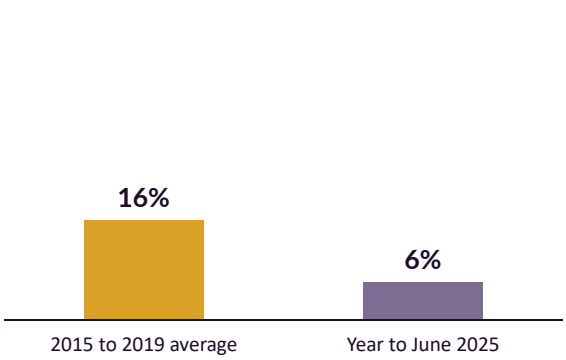
Development finance institutions' share of commitments to Africa-focused venture funds

Africa



Private equity distributions as a share of assets under management

Global



Distributions are the cash funds pay back to their investors, mostly from selling companies. When distributions fall, investors have less to commit to new funds, including venture funds in Africa. Commitments in 2025 came from six final closes totalling $107 million, so the development finance share moves sharply on a small base.
Sources: TechCabal (23 February 2026), drawing on AVCA fundraising data, and McKinsey & Company, Global Private Markets Report 2026 (February 2026).

Published benchmarks track follow-on funding among companies that have already raised. The share of all portfolio companies that reach a first external round has yet to be measured, and it matters more now that DFIs and LPs need studio capital to recycle sooner. Chapter 2 sets out how this report measures it across 68 studios.



CHAPTER TWO

Sixty-eight verified studios extend Briter's landscape

Chapter Two

Sixty-eight verified studios extend Briter's landscape

Sixty-eight studios meet the FMO, GIZ SAIS and Briter definition on public evidence. The sample retains 41 of the 48 studios Briter names and adds 27 found by searching beyond its published lists.

68
verified studios in 16 countries, 41 listed in published directories and 27 added by this study

456
portfolio companies at the 49 studios that disclose their portfolios

10 of 68
studios run their own investment funds alongside company building

Briter's 2026 white paper anchors the definition, the directory and the benchmarks

The white paper is the most comprehensive public source on African venture studios and the reference point for this report. Briter Intelligence funding records for more than 3,500 African startups from 2015 to 2025 underpin it.[8] The white paper Venture Studios in Africa, published with FMO and GIZ SAIS in April 2026, counts "40+ active studios" and profiles 41 studios across 13 countries, with seven profiles validated by the studios themselves and 34 compiled from public sources.[9] The African Venture Studio Summit Directory 2026 profiles 17 studios and restates the white paper's definition.[10]

We adopt the white paper's definition, build our directory from its annex and test our findings against its benchmarks. Its authors describe it as "a structured contribution to an evolving discussion" and present its counts as minimums.[11] The 27 studios added by this study, not yet in Briter's publications, extend that discussion.

All 68 studios meet the five published criteria, and three further conditions set the sample's scope

All 68 studios meet the five published criteria. Each builds companies to investment readiness, recruits co-founders to run them, provides an in-house operating team, invests its own cash and takes equity in return. Three conditions of our own set the sample's scope and observability (Exhibit 4). They do not change which organisations count as studios. Condition 6 records how many ventures each studio discloses, and its three-venture threshold is tracked for transparency without being a condition of entry. Condition 7 requires studios with a disclosed portfolio to have built a venture by the end of 2023, which gives each portfolio an earlier start for observing funding progression, although the second-round analysis applies its own first round cohort and 24-month window. Condition 8 admits a venture-building arm inside a fund, corporation or foundation when it meets the five criteria. The sample covers studios headquartered or mainly operating in Africa and active in October 2026, including one

[8] *FMO, GIZ SAIS and Briter (2026)*, Methodology, p. 9. Briter Intelligence disclosed funding records, Q1 2015 to Q4 2025.

[9] *FMO, GIZ SAIS and Briter (2026)*, Annex Table A1, p. 49, note 7.

[10] *FMO, GIZ SAIS and Briter (2026)*, Methodology, Chapter 2 and Annex Table A1. Briter, *African Venture Studio Summit Directory 2026.* Exclusions follow the white paper, which omits studios that have stopped operating or left the studio model (Annex D).

[11] *FMO, GIZ SAIS and Briter (2026)*. Its company counts widen with the group counted, from more than 100 studio-originated ventures in the benchmark and more than 120 companies in the benchmarking chapter to more than 160 supported companies and more than 200 ventures "built through or supported by" studios.

fully remote pan-African studio. Accelerators, incubators, agencies and organisations that have closed or changed model are excluded and listed in Annex D.

Each studio's structure is classified from studio websites, published reports, regional technology press, company registries, Crunchbase and PitchBook. Briter's classification is kept for the 41 studios it lists unless these sources clearly show a different structure. The 27 studios added by this study carry the main risk of misclassification, because whether they invest their own cash and take equity is mostly inferred from these sources. Practitioner interviews informed the approach but were not used to classify any studio.

EXHIBIT 4

Five published criteria define a studio, and three conditions of our own set the sample's scope and observability

Source	#	Condition	Purpose
Published definition FMO, GIZ SAIS and Briter (2026)	1	Builds companies from idea through the minimum viable product to investment readiness, over at least two years	Focuses the sample on models that take companies to the point of raising, beyond the product stage where incubators stop
	2	Recruits co-founders to run each company long term and stays involved through early scale	Positions the studio as a long-term co-owner of each company, distinct from agencies and service providers
	3	Provides an in-house operating team covering technology, legal, hiring, administration and fractional executives	Confirms the studio supplies the build capacity itself, beyond the guidance of advisory programmes
	4	Invests its own cash, typically $60,000 to $150,000 per venture	Commits studio capital to every venture, aligning the studio with each company's success
	5	Takes equity, or an equivalent instrument, in return for the build	Gives the studio a stake whose value rises with outside investment, the distinction from grant-funded hubs
Added by this study	6	Records portfolio disclosure and venture count	Identifies studios with enough companies for a rate to show a pattern. The three-venture threshold is tracked for transparency and is not a condition of entry. Met by 45 studios
	7	Built its first venture by the end of 2023	Gives each portfolio a track record long enough to begin observing funding progression. The second-round analysis sets its own cohort and 24-month window
	8	May sit inside a fund, corporation or foundation if the venture-building arm meets conditions 1 to 5	Classifies studios by operating model, regardless of corporate structure, consistent with Briter's annex, which includes fund-based and corporate studios

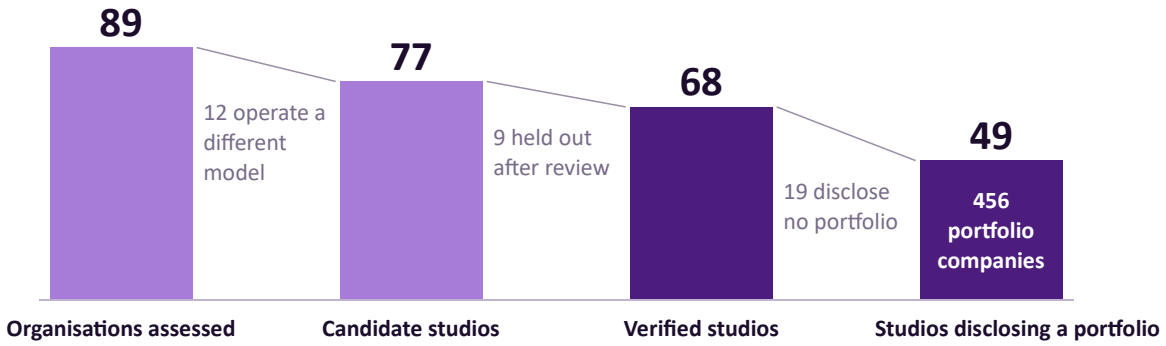
All 68 studios meet the five conditions in the definition published by FMO, GIZ SAIS and Briter (2026, Chapter 1), which the Summit Directory 2026 repeats. Conditions 6 to 8 are added by this study, and condition 7 can be checked only where a studio discloses a portfolio. The 23 studios with fewer than three disclosed companies, 19 of them with none, stay in the directory but hold under 2% of portfolio entries, so they barely affect the funding rates.
Sources: FMO, GIZ SAIS and Briter (2026), Briter, African Venture Studio Summit Directory 2026, and authors' directory.

Portfolio disclosure determines which studios' funding outcomes can be measured

Every funding rate in the analysis rests on the 49 studios that disclose a portfolio. The study assessed 89 organisations, retained 68 verified studios and found portfolios at 49 of them, which together hold 456 companies (Exhibit 5). The 68 verified studios are concentrated in Nigeria, South Africa and Kenya, home to 40 of them (Exhibit 6).

EXHIBIT 5

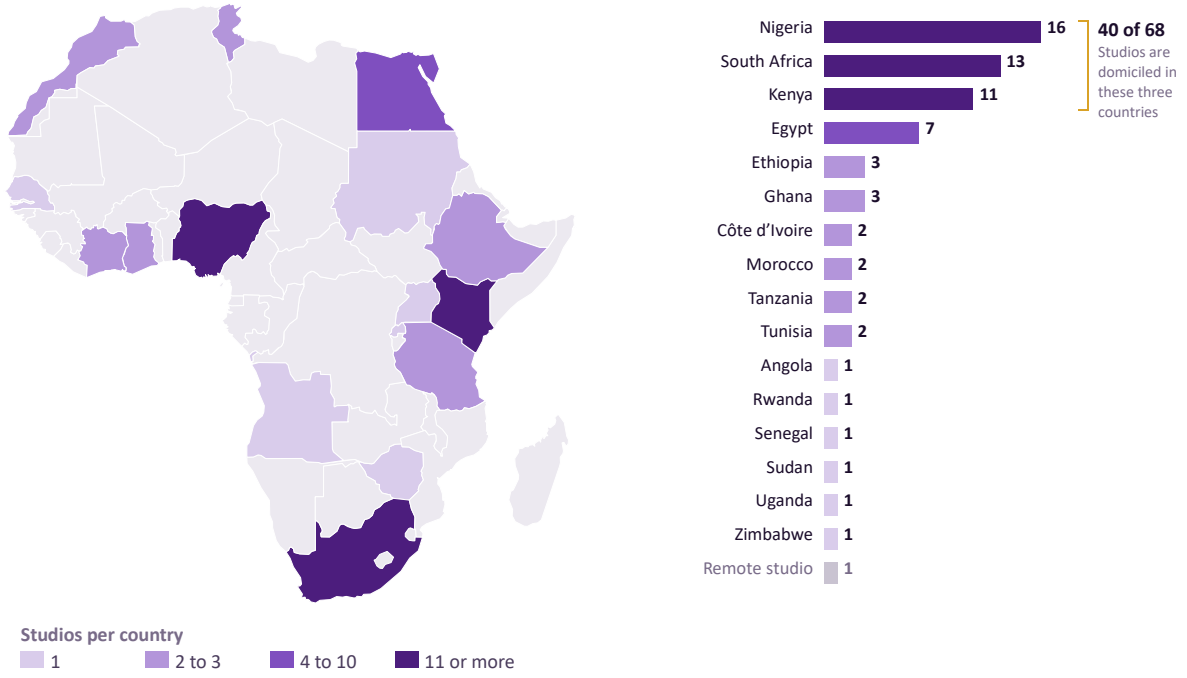
Sixty-eight of 89 organisations qualify as studios, and the 49 that disclose portfolios form the measured base



How the 68 studios were selected, as at October 2026. Organisations excluded or held out, including those reclassified as accelerators or other models, are listed in Annex D.
Source: authors' directory.

EXHIBIT 6

Nearly three in five verified studios are headquartered in Nigeria, South Africa or Kenya



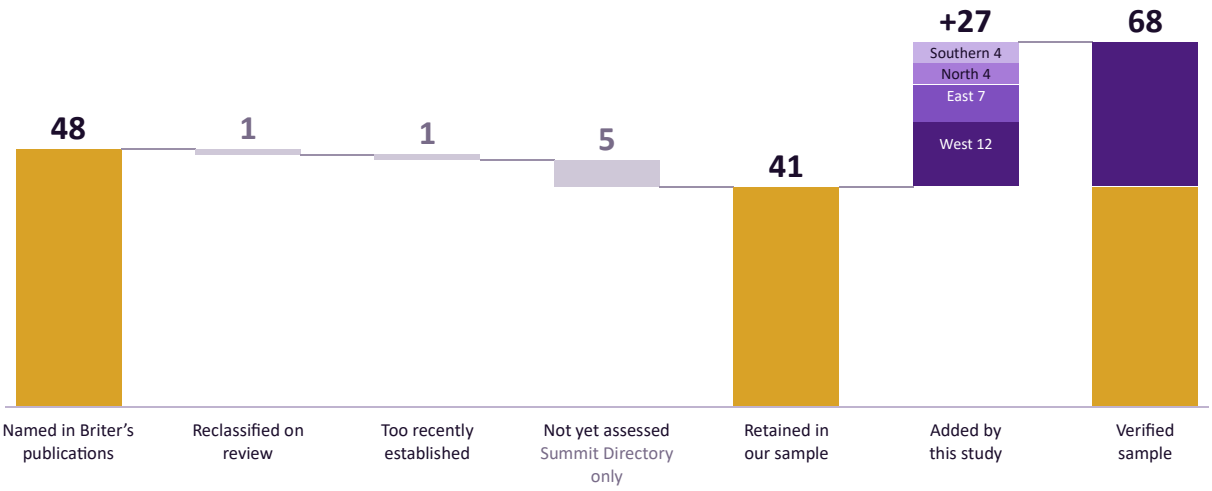
Verified studios by country of headquarters. The studio headquartered jointly in Kenya and Burkina Faso is shown under Kenya, and the fully remote pan-African studio has its own row. Annex B lists all 68.
Source: authors' directory, October 2026.

The larger sample reflects wider coverage under the same definition

Exhibit 7 reconciles the two counts studio by studio. Two of the seven Briter studios outside the sample were excluded on review, one reclassified and one too recently established. The other five appear only in the Summit Directory and have not yet been assessed against the five criteria. The 27 additions come from a country-by-country search of studio disclosures and regional press, and each meets the same five criteria.

EXHIBIT 7

Every one of Briter's 48 studios is accounted for, and 27 additions take the sample to 68



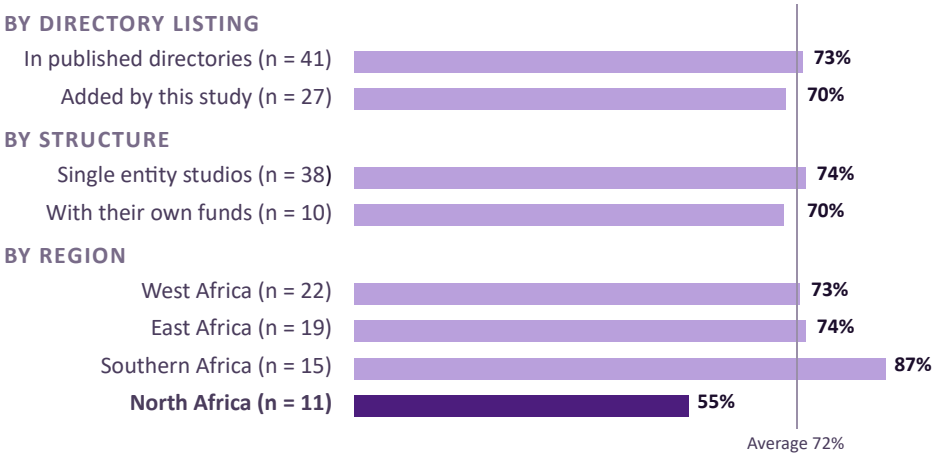
Briter's two publications name 48 studios between them, 41 in the white paper annex and 17 in the Summit Directory, with 10 in both. This study retains 41 of the 48, which are 40 from the annex and one listed only in the Summit Directory. The other seven are listed in Annex D. The 27 studios added by this study include 12 in West Africa, nine in Nigeria and three in Ghana.
Sources: FMO, GIZ SAIS and Briter (2026), Annex Table A1, Briter, African Venture Studio Summit Directory 2026, and authors' directory, 16 October 2026.

Five studios hold 30 percent of portfolio entries, and North Africa has the thinnest disclosure

Five studios hold 30 percent of all portfolio entries, which gives their companies a disproportionate influence on comparisons made on entries, though less on tests run with the studio as the unit. About seven in ten studios publish a portfolio, a share that varies little with Briter listing or structure (Exhibit 8). Regional coverage is uneven. Six of North Africa's 11 studios publish one, against 13 of Southern Africa's 15, so North African results rest on the narrowest evidence. Central Africa enters through one studio in Angola, grouped with Southern Africa, and interview evidence is limited to studio practitioners. Exhibit 42 sets out how each limitation moves the findings.

EXHIBIT 8

About seven in ten studios publish a portfolio whatever their listing or structure, while North Africa has the thinnest disclosure, with portfolios from only six of its 11 studios



Share of the 68 verified studios that publish a portfolio, with n the studios per group. Vertical line: overall average, 72% (49 studios). Structure: two largest groups. Region: 67 studios with an African headquarters, excluding the remote pan-African studio, with the Kenya and Burkina Faso studio in East Africa and Angola's in Southern Africa. Groups are too small for significance testing, so differences in disclosure are descriptive only.
Source: authors' directory, October 2026.

Comparisons between studio groups count every portfolio entry

Comparisons between groups of studios rest on the 464 portfolio entries, because eight companies sit in two studios' portfolios and each studio is credited with every company it lists. All eight have raised, so the funding rate on entries is 28.4 percent, against 27.2 percent on companies. These eight create duplication across portfolios. A separate issue is that entries at the same studio share its practices and are not statistically independent, so Chapter 5 also tests its structural findings with the studio as the unit. Exhibit 9 defines all seven measurement units.

EXHIBIT 9

Seven units, from 68 studios to 906 investor participations, underpin the analysis

STUDIOS AND PORTFOLIOS			FUNDING OUTCOMES		INVESTOR ACTIVITY	
68	**456**	**464**	**124**	**316**	**906**	**451**
Studios	**Companies**	**Portfolio entries**	**Funded companies**	**External rounds**	**Investor participations**	**Named investors**
Organisations that meet the conditions in Exhibit 4	Each company in the 49 disclosed portfolios, counted once	Counted once per listing studio, so eight companies count twice	Companies with an external round, forming 132 entries	Rounds raised, 303 of them naming an outside investor	Each named investor counted once per round	Each distinct investor, counted once
Geography, structure and studio-level comparisons	**Headline funding rate, round funnel and comparison with other**	**Group comparisons by structure, region and Briter listing**	**Follow-on progression, first cheque, dormancy and sectors**	**Capital raised, round stage and round size**	**Investor origin at each round stage**	**Who invests, and how often**

Definitions of all seven units are in Annex E. The eight companies held by two studios are Beacon Power Services, Gridless, SunFi, Lori Systems, Ladder, Remedial Health, LifeQ and The Awareness Company.

Structure findings are associations, because portfolios do not show which companies a studio built and which it backed

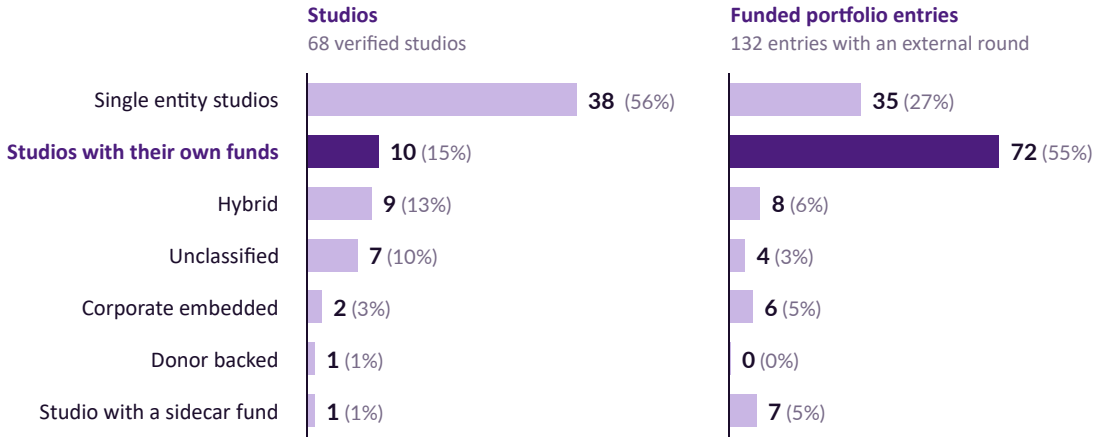
Each studio is classified by how it funds its companies, using the three structures in FMO, GIZ SAIS and Briter (2026). A single entity studio builds and invests from one balance sheet (38 studios). A dual entity studio pairs the studio with an internally managed fund (10) or a separately governed sidecar fund (1). The ten with an internal fund are referred to throughout as studios with their own funds. Nine hybrid studios combine venture building with fee-based services or accelerator programmes, two operate within corporations and one is donor backed. Seven, with 35 portfolio entries, could not be classified from public evidence.

Public evidence does not consistently establish whether each studio built, co-created or invested in each company (the build route), so structural findings remain associations. Briter's benchmark measures studio-built companies, while studios with their own funds also invest in companies they did not build. Recording the build route, the first open question in Chapter 9, would make the two measures directly comparable.

Studios with their own funds are 10 of the 68 studios but hold 72 of the 132 funded entries, more than half, including companies they may have backed without building (Exhibit 10). The median studio with a portfolio lists eight companies, and four list more than 20.

EXHIBIT 10

Studios with their own funds make up one in seven studios but account for more than half the companies that have raised externally



Left: 68 verified studios by structure. Right: 132 funded portfolio entries (124 companies, eight listed by two studios), by studio structure. Shares in brackets. Studio details in Annex B, and funding rates by structure in Chapter 5.
Sources: authors' directory, October 2026, and Africa: The Big Deal.

The 68 studios build on Briter's published landscape, though only studios with a public footprint could be included. The 49 that publish a portfolio are the base for every rate in this report, and Chapter 3 measures how many of their 456 companies reach a first external round.



CHAPTER THREE

The funding path narrows most sharply at the first external round

Chapter Three

The funding path narrows most sharply at the first external round

The first external round is where most studio companies fall away. Fewer than three in ten have one on record. Those that do tend to keep raising, with about three in five reaching each later round, and funded studio companies raise a second round within 24 months more often than other startups. Most recorded capital goes to a few late rounds, while the largest loss of companies comes before any outside investor arrives.

27%
of 456 disclosed portfolio companies have a recorded external round

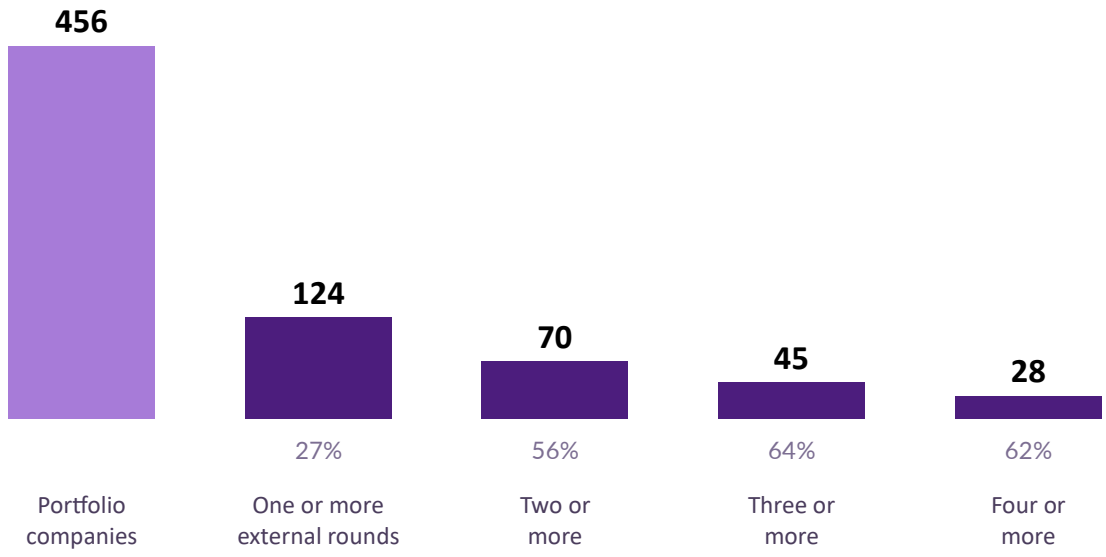
60%
of funded companies at each stage, on average, go on to raise the next round

48% vs 28%
of funded companies raise a second round within 24 months, studio against other startups

Africa: The Big Deal records at least one external round for 124 of the 456 portfolio companies, a recorded funding rate of 27.2 percent. Among companies with a recorded first external round, progression is steadier, with 70 raising at least two rounds, 45 at least three and 28 at least four, so about 60 percent reach the next round at each step (Exhibit 11).

EXHIBIT 11

Over a quarter of companies reach a first external round, against about 60% at each later round

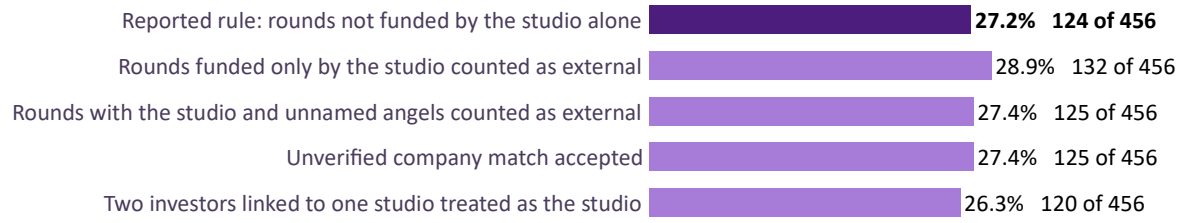


456 companies in the disclosed portfolios of 49 studios, each counted once, by number of external rounds, January 2019 to September 2026. Percentages: share of companies at the previous stage reaching the next.
Sources: Africa: The Big Deal and authors' analysis.

The headline rate holds under alternative definitions of an external round, staying between 26.3 and 28.9 percent (Exhibit 12). The two widest swings, counting studio-only rounds as external and treating two studio-linked investors as part of that studio, each move eight companies or fewer and alter no comparison in the report.

EXHIBIT 12

The headline rate stays between 26% and 29% under every counting rule tested



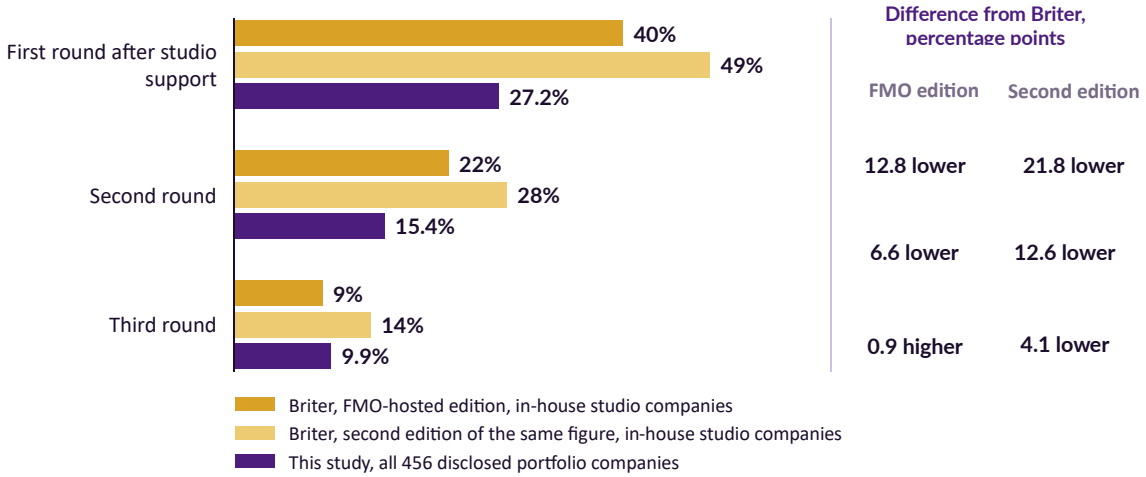
Share of the 456 portfolio companies with at least one external round, under five counting rules defined in Annex A.3. Bars count companies, so the 132 at 28.9% matches the 132 funded portfolio entries in Chapter 2 only by coincidence.
Sources: Africa: The Big Deal and authors' analysis.

Portfolio funding rates converge with the benchmark after the first round

Measured the same way as Briter's benchmark, 27.2 percent of portfolio companies have a recorded first external round, 15.4 percent a second and 9.9 percent a third, against 40, 22 and 9 percent in the FMO-hosted edition of the white paper and 49, 28 and 14 percent in the second edition (Exhibit 13). [12] The gap is widest at the first round, at 12.8 to 21.8 percentage points, and closes by the third, where portfolio companies range from 0.9 percentage points ahead to 4.1 behind. Once companies have raised, the rates align: 56 percent of companies here reach a second round after a first, against 55 and 57 percent in the two editions. The difference lies in reaching the first round.

EXHIBIT 13

Portfolio companies close most of the gap to the white paper benchmark by the third round



Briter: follow-on rounds after studio support, 2016 to 2025. This report: share of all 456 portfolio companies with one, two and three external rounds, January 2019 to September 2026
Sources: FMO, GIZ SAIS and Briter (2026), Figure 5, Africa: The Big Deal and authors' analysis.

[12] *FMO, GIZ SAIS and Briter (2026), Figure 5, p. 26*. The two circulating editions give different values in this figure. Both describe the first rate as "one in two", neither states its release order, and this report treats both as authoritative.

The gap compares two different measures, so it does not indicate underperformance. They differ in population, build route, data source and period. Two of these differences may lift this report's rate. Portfolios include companies studios backed, which may raise more readily than those they built, and failed ventures may have dropped off studio websites. The deal record may lower it, as it omits rounds below $100,000, and below higher thresholds before 2021, so some small first rounds that Briter records may be missing here. Any record built from disclosures can also miss companies that closed early, as the white paper notes. None of these effects can be measured, so part of the first-round gap may reflect differences in what each source records.

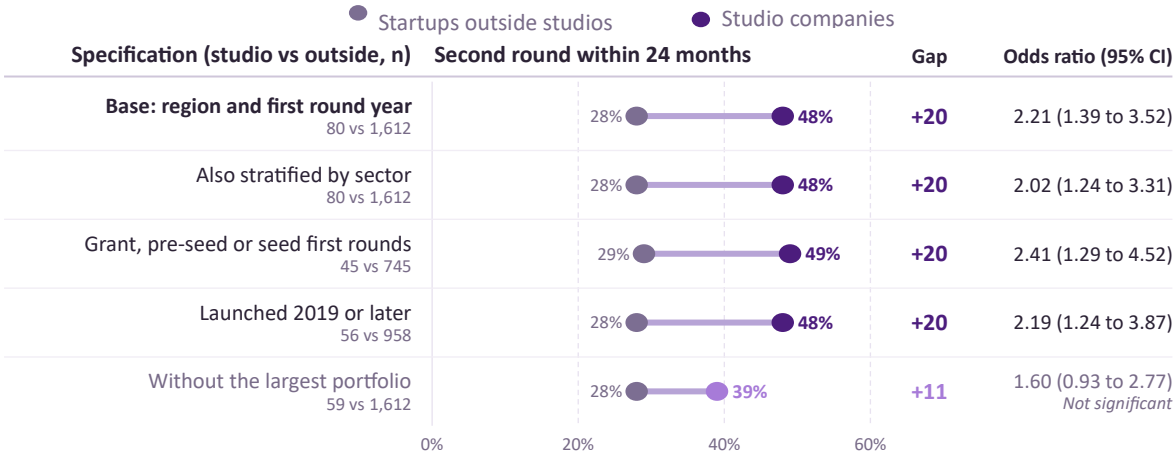
Once funded, studio companies raise a second round more often than other startups

Funded studio companies raise a second round more often than other funded startups. Among 80 studio companies whose first recorded round closed between January 2021 and September 2024, 48 percent raised again within 24 months, against 28 percent of 1,612 startups with no recorded connection to the 68 studios (Exhibit 14). Allowing for region and first round year, their odds of a second round are 2.21 times as high (95% confidence interval 1.39 to 3.52).[13] The difference stays significant at the 5 percent level when companies are clustered by studio (p = 0.006), but not after correction for multiple testing (Exhibit 40). The 28 percent for other startups is consistent with the white paper's finding that nearly 70 percent of African ventures do not secure follow-on funding after their first round.[14]

The comparison is confined to companies that have already raised. No dataset records startups that never raised or that closed, and launch years exist only for funded companies, so entry, survival and time to first funding cannot be compared. Funded studio companies raise again more often, and whether studio support drives that advantage is the question Chapter 9 sets out to test.

EXHIBIT 14

The second-round advantage holds across sector, stage and age, but leans on the largest portfolio



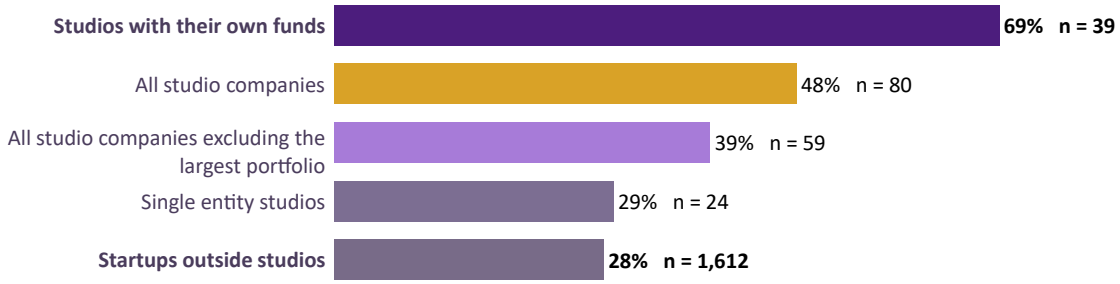
Share of funded companies raising a second round within 24 months, first rounds January 2021 to September 2024. Gap: studio rate minus outside rate, in percentage points. Mantel-Haenszel odds ratios stratified by region and first round year, plus sector where shown. Light purple: not statistically significant (confidence interval includes 1). Sources: Africa: The Big Deal and authors' analysis.

[13] Authors' analysis of Africa: The Big Deal data. Annex A.4 sets out the method and the adjustment for multiple testing.

[14] *FMO, GIZ SAIS and Briter (2026),* Executive summary, p. 5, and Figure 2, p. 19.

EXHIBIT 15

Funded companies at studios with their own funds raise a second round at 69%, more than double the rate at single entity studios (29%) and outside studios (28%)



Share of funded companies raising a second round within 24 months, first rounds January 2021 to September 2024, with n the cohort size. A company listed by studios of two structures appears in both rows. The other 19 cohort companies sit with hybrid, sidecar fund, corporate embedded and unclassified studios.
Sources: Africa: The Big Deal and authors' analysis.

The advantage holds for early-stage first rounds, companies launched since 2019 and companies in the same sector, so later entry or faster-moving sectors are unlikely to explain it (Exhibit 14). It is concentrated in studios with their own funds, whose companies raised again at 69 percent, against 29 percent at single entity studios, close to the 28 percent for other startups (Exhibit 15). It also leans on the largest portfolio, which holds 21 of the 80 cohort companies and whose fund backs companies the studio did not build. Excluding it lowers the studio rate to 39 percent and the odds ratio to 1.60 (95% confidence interval 0.93 to 2.77, unclustered p = 0.12), which is no longer significant.

Studio selection may account for part of the advantage

Studios filter their portfolios before any investor sees them. Those in the white paper report dropping about 80 percent of ideas before operation, and 15 to 20 percent of operating ventures still fail. [15] The cohorts also start from different points. Studio companies are more often West African (44 percent against 35 percent of other startups), more often began with a pre-seed or seed round (50 percent against 29 percent) and less often with a grant (6 percent against 18 percent).

The comparison controls for region and stage, but not for what a studio sees before it builds.

Accelerator research separates selection from support only where admission was by lottery or score cutoff. In Start-Up Chile, cash and workspace alone made no measurable difference to later fundraising, while structured training did.[16] The Global Accelerator Learning Initiative, which follows more than 4,210 accelerated and rejected ventures, finds that accelerated ventures grow faster, though those in emerging markets still attract less equity and debt.[17] No African studio dataset yet

[15] *FMO, GIZ SAIS and Briter (2026),* p. 26.

[16] J. González-Uribe and M. Leatherbee, "*The effects of business accelerators on venture performance: evidence from Start-Up Chile",* The Review of Financial Studies 31(4), 2018, pp. 1566 to 1603. See also S. Yu, "*How do accelerators impact the performance of high-technology ventures?",* Management Science 66(2), 2020, pp. 530 to 552, and B. Hallen, S. Cohen and C. Bingham, "*Do accelerators work? If so, how*?", Organization Science 31(2), 2020, pp. 378 to 414.

[17] Porticus, "*Lessons from the Global Accelerator Learning Initiative (GALI)" (2022),* summarising data held by the Aspen Network of Development Entrepreneurs on more than 15,900 enterprises and 222 programmes, of which more than 4,210 accelerated and rejected ventures were followed up.

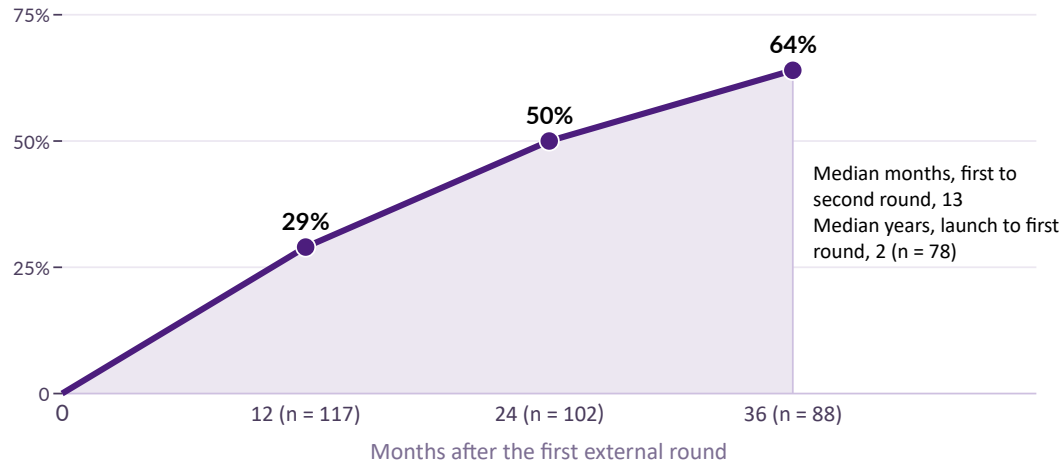
supports such a design, so the report does not attribute the difference to studio support. Studios that record the ventures they considered and declined would make the test possible.

Funded studio companies launched since 2019 took a median of two years to reach a first external round

Launch years are recorded only for companies with funding records, so the two-year median, based on 78 companies, describes those that reached investors and may not represent the wider portfolio. Funded companies that raise again do so a median of 13 months after their first external round, and half of the 102 with at least 24 months of record have a second round within 24 months (Exhibit 16). This exceeds the 48 percent for the 2021 to 2024 cohort because it includes first rounds from 2019 and 2020.

EXHIBIT 16

Half of funded studio companies raise a second round within two years of the first



Cumulative share of funded studio companies with a second external round, among companies whose first round is at least 12, 24 or 36 months before September 2026 (117, 102 and 88 companies).
Sources: Africa: The Big Deal and authors' analysis.

More than half of funded studio companies have no recorded round in the past two years

Sixty-four of the 124 funded companies (52%) have recorded no external round in the 24 months to September 2026, including two thirds of those that raised only once (36 of 54). Excluding the three acquired companies, the share is 50 percent (61 of 121). Recorded dormancy is lower among companies of studios with their own funds than among those of single entity studios, at 43 and 60 percent, but the difference is not statistically significant ($p = 0.14$, Exhibit 17). In the follow-on comparison cohort defined earlier, 64 percent of studio companies have recorded no round since September 2024, against 84 percent of other startups.

EXHIBIT 17

Dormancy is 43% at studios with their own funds and 60% at single entity studios, against 52% overall



Share of funded companies with no external round in the 24 months to September 2026, by studio structure. A company listed by studios of both structures appears in both rows, and acquired companies are included. Grey bar: overall rate. Dormancy means no recorded round, and a dormant company may still be profitable, acquired without disclosure or funded below the reporting threshold.
Sources: Africa: The Big Deal and authors' analysis.

The pipeline therefore thins after entry as well as at it. One possible reason, examined in Chapter 4, is that the investors who write early cheques rarely reappear in later rounds.

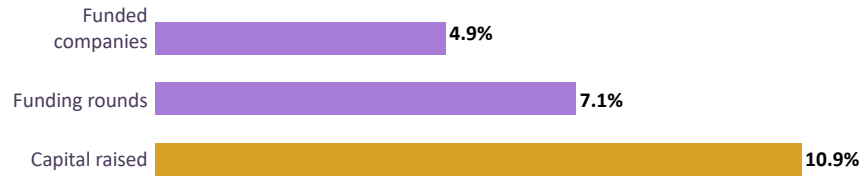
Capital is concentrated in a few companies, late rounds and debt

Capital is concentrated in a few companies, so totals overstate the typical outcome and the analysis rests on rates and medians. Moove and Flutterwave account for 50.2 percent of the $2.45 billion traced into the 124 funded companies, and five companies for 64.0 percent. The median funded company has raised $2.0 million in total, in rounds with a median of $1.0 million. Studio companies also enter with larger first rounds, at a median of $500,000 against $200,000 for other startups in the comparison cohort. Recorded rounds peaked at 62 in 2022 and fell to 44 in 2025.

Studio companies are 4.9 percent of funded African companies in the deal record but take 7.1 percent of rounds and 10.9 percent of capital, more than twice their share by number, though two companies account for half of that capital (Exhibit 18). They form a small but capital-intensive part of a market in which almost 500 startups raised rounds of $100,000 or more in 2025 alone.[18]

EXHIBIT 18

Studio companies are one in twenty funded African startups in the deal record and take 11% of its recorded capital



Studio companies' share of all funded African companies, rounds and disclosed capital in the deal record, January 2019 to September 2026, excluding mergers and acquisitions. Sources: Africa: The Big Deal and authors' analysis.

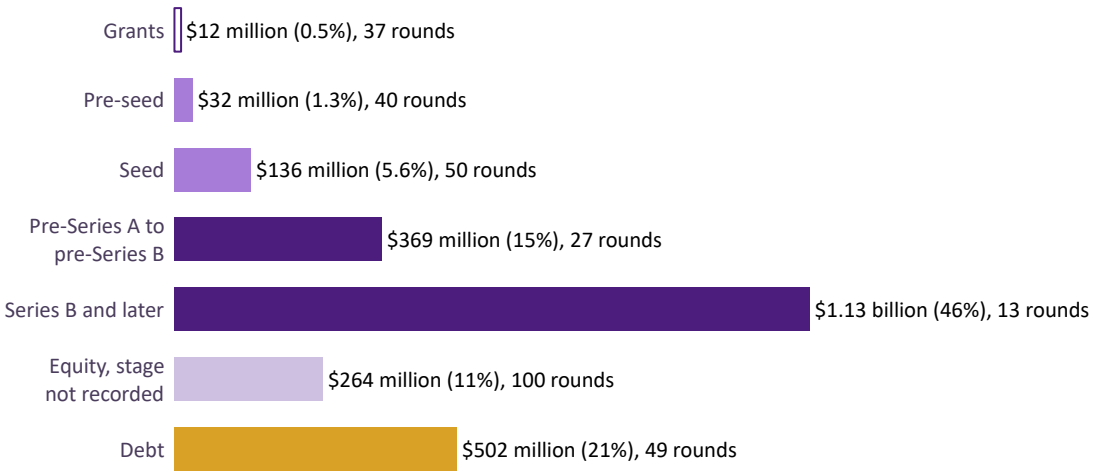
[18] Africa: The Big Deal, *"2025 in review"* (January 2026). Partech records $4.1 billion for 2025 on a different method that includes debt (footnote 19).

Most capital arrives after the first cheque. The 127 grant, pre-seed and seed rounds carry $180 million, 7.4 percent of the capital traced, while 13 rounds at Series B and later, raised by eight companies, carry $1.13 billion, or 46 percent (Exhibit 19).

Debt accounts for a fifth of the total, with 49 rounds raised by 18 companies carrying $502 million, concentrated in energy and mobility businesses, where debt can finance physical assets. The first equity investor and the largest financier of those companies can be different institutions with different mandates. In the wider African technology market, debt accounted for 41 percent of recorded funding in 2025 on Partech's method.[19]

EXHIBIT 19

Thirteen rounds at Series B and later carry 46% of the capital, while 127 grant, pre-seed and seed rounds carry 7%



The 316 external rounds of the 124 funded studio companies, January 2019 to September 2026, with each group's share of the $2.45 billion traced. Debt and grants are grouped by instrument, equity by stage. Stage not recorded: rounds the source labels only as venture rounds. Amounts include 64 source estimates, and six rounds have none disclosed.
Sources: Africa: The Big Deal and authors' analysis.

Studio companies hold a similar share of each sector, but second-round rates vary widely between sectors

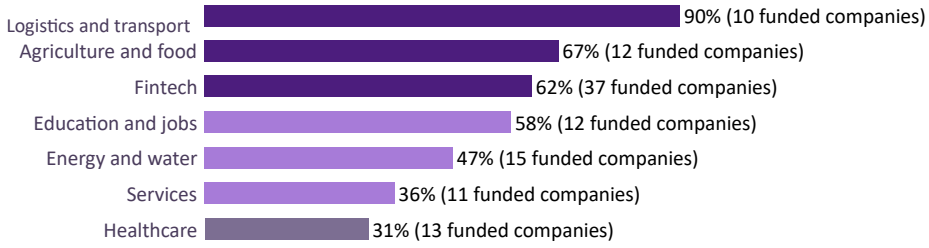
Sector is recorded only for companies that have raised, so sector funding rates cannot be computed and comparisons cover funded companies only. Studio companies make up 4 to 6 percent of funded African companies in most sectors of the deal record, and 7.9 percent in energy and water.

Second-round rates vary far more. Nine of the ten funded logistics companies have recorded a second round, against eight of 12 in agriculture, 23 of 37 in fintech and four of 13 in healthcare (Exhibit 20). Fintech is the largest sector, with $899 million, while Deep tech and waste management are almost absent. Moove alone accounts for $672 million of the $788 million raised in logistics, so a sector's capital total can reflect a single company.

[19] Partech, *2025 Africa Tech Venture Capital Report (January 2026)*, which records $4.1 billion raised across equity ($2.41 billion) and debt ($1.64 billion). Partech reports debt as 41% of the total, and the rounded components shown here give about 40%.

EXHIBIT 20

Second-round rates range from 90% in logistics to 31% in healthcare



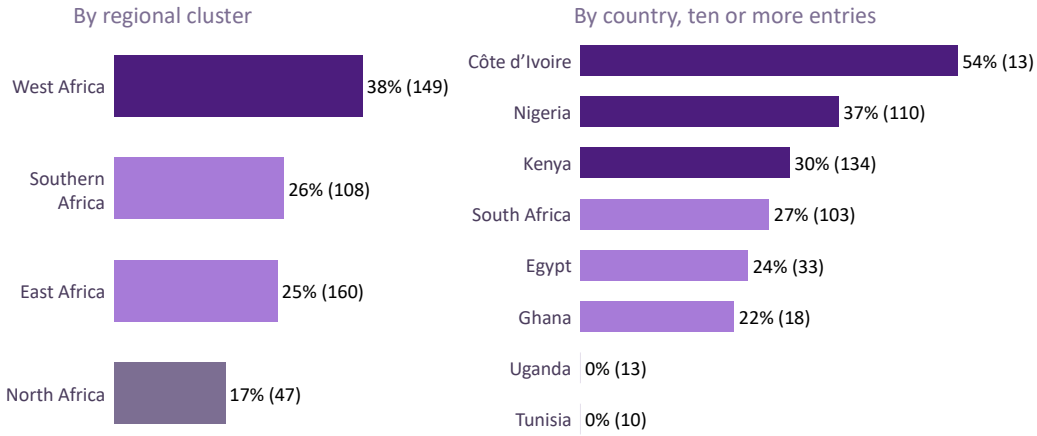
Share of funded studio companies with a second external round, by sector as recorded at the first round, January 2019 to September 2026. Sectors with fewer than ten funded companies are omitted.
Sources: Africa: The Big Deal and authors' analysis.

Funding rates are highest at West African studios, though the differences between regions could be due to chance

Portfolio entries at West African studios reach an external round at 38 percent, against 25 to 26 percent in East and Southern Africa and 17 percent in North Africa (Exhibit 21). The differences are significant when each entry is counted separately ($p = 0.015$), but not once entries are grouped by studio ($p = 0.69$), so they could be due to chance. Côte d'Ivoire records the highest rate, 54 percent, on a small base of seven of 13 entries, all from one studio's standard pre-seed package (Chapter 4), and Nigeria follows at 37 percent. The weight of Nigeria, Kenya, South Africa and Egypt in the sample mirrors the wider market, where these four countries took 72 percent of African tech funding in 2025.[20] Chapters 4 and 5 examine who writes the first external cheque and which studios attract it.

EXHIBIT 21

West African portfolios record the highest funding rate, while no Ugandan or Tunisian entry has a recorded external round



Share of portfolio entries with at least one external round, by the studio's region and country of headquarters, with the number of portfolio entries in brackets. Countries with ten or more portfolio entries are shown.
Sources: Africa: The Big Deal and authors' analysis.

[20] Partech (2026).



CHAPTER FOUR

The investor pipeline is thin, fragmented and mostly non-African by Series B

Chapter Four

The investor pipeline is thin, fragmented and mostly non-African by Series B

The first external cheque into an African studio company comes from a fragmented investor base, and most first round investors appear in only one first round. African-headquartered investors are prominent at entry and hold a small share of participations by Series B.

451
named investors have backed studio companies in an external round

71%
of the 222 investors that joined a first round did so for only one studio company

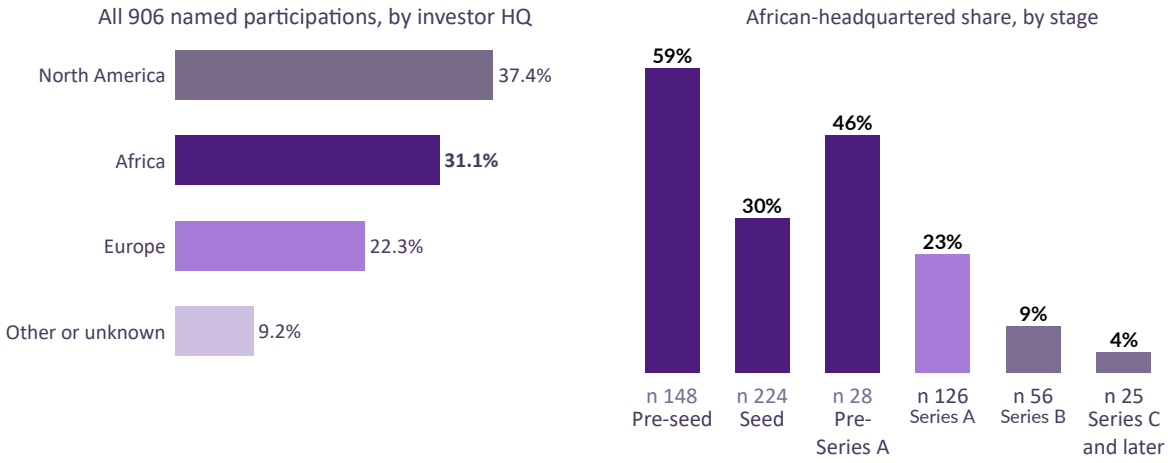
59% to 4%
Share of investor participations taken by investors headquartered in Africa, pre-seed against Series C and later

African investors hold most pre-seed participations and few at Series B and later

Investors **headquartered in Africa take 59 percent** of named participations in **pre-seed rounds,** falling to 30 percent at seed, 9 percent at Series B **and 4 percent at Series C and later** (Exhibit 22).
A participation is one named investor in one round, and the 316 external rounds record 906 of them by 451 investors. Across all stages, North American investors account for 37.4 percent, African investors 31.1 percent, European investors 22.3 percent and others or unrecorded 9.2 percent.
The African share is close to AVCA's estimate that African investors made up about one third of active participants in Africa's 506 venture deals in 2025, though the two populations differ.[21]
Capital concentrates in the later rounds where African investors are scarce (Exhibit 19).

EXHIBIT 22

African investors hold most pre-seed participations and a small share once cheques are large



Left: 906 named investor participations by headquarters. Right: share headquartered in Africa by stage, with n the participations at each stage, excluding grants, debt and unlabelled rounds. Headquarters follow the investors database and may differ from ownership, nationality or operating base, as for 54 Collective, recorded as UK but run from Johannesburg.
Sources: Africa: The Big Deal deals and investors databases, and authors' analysis.

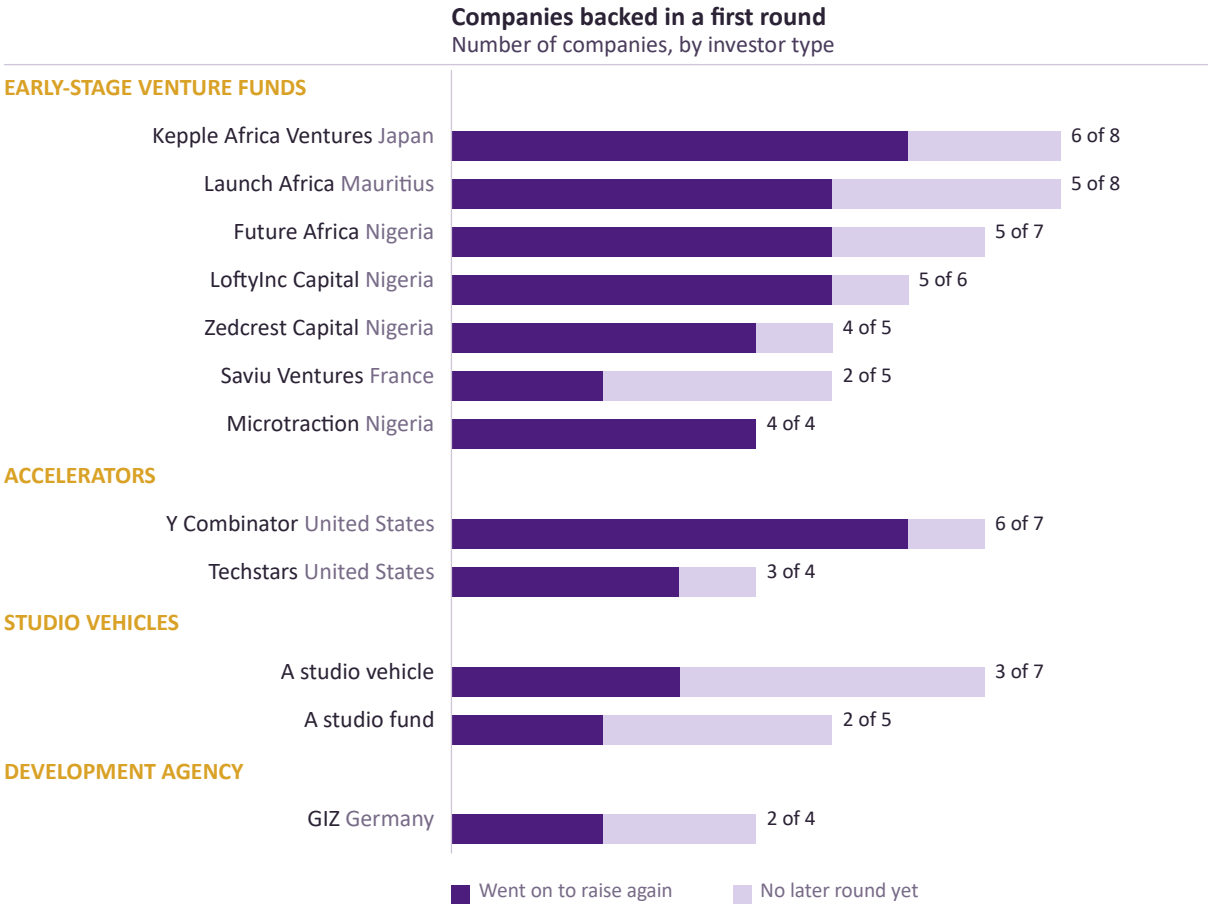
[21] African Private Capital Association (AVCA), 2025 Venture Capital in Africa Report (2026).

First cheques come from many investors, the most active with eight each

Just under half of the 451 named investors, 222, have joined a first external round, and **71 percent of them did so only once** (Exhibit 23). The most active have written eight first cheques each, and the ten most frequent account for 18 percent of named first round participations. Investors headquartered in Africa take 42 percent of named first round participations, 11 percentage points above their 31.1 percent share across all rounds. Angel investors recorded without names join a further 19 first rounds and are not counted.

EXHIBIT 23

Early-stage venture funds write most of the frequent first cheques, with two accelerators, two studio vehicles and a development agency making up the rest



Investors in four or more first external rounds of studio companies, January 2019 to September 2026. A company went on to raise again if it recorded a later round from any investor, including the original one. Each investor backed eight or fewer companies in a first round, so the counts are too small to compare investors.
Sources: Africa: The Big Deal deals and investors databases, and authors' analysis.

The first cheque market for studio companies is broad, and few large institutions take part. Few investors recur at the first round, so new investors find few established leads to follow. Companies backed by the most frequent first cheque writers have still mostly raised again. The share that went on to raise again is above the 56 percent average for funded studio companies at eight of the 12 investors

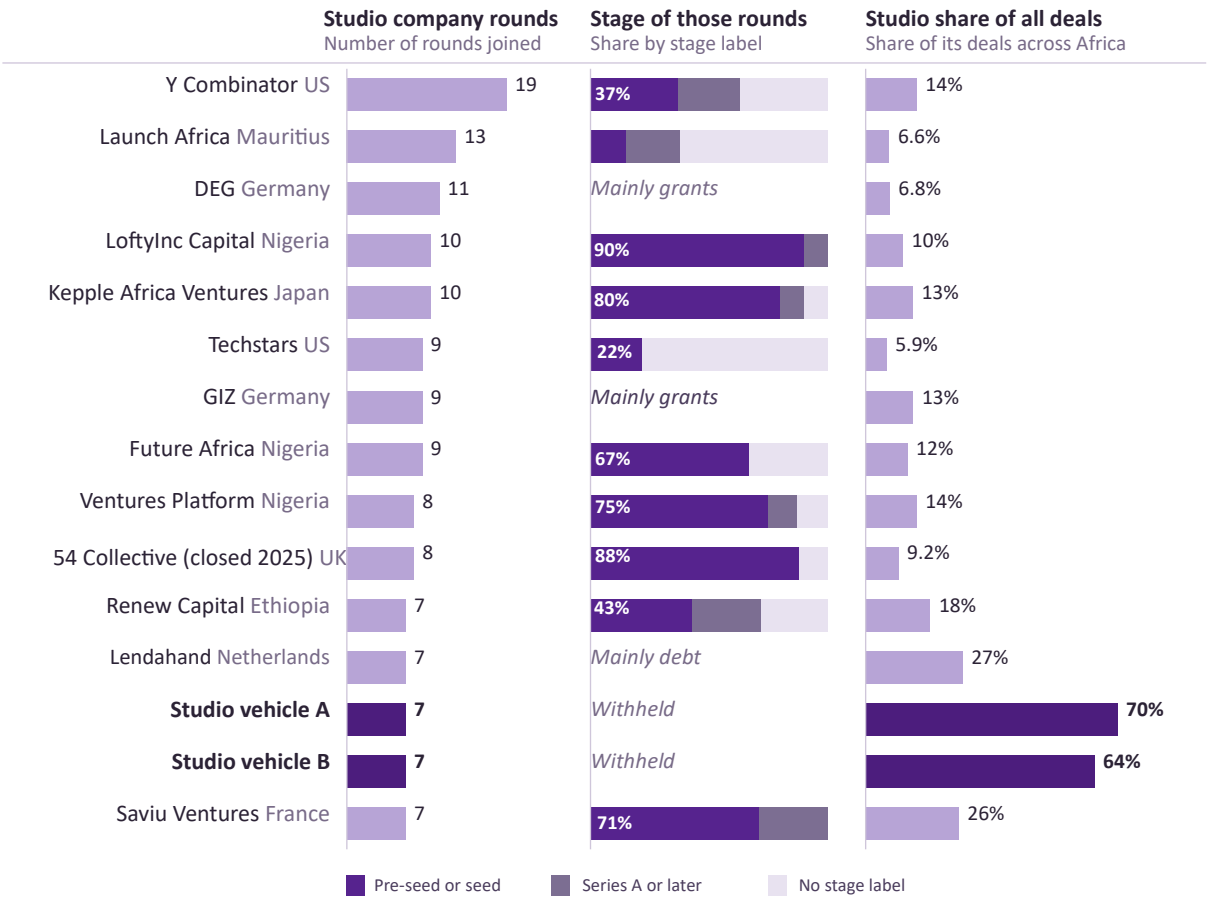
in Exhibit 23, from the global accelerator Y Combinator (six of seven) to the Nigerian fund Microtraction (four of four). Nigeria is home to four of the 12, more than any other country. Each investor backed eight or fewer of these companies, so the pattern is one to test with more data.

Few of the most active investors specialise in studio companies, and they enter at different stages or through grants and debt

Studio companies are a small part of most active investors' portfolios (Exhibit 24). Y Combinator, Techstars and Launch Africa each record between 133 and 198 deals across Africa since 2019. These investors also enter in different ways. Early-stage funds such as Kepple Africa Ventures and Future Africa come in at pre-seed or seed in at least two thirds of their studio company rounds. DEG and GIZ arrive mainly through grants, and Lendahand through debt. The two studio vehicles are the exception, with most of their recorded deals in studio companies.

EXHIBIT 24

Studio companies are under a third of deals for all but the two studio vehicles among the 15 most active investors



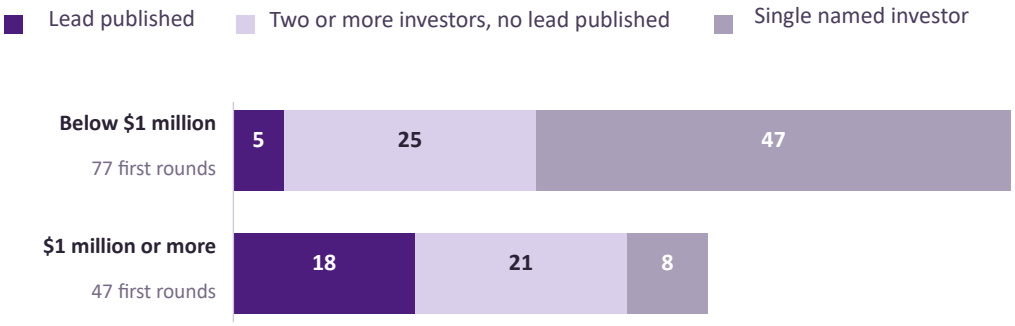
The 15 investors in seven or more studio company rounds, January 2019 to September 2026. Grants or debt are shown where they make up half or more of an investor's studio company rounds, and stage is withheld for the two studio vehicles. Studio shares of deals are approximate because the source's deal thresholds changed over the period.
Sources: Africa: The Big Deal deals and investors databases, and authors' analysis.

Leads are disclosed for a minority of first rounds

Published announcements identify a lead, he investor that sets a round's terms and usually commits the largest share, for only 23 of the 69 first rounds with two or more named investors (Exhibit 25). A further 55 first rounds have a single named investor, the only disclosed candidate to have set the terms. Leads are disclosed mainly in rounds of $1 million or more, which account for 18 of the 23, while most first rounds below $1 million have a single named investor (47 of 77). African-headquartered investors hold 11 of the 30 named lead positions, and MaC Venture Capital and a corporate studio are the only investors named as lead in two first rounds.

EXHIBIT 25

A lead is published for fewer than one in five first rounds, mostly those of $1 million or more



Only 23 of 124 first rounds have a published lead, and 18 of those 23 are rounds of $1 million or more. No investor is named as lead in more than two first rounds.

The first external round naming an investor for each of the 124 funded companies, January 2019 to September 2026, by round size. A lead counts as published when an announcement of the round names one, and co-led rounds bring the total to 30 lead positions held by 28 investors.
Sources: Africa: The Big Deal deals and investors databases, published announcements and authors' analysis.

Studio companies raise in four regional capital markets

No investor has backed five or more studio companies in more than one region, so the investor networks serving studio companies differ substantially across the four regions (Exhibit 26). Launch Africa comes closest, with six in West Africa and four in Southern Africa. North American investors account for 42 percent of named participations in West African studio company rounds, and European investors for 35 percent in East Africa. African investors hold 51 percent of participations in Southern Africa and 60 percent in North Africa, though the North African figure rests on only 20 participations. Studio vehicles appear among the frequent investors in three of the four regions. Their presence may add early capital and co-investment capacity, though the data do not establish whether they anchor rounds or reserve capital for follow-on rounds.

In East and West Africa, which hold 96 of the 132 funded entries, the first cheque market is fragmented and few investors recur across companies, which leaves little evidence of a concentrated, repeat investor network serving studio companies. Whether rounds there also lack a committed lead remains a hypothesis, because an unnamed lead is not an absent one, and founder and investor interviews are needed to test it. North Africa shows a different pattern, examined in Chapter 5.



EXHIBIT 26

Each region has its own frequent investors, and only Launch Africa backs four or more studio companies in two regions

Investor	West Africa	East Africa	Southern Africa	North Africa
Funding rate of portfolio entries	**38%**	**25%**	**26%**	**17%**
Studios and funded companies	22 studios, 54 funded companies	19 studios, 36 funded companies	15 studios, 26 funded companies	11 studios, 8 funded companies
MOST FREQUENT IN WEST AFRICA (SIX OR MORE)				
Y Combinator United States	**11**		**1**	
Kepple Africa Ventures Japan	**7**	**2**		
LoftyInc Capital Nigeria	**7**		**1**	
A studio vehicle	**7**			
Future Africa Nigeria	**6**	**3**		
Launch Africa Mauritius	**6**	**1**	**4**	**1**
Techstars United States	**6**	**1**	**1**	
MOST FREQUENT IN EAST AFRICA (FOUR OR MORE)				
A studio vehicle		**7**		
A studio fund		**6**		
DEG Germany	**1**	**5**	**1**	
British International Investment UK	**1**	**4**		
Equator VC Kenya		**4**		
MOST FREQUENT IN SOUTHERN AFRICA (THREE OR MORE)				
A corporate studio			**4**	
E Squared Investments South Africa			**3**	
GIZ Germany	**4**		**3**	
Invenfin South Africa			**3**	
A studio			**3**	
MOST FREQUENT IN NORTH AFRICA (THREE OR MORE)				
Ed Ventures Egypt				**3**
Investor mix	US accelerators, the Lagos seed network and a studio co-investment model in Côte d'Ivoire	Studio funds and development finance	Local venture capital, corporate and studio capital	Thin and domestic

Studio companies backed: 1 to 2 | 3 to 4 | 5 to 6 | 7 or more

Number of studio companies each investor backed in an external round, by region of the studio that lists the company, January 2019 to September 2026. Rows: the most frequent investors in each region, with thresholds scaled to regional size. Blank: none. Studio investors are anonymized.
Sources: Africa: The Big Deal and authors' analysis.

Fewer than half of later rounds include an investor from an earlier round

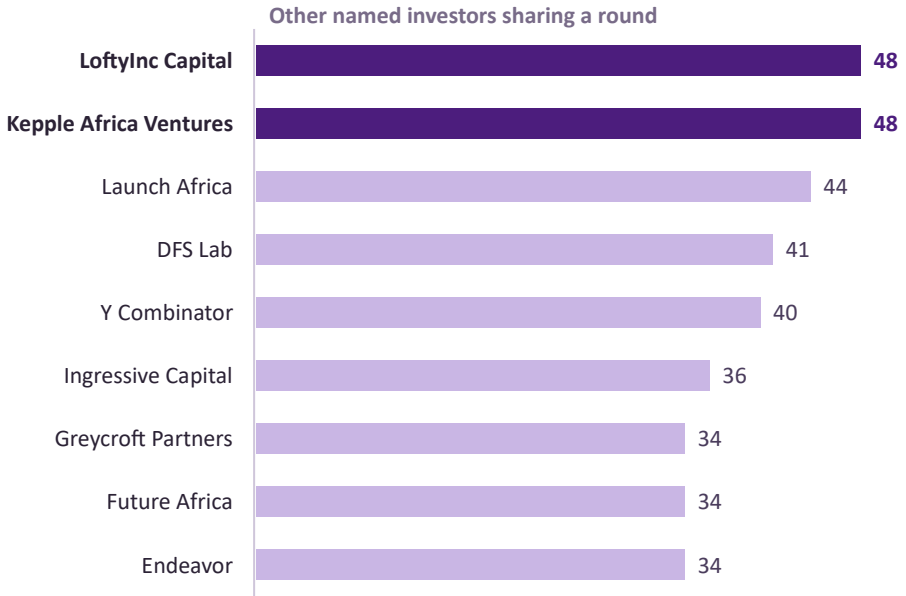
Only 41.9 percent of eligible later rounds (75 of 179) include an investor from an earlier round of the same company. A later round is eligible when it and an earlier round of the same company both name an investor (Annex A.3). Repeat co-investment is concentrated in one Côte d'Ivoire studio, all seven of whose funded companies enter the record through a pre-seed round of about $800,000 with co-investors linked to its published partnership with the Ring Africa fund of Ring Capital, an independent French impact investor. Those repeat pairings appear to reflect an established partnership more than broad market.[22] Elsewhere, the pattern is consistent with the white paper's observation that limited downstream capital pushes studios into fundraising roles.[23]

Co-investor networks are broad but partnerships rarely repeat, while three follow-on routes recur

Among the 303 external rounds with named investors, 146 include two or more, and these rounds average three named investor participations. LoftyInc Capital and Kepple Africa Ventures have the largest recorded co-investor networks in the sample, each appearing alongside 48 distinct investors in studio company rounds (Exhibit 27). These firms are potential entry points for a new investor into the sample's wider co-investment network.

EXHIBIT 27

LoftyInc Capital and Kepple Africa Ventures have the widest co-investor networks, with 48 other investors



The number of different named investors that joined at least one studio company round alongside each investor, January 2019 to September 2026. The nine investors with 34 or more are shown, with the two highest in deep purple.
Sources: Africa: The Big Deal and authors' analysis.

[22] *Launch Base Africa*, *"The diaspora founder formula behind Côte d'Ivoire's most prolific venture studio"* (24 February 2026). TechPoint Africa, *"French VC firm, Ring Capital launches Africa-focused fund"* (6 March 2024). EuroQuity, *"New First Circle investor member joining Africa Next community: Ring Africa fund, Ring Capital"* (2 April 2025). Both firms are independent of the studio and are counted as outside investors, and Exhibit 12 shows the effect of treating them as part of the studio.

[23] FMO, GIZ SAIS and Briter, *Venture Studios in Africa* (2026), Chapters 4 and 6.

Across all of a company's rounds, five investor sequences recur in three companies each and form three routes (Exhibit 28). Nigerian companies move from local seed investors to US accelerators and global investors, Côte d'Ivoire companies from the studio package to European development finance, and Kenyan and Nigerian companies from development finance to impact investors. For studios, these routes indicate who is likely to write the next cheque, though whether that knowledge improves the terms of the earlier round remains an open question.

EXHIBIT 28

Three investor routes recur, and most repeat co-investment reflects one studio's partner model

Earlier round	Later round	Companies with both investors
Local seed funds to US accelerators and global investors (Nigeria)		
Ventures Platform	Y Combinator	**3**
Kepple Africa Ventures	Y Combinator	2
Y Combinator	Tencent	**3**
Google for Startups Black Founders Fund	Plug and Play	**3**
Studio package to European development finance (Côte d'Ivoire)		
Studio vehicle	Digital Africa	**3**
Studio vehicle	GIZ	2
Saviu Ventures	Digital Africa	2
Saviu Ventures	GIZ	2
Development finance to impact investors (Kenya and Nigeria)		
DEG	Renew Capital	**3**
Renew Capital	DEG	2
Repeat co-investment in the same round		
Investor	Co-investor	
Studio vehicle	Saviu Ventures	4
Studio vehicle	Ring Capital	3
LoftyInc Capital	Zedcrest Capital	3

Bars count companies in which the earlier-round investor was followed by the later-round investor joining as a new investor, or, in the last group, in which both investors joined the same round. Measured from the first round only, the studio vehicle followed by Digital Africa is the one sequence in three companies. Sequences in two companies are shown where they extend a route. Countries are those of the listing studios, and one company with Y Combinator followed by Tencent is listed by a South African studio. Deep purple marks sequences in three companies, lilac those in two, and grey same-round co-investment.
Sources: Africa: The Big Deal and authors' analysis.



CHAPTER FIVE

Studios’ own funds are the strongest fundability marker

Chapter Five

Studios' own funds are the strongest fundability marker

Funding rates are also higher at more visible studios and in stronger regional markets, and interviews suggest a large studio stake can make outside investors more cautious. None of these is yet proven to cause higher funding.

52% vs 17%
Funding rate, studios with their own funds against single entity studios

34% vs 13%
Funding rate, studios in published directories against the 27 added by this study

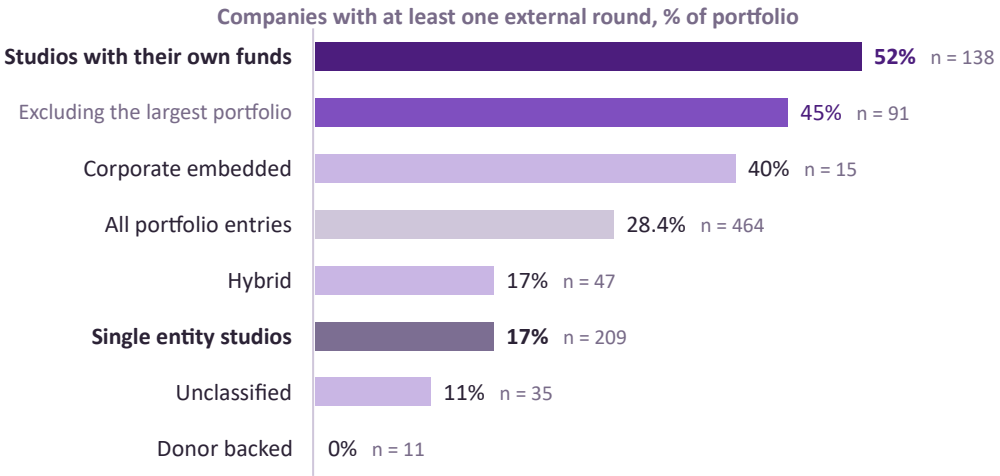
38% vs 17%
Funding rate, West Africa against North Africa, a gap that could be due to chance

Studios with their own funds are associated with higher funding rates

Portfolio entries at studios with their own funds reach an external round at 52 percent, against 17 percent at single entity studios, using the FMO, GIZ SAIS and Briter structural classification.[24] The gap holds when studios themselves are compared, with median funding rates of 50 and 7.8 percent, and after allowing for region, where the odds are almost six times as high. This is the report's most robust finding. The gap remains significant after correcting for multiple tests and for clustering within studios (Exhibit 40), and persists without the largest portfolio, at 45 percent (Exhibit 29).

EXHIBIT 29

Companies at studios with their own funds are three times as likely to raise an external round as those at single entity studios



January 2019 to September 2026. n is the number of portfolio entries, so a company listed by two studios counts under each. The 95% confidence interval is 44% to 60% for studios with their own funds and 12% to 22% for single entity studios. The authors assigned structures using the FMO, GIZ SAIS and Briter classification, in which studios with their own funds are dual entity studios with an internal fund and single entity studios are single entity holding companies. Excludes one sidecar fund studio (nine entries)
Sources: Africa: The Big Deal; authors' directory and analysis.

[24] *FMO, GIZ SAIS and Briter (2026)*, Chapter 5 and Table 3.

Funded companies at studios with their own funds also raise more, with median external capital of $4.19 million against $1.05 million at single entity studios (Exhibit 30). Funding is concentrated in studios with capital of their own. The four studios with the most funded companies all have dedicated investment capital, three through internal funds and one through a partner fund, and together account for almost half of funded entries, 63 of 132.

EXHIBIT 30

The median funded company at studios with their own funds has raised four times the external capital of one at a single entity studio



January 2019 to September 2026. Median total external capital per funded portfolio entry, including equity, debt and grants, with undisclosed amounts excluded.
Sources: Africa: The Big Deal; authors' analysis.

The fund itself, company selection or the studio's market could each explain the higher funding rate

EXHIBIT 31

Three explanations fit the higher funding rate, and the evidence does not yet favour any one

Explanation	Mechanism	Evidence for	Evidence against	Test that would resolve it
The fund itself	A fund lets the studio anchor or co-invest in its companies' external rounds, gives outside investors an investment committee they can trust, and brings investors to studio companies early. The white paper makes this case for studios with a separate fund on grounds of transparency and diligence.	The difference holds when studios themselves are compared (medians of 50% against 7.8%) and within regions.	Companies whose first round included their own studio raised again less often (37% against 62%).	Compare only companies the studios built, across structures.
Company selection	Studios with funds also invest in companies they did not build. The white paper's benchmark excludes these external companies for this reason, and the portfolio data cannot yet separate them. Part of the difference may come from selecting stronger companies.	The largest portfolio invests in companies it did not build. Without it, the rate for studios with their own funds falls from 52% to 45%, and the second round advantage in Chapter 3 loses significance. Interview evidence describes a studio directing about 70% of its capital into existing businesses.	Even without the largest portfolio, entries at studios with their own funds reach an external round at 45% against 17%.	Tag every company as built, co-created or invested.
The studio's market	A separate fund is costly or legally impractical in some jurisdictions, and	Funding rates differ by region (38% in the	After adjusting for region, the odds	Record whether a separate fund

Explanation	Mechanism	Evidence for	Evidence against	Test that would resolve it
	the markets where funds are easiest to form tend to have the deepest follow-on capital. Structure may then reflect where the studio formed. The regional adjustment captures differences between regions, not between countries within them.	West against 17% in the North), though not significantly once clustering within studios is allowed for.	of an external round remain 5.8 times as high as single entity studios.	was legally available to each studio when it formed, and adjust by country.

Evidence from the deal record (Chapters 3 and 5) and studio interviews.

Sources: Africa: The Big Deal; FMO, GIZ SAIS and Briter (2026); studio interviews, October 2026; authors' analysis.

Interview evidence leans towards selection. One studio now directs roughly 70 percent of its capital to existing businesses. Co-creating removes the hardest risk, finding someone to run the business, and fundraising is easier when the studio does not own the whole cap table. Confidential portfolio data shared for this report put companies built from scratch at roughly 2 percent, by value, of the follow-on capital raised across that portfolio. The figures include the studio's own investment and cannot be generalised across studios, so they set a direction to test rather than a conclusion.

The deal record offers one check against the first explanation in Exhibit 31. Ten of the 27 funded companies whose first round included their own studio or its fund alongside an outside investor have raised again (37%), against 60 of the other 97 (62%, p = 0.03), although the difference does not survive correction for multiple testing (Exhibit 40). Studio co-investment may help companies secure a first round they would otherwise struggle to raise. The lower follow-on rate fits that reading, but the data cannot show whether co-investment bridges companies to outside capital or reflects weaker underlying companies.

Evidence from repeat company building outside Africa is consistent with the difference by structure without resolving its cause. In McKinsey's 2025 survey of 715 executives, corporations that had built three or more ventures generated 1.9 times revenue per dollar invested before break-even, against 1.3 times for those that had built one or two.[25] The survey measures revenue productivity in corporate venture building, not fundraising, and corporate builders differ from independent studios in capital and incentives. It suggests that repetition may matter, and in this sample the studios with the most funded companies are also those with dedicated capital.

Visibility to investors and the ease of investing and exiting also shape fundability

A studio's own fund is not the only marker of fundability. Two conditions outside the company also bear on it, whether investors can find the studio and whether they can invest in and exit from its companies. Where either fails, a sound company may still struggle to raise.

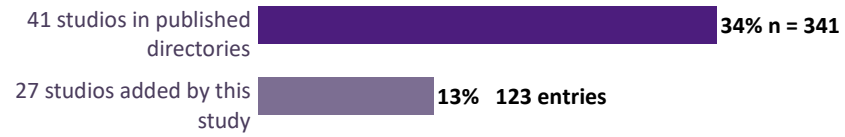
[25] McKinsey & Company, *"The way to win in corporate venturing: Serial building and AI"* (October 2025). Online survey of 715 senior executives at companies with annual revenue above $100 million, May 2025.

Recorded funding rates are higher where studios are better documented, so directory-based benchmarks may overstate outcomes

The 27 studios this study adds record an external round for 13 percent of their 123 portfolio entries, against 34 percent of the 341 entries at the 41 studios in published directories ($p < 0.001$, Exhibit 32). Entries cluster within studios, and the difference is weaker when studios are compared. Seven of the 17 additions with at least three disclosed entries have at least one funded company, against 21 of 28 listed studios, with median funding rates of 0 and 24 percent, but only one of four studio-level tests clears the correction threshold. Neither one portfolio nor structure explains the difference. Listed studios remain at 29 percent without the largest portfolio, and among single entity studios the rates are 19 percent for listed studios and 13 percent for additions.

EXHIBIT 32

Studios already in published directories record nearly three times the funding rate of those added by this study



January 2019 to September 2026. n is the number of portfolio entries. One company listed by a studio in each group counts in both, and removing it leaves both rates unchanged. Published directories are the two Briter publications, the white paper annex and the African Venture Studio Summit Directory 2026.
Sources: Africa: The Big Deal; authors' directory and analysis.

In North Africa, the constraint may be cross-border structure rather than the companies

North African portfolio entries have the lowest recorded funding rate of the four regions, at 17 percent. Neither of the two Tunisian studios has a recorded external round among its ten disclosed portfolio entries. The eight funded companies have raised $4.2 million of disclosed external capital between them, 0.2 percent of the capital traced into studio companies. Tunisia's 2018 Startup Act has eased capital entry for labelled startups, which may open a foreign currency account, acquire assets abroad or take stakes in foreign companies without prior authorisation.[26] Published reporting points to a further possible constraint. GoMyCode, one of Tunisia's best known startups, moved its headquarters to the Netherlands to raise in euros from investors in Dubai, the United Kingdom and France, and its co-founder described going international for a Tunisian startup as "almost impossible".[27] The African Development Bank describes investors in Egypt asking startups seeking larger rounds to set up an offshore holding company in a jurisdiction offering "better protections and easier transactions".[28] AVCA data put the share of venture deals between 2014 and 2019 that went to African startups

[26] Republic of Tunisia, Startup Act (Law 2018-20), benefits for labelled startups, https://startup.gov.tn/en/startup_act/benefits_to_Startups.

[27] Launch Base Africa, *"Will funding finally flow to Tunisian startups? New foreign currency rules challenge the status quo"* (26 November 2024), quoting Yahya Bouhlel, co-founder of GoMyCode. The same article reports a proposed provision in Tunisia's 2025 finance law that would allow residents to open foreign currency accounts.

[28] African Development Bank, *Entrepreneurship in Egypt Case Study: Policy Recommendation to Reverse Establishment of Startups Outside Egypt* (28 March 2024).

headquartered outside Africa at 21 percent.[29] The AVCA figure shows that offshore incorporation is common across the continent, but it does not by itself explain North African funding rates.

If offshore holding structures and clear exit routes are prerequisites for some investors, locally incorporated companies may face added barriers to larger rounds regardless of quality, which would point towards examining cross-border investment and exit rules alongside early-stage support. This remains a hypothesis, resting on 47 entries, eight funded companies and published reporting from Tunisia and Egypt, and no North African studio, founder or investor has yet been interviewed.

Studio stakes vary widely and are not recorded

The FMO, GIZ SAIS and Briter white paper reports studio stakes from 20 percent to more than 50 percent, with venture-oriented studios generally below 30 percent. The Global Startup Studio Network separately reports an average studio stake of 34 percent, from a different population and method. The most transparent African example, a Côte d'Ivoire studio, publishes terms of 25 percent for an in-kind build valued at €500,000 and a further 12.5 percent for €250,000 in cash from its partner co-investment vehicle. Both published sources give a combined pre-seed stake of 32.5 percent, which the two terms do not reproduce, so the combined stake remains unconfirmed.[30]

Studio ownership can also affect how outside investors assess the management team and founder incentives. In a survey of 885 institutional venture capitalists, the management team is most often cited as the most important factor, ahead of business model and market.[31] Where a studio holds more equity than the founding team, outside investors may question how control and founder incentives are structured, and interview evidence describes a studio moving towards existing businesses partly because fundraising is easier when it does not own the whole cap table. No dataset records studio stakes, so their effect on funding rates cannot yet be tested.

Investors and DFIs can weigh a studio's own capital now, and ask for the stakes and build routes no dataset records

A studio's own capital is the marker most consistently associated with reaching an external round, and a signal for investors and development finance institutions to track while evidence on its cause builds (Exhibit 33). Build route and studio stake, which could explain much of the difference it marks, are not yet recorded anywhere, so investors can close the gap at diligence by asking studios for both. The markers support diagnosis rather than prediction, since no weights are estimated and none is shown to cause a company to raise.

[29] Launch Base Africa, *"Africa Incorporated: Is it time to domesticate the Delaware flip?"* (21 January 2026), citing AVCA data.

[30] FMO, GIZ SAIS and Briter, *Venture Studios in Africa* (2026), Chapters 1 and 3. Global Startup Studio Network, *GSSN Data Report (2022).* *Launch Base Africa*, "*The diaspora founder formula behind Côte d'Ivoire's most prolific venture studio*" (24 February 2026). TechCabal, "*Can a Lagos tech idea work in Abidjan? Mstudio is betting on this*" (15 September 2025).

[31] P. Gompers, W. Gornall, S. Kaplan and I. Strebulaev, "*How do venture capitalists make decisions?*", *Journal of Financial Economics* 135(1), 2020, 169 to 190.



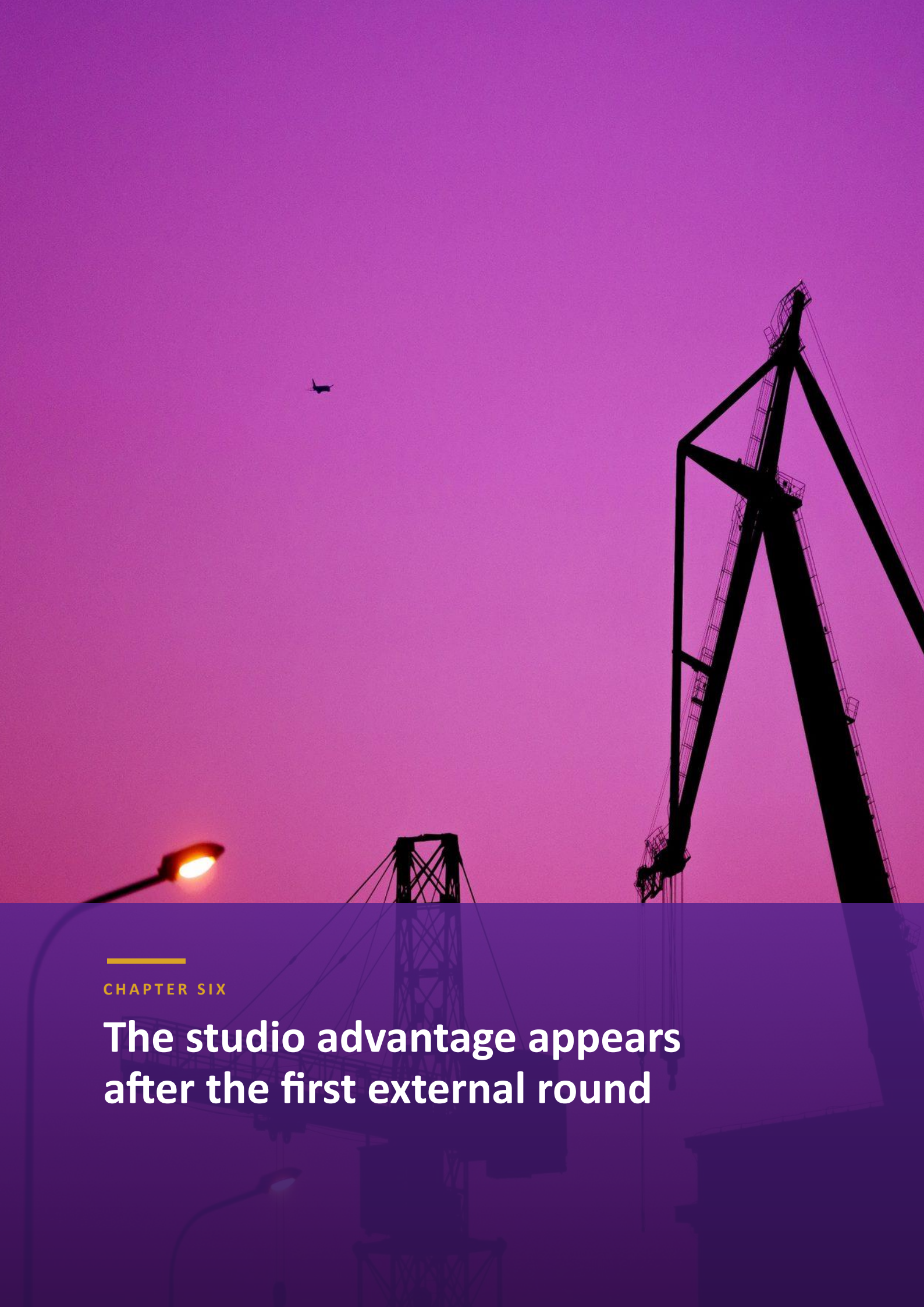
EXHIBIT 33

One fundability marker is strong and two are qualified associations, while build route and studio stake remain untested

Marker	Finding	Evidence	See
Capital to co-invest	Companies at studios with their own funds reach an external round at 52%, against 17% at single entity studios, and 69% of those funded raise again, against 29%	◑ Qualified	Exhibits 29 and 15
Visibility to investors	Companies at studios in published directories reach an external round at 34%, against 13% at studios not yet listed	◑ Qualified	Exhibit 32
Progression to a second round	Half of funded companies raise again within 24 months, yet 52% have recorded no round in the past two years	● Strong	Exhibits 16 and 17
An outside investor in the first round	Companies whose first round did not include their own studio raise again at 62%, against 37% where it did	◔ Indicative	Chapter 5
Sector	Nine of 10 funded logistics companies raised again, against four of 13 in healthcare	◔ Indicative	Exhibit 20
Ease of investing and exiting	Funding rates range from 38% in West Africa to 17% in North Africa, where offshore structuring may be one constraint	◔ Indicative	Exhibit 21
Build route	Not yet recorded across portfolios. Confidential data put companies built from scratch at about 2% of follow-on capital, a figure that cannot be generalised across studios	○ Untested	Chapter 5
Studio stake	Published stakes range from 20% to more than 50%, and no African dataset records them	○ Untested	Chapter 5

Evidence grades follow the definitions in Annex E, and significance tests are in Exhibit 40.
Sources: Africa: The Big Deal; studio interviews, October 2026; sources cited in this chapter; authors' analysis.

A studio's own capital matters at the first external round and again at the second. It marks which studios' companies reach a first external round, and Chapter 6 shows that the follow-on advantage sits there too, with 69 percent of funded companies at studios with their own funds raising again, against 28 percent of other startups. That pattern supports the white paper's central finding once companies have raised.



CHAPTER SIX

The studio advantage appears after the first external round

Chapter Six

The studio advantage appears after the first external round

Studio companies that secure a first external round go on to raise again more often than other startups, most clearly at studios with their own funds. Once companies have raised, the African record supports the central finding of the FMO, GIZ SAIS and Briter white paper, and its observation that studio companies raise larger first rounds. Other published findings, several drawn from international benchmarks and practitioner materials, cannot yet be confirmed on African data, and none is contradicted by it.

48% vs 28%
of funded companies raise a second round within 24 months, studio against other startups

69% vs 29%
of funded companies raise again, studios with their own funds against single entity studios

$500,000
median first recorded external round for studio companies, against $200,000 for other startups

The second round is where the studio advantage shows

Funded studio companies raise a second round within 24 months at 48 percent, against 28 percent for comparable startups, and after allowing for region and first round year their odds of doing so are 2.21 times as high (Chapter 3). The second round is where early external capital either compounds or stalls. Across the comparison cohort, 64 percent of studio companies have recorded no round since September 2024, against 84 percent of other startups. A higher follow-on rate means more companies reach the scale at which exits and share sales recycle capital into new companies (Chapter 1).

Two explanations fit the advantage, and the data do not yet separate them. The **first is capital to follow on.** Companies of studios with their own funds raise again at 69 percent, against 29 percent at single entity studios, the rate of other startups, and one reading is that the capacity to keep backing a company matters as much as building it. **The second is selection**, since studios filter ideas before any investor sees them, and studios with funds also back companies they did not build. The result also leans on the largest portfolio. Without it, the studio rate falls to 39 percent and the difference is no longer statistically significant, so the pattern holds in the full sample while its cause remains open (Chapter 9).

A funded studio company offers investors a stronger record of reaching its next round than other funded startups, most clearly where the studio can follow on. Studios and their funders see the model's value most clearly after the first external cheque, which makes reaching that cheque, and holding capital to support companies beyond it, the priorities Chapter 8 addresses.

Most published findings await larger African cohorts and new data to be tested locally

Exhibit 34 sets seven published findings against the deal record, with studio companies and other startups drawn from the same source so that definitions, thresholds and dates match. Two are supported, two are not reproduced on cohorts too small to settle them, and three cannot be tested directly with the data available.

EXHIBIT 34

The African record supports two published findings, and five await larger cohorts or new data

Published finding	Source	This study	Verdict
One in two studio-built companies raise follow-on funding (40% or 49% in Figure 5, by edition)	FMO, GIZ SAIS and Briter, 2026	27.2% of all portfolio companies record a first external round. Among funded companies (2021 to 2024 cohort), 48% raise a second round within 24 months, against 28% of other startups, and 69% at studios with their own funds against 29% at single entity studios	**Holds** after the first external round, mainly for studios with their own funds, while the whole-portfolio first round rate is lower
72% of seed funded studio companies reach Series A, against 42% of startups	GSSN, 2020	7% to 17% of studio companies whose first round was seed stage (four companies under every definition), against 9% to 17% of startups outside studios	**Not reproduced, on a cohort too small to settle the question**
Studio companies reach seed funding about a year sooner	FMO, GIZ SAIS and Briter, 2026, and Pog, 2023	Median two years from launch to first recorded external round (78 companies launched 2019 or later)	**Not testable directly**, with no matched comparator
Studio companies raise larger first follow-on rounds	FMO, GIZ SAIS and Briter, 2026	Median first recorded external round $500,000, against $200,000 for startups outside studios (2021 to 2024 cohort)	**Consistent**, though the measure differs from Briter's first follow-on ticket
Studios improve the odds of an exit	Practitioner materials	2.4% of funded studio companies have a recorded acquisition, against 2.9% of other funded startups (p = 1.0)	**Not reproduced, on a cohort too small to settle the question**
The studio model widens access for underrepresented founders	Practitioner materials	12.9% of funded studio companies have a female chief executive, against 16.7% of others (p = 0.32)	**Not testable directly, and the nearest measure shows no significant difference**
Studios de-risk agriculture, climate and logistics	FMO, GIZ SAIS and Briter, 2026	Studio companies are 7.9% of funded energy and water companies, but 4.3% of agriculture and 4.2% of logistics, below their 4.9% overall share	**Not testable directly**, with studio share above the overall 4.9% only in energy and water

Comparators: funded African startups in the same deal record with no connection to the 68 studios. Studio companies include those built, co-created or invested in, while the first finding concerns built companies (cohort in Exhibit 15). Series A: four definitions of a seed-stage first round, with and without a 24-month window (studio companies 4 of 23 to 4 of 58, other startups 47 of 279 to 62 of 669), none significant. Fisher's exact tests, unadjusted. Exit: a recorded acquisition. Holds: an equivalent test reproduces the finding. Consistent: same direction, different measures. Not reproduced: an equivalent test does not find the advantage, which does not show that none exists. Not testable directly: the deal record cannot measure it. Female-led and female-founded are different measures. The white paper reports first follow-on tickets of $500,000 against $200,000 after an accelerator, the comparison matched here, and $320,000 against $215,000 in its Chapter 3.
Sources: as listed, Africa: The Big Deal and authors' analysis.

The international Series A benchmark describes a different market

Across the four definitions tested, the African studio rate ranges from 7 to 17 percent, with no statistically significant difference from other startups. The 72 percent figure is the most widely cited statistic in the studio literature. Its source does not publish a sample size or cohort window and draws on studios that chose to report, so it describes a different population from African portfolios.[32] The African range rests on four studio companies reaching Series A under every definition, so it cannot rule out an advantage either. African studios are therefore better underwritten on African evidence.

Exits are too rare to compare, and the gap in female chief executives is not significant

Recorded acquisitions are too few to establish a difference in exit performance, with three funded studio companies recording one, even as venture-backed exits across the wider market reached a record 34 in 2025.[33] Founder access cannot be tested, because no dataset records the gender of founders entering studios. On the nearest available measure, female chief executives lead 12.9 percent of funded studio companies, against 16.7 percent of other funded startups ($p = 0.32$). Because a studio selects and recruits its founders, it shapes who leads its companies more directly than an external investor does, so the 3.8 percentage point gap is relevant even though it is not statistically significant. The data do not show whether that control widens or narrows access for underrepresented founders. Female-founded startups took 19 percent of African equity deals and 10 percent of equity funding in 2025, a market-wide measure based on founder gender that is not directly comparable with these results.[34]

The case for studios is strongest after the first external cheque

Studio companies that raise a first external round show a follow-on advantage, concentrated at studios with their own funds, and their first recorded rounds are larger. Faster funding, a higher Series A rate, more exits, wider founder access and sectoral de-risking remain to be tested on larger African cohorts and new data, and no significant result contradicts any of them. The studio model therefore shows its value most clearly after the first external cheque. Chapter 7 examines why so many companies stall before it.

[32] Global Startup Studio Network, *Disrupting the Venture Landscape* (2020). The 72% and 42% figures are conditional on a seed round, and no sample size, cohort window or definition of Series A is published. Returns figures that accompany them (a 53% IRR and 5.8x TVPI) are survey based and in part self-reported.

[33] African Private Capital Association (AVCA), *2025 Venture Capital in Africa Report* (2026).

[34] Partech, *2025 Africa Tech Venture Capital Report* (January 2026).



CHAPTER SEVEN

Studio support tapers as companies mature, with stalled rounds still to be explained

Chapter Seven

Studio support tapers as companies mature, with stalled rounds still to be explained

The deal record shows where recorded financing stops but cannot show why. Practitioner interviews describe support with no formal graduation date, and most explanations for a stalled round remain untested until portfolio founders and external investors are interviewed.

In practitioner accounts, studio support tapers with no formal graduation point

Practitioner interviews describe a model with no cohorts and no graduation date (Exhibit 35**),** and Exhibit 36 draws the taper they describe. The report's milestone, the first external round, is observable in the deal record, though studios do not necessarily treat it as the end of support.

EXHIBIT 35

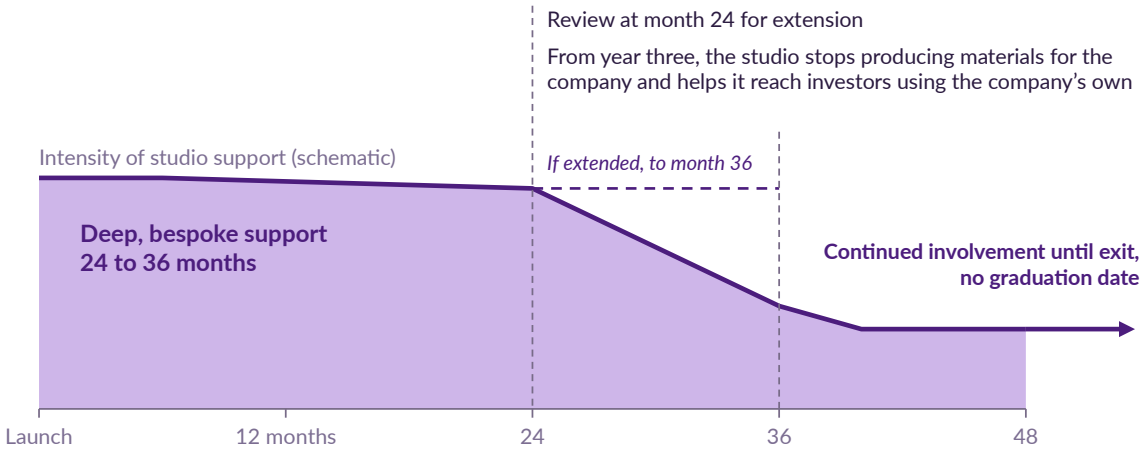
Practitioners describe support that tapers over two to three years, with no graduation point

Feature	What practitioners describe
Structure and duration	No cohorts and no formal graduation date. Deep, bespoke support for 24 to 36 months, reviewed at month 24 and extendable.
Later phase and end point	From year three, the studio stops producing materials for the company and helps it reach investors using the company's own materials. Support can continue after spin out, and companies never fully leave until exit. The first external round after the studio's investment is the cleanest available marker, though imperfect, because studios do not build only from scratch.

Practitioner interviews, October 2026 (Annex C). The account describes studio practice as reported in interviews and does not establish a pattern across the industry. Source: interviews, October 2026.

EXHIBIT 36

In practitioner accounts, support tapers from deep involvement to investor access, with no graduation date



Schematic drawn from the practitioner accounts in Exhibit 35. The intensity of support is illustrative and was not measured. The dashed segment shows an extension after the month 24 review, and the arrow involvement that continues to exit.
Source: interviews, October 2026.

The first external round therefore marks a financing event, and studio support continues after it. It needs no studio cooperation and matches a marker proposed in the interviews. The round may predate the studio's involvement in a company it invested in, and the deal record does not date that

involvement. Time to first round runs from launch, so it measures company age at that round. It does not measure the length of support.

Eleven possible bottlenecks, none yet tested with founders or external investors

Eleven mechanisms could stall a first round (Exhibit 37). They are hypotheses, unranked and not exhaustive, and only one finds indirect support in the deal data.

EXHIBIT 37

A shallow pool of later stage investors is the one bottleneck the deal data indirectly support, and seven await founder and investor evidence

Bottleneck	What it looks like	What the evidence shows
Growth capital gap	Early rounds close, but few investors, and few African ones, write later rounds	African investors hold 9% of named participations at Series B and 4% after, and 52% of funded companies have no recorded round in two years. Indirectly consistent, though neither measure establishes the cause
No lead investor	Several soft commitments, with nobody willing to price the round	Announcements name a lead in 23 of 69 multi-investor first rounds, and the record cannot show how often a round lack one
Cap table objection	An investor raises the studio's shareholding as a negotiating term	Raised in practitioner interviews (Chapter 5), not yet tested with external investors
Cross-border structure	Investors ask for a holding company outside the country before investing in larger rounds	Described in published reporting from Tunisia and Egypt, untested in the deal data
Further hypotheses	Incumbent cap table (talks with existing shareholders stall the round), slow documentation after an investor decides, studio dependency (core functions still inside the studio), reporting gap (accounts rebuilt for diligence), governance gap (no independent oversight of the chief executive), thin traction (retention or margin not yet evidenced) and runway compression (terms accepted under cash pressure). Each awaits founder and investor evidence.	

Bottlenecks may differ by build route. An incumbent cap table is most likely where other shareholders preceded the studio, as in companies it invested in, and studio dependency where the studio still runs core functions, as in builds. Testing this needs the built, co-created or invested tag in Chapter 9, with each studio's stake and date of involvement.
Sources: Africa: The Big Deal (Chapters 4 and 5), interviews (Annex C), reporting cited in Chapter 5 and authors' analysis.

Where rounds stall therefore remains a set of testable hypotheses, and the one indirectly consistent with the deal data points to a shallow pool of later stage investors. Chapter 8 sets out what funders, studios, investors and policymakers can act on now, and what they should test first.



CHAPTER EIGHT

Make first rounds measurable, then pilot what lifts them

Chapter Eight

Make first rounds measurable, then pilot what lifts them

The largest gap is at entry. Portfolio funding rates differ most from the published benchmark at the first external round, and the advantage over other startups appears only after it, mainly at studios with their own funds. The evidence locates the problem more firmly than it identifies the remedy, so each implication in Exhibit 38 carries one of three labels. Ready now marks actions the findings support directly. Pilot marks actions where the findings establish the gap but not the remedy. Test first marks actions whose underlying proposition is untested.

EXHIBIT 38

Reporting actions rest on strong evidence, while financing interventions should be piloted or tested first

Audience	Action	Evidence	Approach
DFIs, LPs and donors funding studios	Require studios to report every portfolio company's launch year, build route and whether it reaches a first external round within 36 months of launch	73% of the 456 portfolio companies have no recorded external round, a share no published benchmark reports for whole portfolios. Entries at studios not yet in published directories raise less often (13% against 34%)	Ready now
	Pilot first round co-investment alongside a committed, independent outside investor, and scale it only if the funding rate rises against comparable studios	Whether co-investment changes the 73% is untested	Pilot
	Pair single entity studios with a committed co-investment partner or sidecar vehicle suited to their capital needs and governance	52% of entries at studios with their own funds reach an external round, against 17% at single entity studios. Once funded, companies of single entity studios raise again at the rate of other startups (29% against 28%)	Pilot
	Assess the case for cornerstone commitments to African funds able to lead Series B rounds	African share of named participations falls to 9% at Series B and 4% after, while 13 rounds at Series B and later carry $1.13 billion, 46% of disclosed studio company capital	Test first
Studio founders and operators	Decide before the build how each company will reach its first outside investor, whether through the studio's own fund, a committed partner fund or an agreed syndicate	Entries at studios with their own funds reach an external round at three times the rate (52% against 17%), and their funded companies raise again at 69% (2021 to 2024 cohort). Studio funds are among the most frequent investors in East and Southern Africa, and a Côte d'Ivoire studio enters each first round with a partner investor in place	Ready now
	Test whether publishing the studio's stake, a ceiling on it and the terms on which it falls changes investor interest	Published examples range from 20% to more than 50% and investors weigh founder control, but no consistent stake record exists across portfolios, so the effect is untested	Test first
	Report funding rates by launch year for every portfolio company, and tag each as built, co-created or invested	Without a consistent tag, outcomes of built, co-created and invested companies cannot be compared	Ready now

Audience	Action	Evidence	Approach
Investors	Use studio portfolios as a source of first cheque deals, and line up follow-on investors early, since few return	71% of the 222 investors in first external rounds appear in only one, and none in more than eight	Ready now
	Weigh whether the studio has its own fund when judging a company's prospects for a second round	Funded companies raise again at 69% at studios with their own funds, against 29% at single entity studios and 28% for other startups (2021 to 2024 cohort)	Ready now
	Before investing, establish each company's build route, the studio's stake and the cap table history	The studio's role and stake may differ by build route	Ready now
Policymakers and industry bodies	Set a common disclosure standard covering every company, its launch year, build route and status (active, dormant, acquired or closed), updated each year	27 verified studios are not yet in published directories, and their portfolio entries have a lower recorded funding rate (13% against 34%)	Ready now
	In North Africa, test whether cross-border investment and exit rules constrain financing before designing further early-stage programmes	North African funding rate of 17% across 47 portfolio entries. Tunisia has eased capital entry, but published reporting describes startups relocating abroad to raise	Test first

Ready now actions rest on current evidence and cost little to adopt. Pilot actions are promising and should be trialled at small scale against comparable studios. Test first actions need more evidence before any commitment.

1 Funders should ask studios to report how many companies reach a first external round

A follow-on rate describes companies that investors have already selected. Development finance's share of commitments to African venture funds is falling (Chapter 1), so funders need clearer evidence of how studio companies reach external capital. The share of all portfolio companies reaching a first external round within a defined window is the earliest milestone on the route to the exits and share sales that recycle capital (Chapter 1), and it varies widely across studios. Funders who require it would also create the dataset this report assembled from public sources. The evidence does not show that first round co-investment would lift that share, nor how often first rounds lack a lead. Co-investment committed only alongside an independent outside investor is meant to limit the risk of funding companies no one else would back, though it cannot guarantee independent underwriting. Such co-investment should be piloted against comparable studios, matched on structure, sector and company vintage, with the first-round funding rate across each full portfolio as the measure, before it is scaled.

2 Studio founders should design the first round into the studio model

A studio should know before it builds how each company will reach its first outside investor. The structural finding is an association, and it does not prescribe a fund for every studio.

McKinsey reports fewer first-time private equity funds in 2025 than at any point in the past decade, and the white paper warns that dual entity studios risk drifting into conventional venture investing.[35] A committed partner fund, as in one Côte d'Ivoire studio's partnership with Ring Capital, may therefore offer much of the benefit of a studio's own fund, though its cost and outcomes have not been tested. A published ceiling on the studio's stake, with defined terms for reducing it as the founders take over, could turn an argument in diligence into a term the investor has already priced, though its effect is untested.

3 Investors gain a first cheque channel, but follow-on depends on studio funds

Investors drawing on studio portfolios meet few repeat investors at the first round and see companies that have passed a studio's selection. The second-round advantage sits with studios that have their own funds, while companies of single entity studios progress at the rate of other startups. Investors should therefore underwrite the studio's capacity to follow on, and each company's build route, as carefully as the company itself. Ownership and financing risks may differ between companies a studio built, co-created or invested in.

4 Policymakers and industry bodies should make the denominator visible

Information is the most important public good in this market. A disclosure standard agreed among studios and their funders, listing every company, its launch year, build route and status, would make the funding rate across whole portfolios easier to calculate and extend benchmarks beyond the studios that can be documented today. In North Africa, the next step is to test whether cross-border investment and exit rules constrain financing, before any new early-stage programme or reform is designed.

A reporting standard that covers every portfolio company has the strongest evidence behind it, and it would also produce the data the pilots and tests depend on. Chapter 9 sets out the questions that data needs to answer.

[35] McKinsey & Company (2026), *Clearer View, Tougher Terrain*, *and* *FMO, GIZ SAIS and Briter (2026)*, Chapter 5.



CHAPTER NINE

Evidence on build routes and studio stakes would test the report's central findings

Chapter Nine

Evidence on build routes and studio stakes would test the report's central findings

The report establishes how many studio companies reach a first external round, and the next question is why some studios do better. Its two strongest comparisons, higher funding rates at studios with their own funds and the follow-on advantage after a first round, could reflect what studios do or which companies they choose to back. Four company records would separate the two, led by each company's build route and the studio's stake (Exhibit 39).

EXHIBIT 39

Four company records would test the central findings most directly

Evidence gap	What would close it	Finding it would test
COMPANY RECORDS THAT WOULD TEST THE CENTRAL FINDINGS		
Build or pick	A built, co-created or invested tag for every company, defined by who originated the idea, recruited the founders and provided first capital, with the date of studio involvement. Comparing funding rates across the routes, counting only rounds after the studio's involvement, is the most important test of the structural finding	Structural association (Chapter 5), second round advantage (Chapter 3) and bottlenecks (Chapter 7)
Studio stakes	The studio's stake at formation and immediately before and after each company's first external round	Studio ownership (Chapter 5)
Vintage	The launch year of every portfolio company, to report funding rates by founding cohort and compare time to first external round with same-cohort startups outside studios, including those yet to raise	Pooled headline rate and time to first external round (Chapter 3)
Companies that have not raised	A comparison of the 124 funded companies with the 332 without a recorded round by sector, launch year, studio stake and studio capital, with registry checks on which of the 332 still operate	Headline rate and survivorship bias (Chapter 3)
STRICTER TESTS OF THE COMPARISONS		
Studio-level inference	A studio sample large enough for multilevel models, with studio-level sensitivity tests reported for every clustered comparison	Second round advantage (Chapter 3), structural association and visibility gap (Chapter 5)
A comparator at entry	Complete cohorts from a defined set of African accelerators, including startups that never raised, measured on the same launch year, external round and window definitions	Comparison with startups outside studios (Chapter 3)
Legal availability of the dual entity	Whether a separate fund was legally and practically available to each studio in its jurisdiction when it was formed, with the structural comparison repeated within that group	Environment explanation for structure (Chapter 5)
Mandate	A consistent classification of studios as commercial, impact oriented or blended, separating stated mandate from investment practice, tested against funding rates	Structural association (Chapter 5)
Founder access	Founder and chief executive gender for every portfolio company, funded or not, and, with studio records and consent, for the founders a studio recruits or declines	Founder access (Chapter 6)



Evidence gap	What would close it	Finding it would test
EVIDENCE ON MECHANISMS AND COVERAGE		
Founder and investor evidence	Interviews with founders, investors and more studios, checked against transaction records, to locate where rounds stall. None of the eleven bottlenecks yet rests on founder evidence	Bottlenecks (Chapter 7)
Investor profiles and leads	Profiles of all 451 named investors with cheque size and mandate where available, and founder confirmation of the lead in the 46 multi-investor first rounds whose announcements name none	First cheque market (Chapter 4)
North Africa	The cross-border hypothesis tested with studios, founders and investors in the North African markets covered, and against startups outside studios in the same markets	North African hypothesis (Chapter 5)
Wider coverage	Assessment of the five studios profiled only in the Summit Directory, and verified records of the 27 additions shared with directory publishers	Coverage of the sample (Chapter 2) and the visibility gap (Chapter 5)

All four company records are covered by the disclosure standard proposed in Chapter 8.

Sources: Africa: The Big Deal and authors' analysis



TECHNICAL ANNEX

Data, methods and the studio register

Technical annex

A. Data, matching, statistical methods and limitations

A.1 Data

Round and investor data come from Africa: The Big Deal, covering 1 January 2019 to 30 September 2026, and are used with their permission. The report refers to them as the deal record. After one duplicate was removed, the deals database holds 4,678 announced transactions, and the investors database holds 2,625 investors. The source records rounds of $1 million and above in 2019, $500,000 and above in 2020 and $100,000 and above from 2021. Amounts are nominal US dollars as recorded, without inflation adjustment. Name variants of the same institution are merged, and placeholder or unidentified names are excluded from investor counts. The studio directory and portfolio records were compiled and verified in October 2026, and all calculations are held in the analysis workbook dated 16 October 2026.

A.2 How the 464 portfolio entries were built

1. Each company a studio listed publicly between August and October 2026, on its website or in published disclosures, is one portfolio entry. Companies a studio has stopped listing fall outside the denominator, which may raise the headline rate (Exhibit 42 reports both.) The 68 studios list 464 portfolio entries, and the 19 studios that list no company stay in the studio count.
2. Company names were standardised before matching. Case, punctuation and bracketed former names were ignored, and an alias table links renamed companies. No studio lists a company twice, and eight companies appear in two studios' portfolios, so the 464 entries resolve to 456 companies.
3. Each company was matched to the deal record by name and confirmed by website where both sources give one. Six matches with differing websites were reviewed individually, and records sharing a name but belonging to a different business were rejected. One of the six could not be verified, so it counts as a company with no recorded external round. Accepting the match would raise the headline rate to 27.4 percent (Exhibit 12).
4. A company is counted as funded if at least one matched round names an outside investor (Annex A.3). Its rounds, capital and investors are attached to the company once, and to each of its portfolio entries where a comparison by studio needs them.

A.3 Counting rules

1. **Analyses of companies use the 456 companies, and comparisons between studios use the 464 portfolio entries**. The headline rate, the round funnel, the investor analysis and the comparison with startups outside studios count companies. Comparisons by structure, region, country and Briter listing count entries. Median funding rates by studio cover studios with three or more disclosed companies.
2. **A round is external if it names at least one investor other than the studio or its own fund.** Rounds funded only by the studio or its fund are excluded, and unnamed angels alongside the studio do not make a round external. Debt and grants from an outside party count as external rounds, though not as equity. A round naming no investor stays external unless something indicates studio

funding. The 456 companies have 332 recorded rounds other than acquisitions. The studio alone funded 16, leaving 316 external rounds, of which 303 name an outside investor and 13 name none. Because a company counts as funded only if a round names an outside investor, the 124 funded companies do not rely on the 13 unnamed rounds. Only the studio and its own fund are treated as affiliated. Two investors with published links to one studio count as outside investors, and treating both as affiliated would lower the headline rate to 26.3 percent (Exhibit 12).

3. **Mergers and acquisitions are counted separately as exits and excluded from funding rounds.** No studio company has a recorded initial public offering.
4. **Undisclosed amounts are treated as missing and excluded from capital totals.**
5. Time to first external round covers companies launched in 2019 or later, so that earlier rounds outside the record are not missed. Launch year comes from the deal record and exists only for companies with a recorded round. The second-round comparison uses first rounds from January 2021 to September 2024. The window opens once the source's threshold settled at $100,000 and closes early enough to give every company 24 months of record afterwards. All other analysis uses the full record from January 2019 to September 2026.
6. Investor participations count named investors only. A later round enters the continuity measure in Chapter 4 if it and an earlier round of the same company each name an investor. An investor returns when the same standardised name appears in the later round and in any earlier round, ordered by date.
7. **Funding rates are not reported for groups with fewer than ten observations, and counts are given instead.** The stage shares in Exhibit 24 are descriptive and shown for every investor profiled, except the two studio vehicles.
8. **A first-round lead is recorded only where a published announcement of the round states that an investor led or co-led it.** No lead is inferred from cheque size, order of mention or seniority. Investor and lead analyses use each funded company's first external round that names an investor.

A.4 Statistical methods

Every figure comes from our analysis workbook dated 16 October 2026. We rebuilt the analysis separately, repeating the name matching between the portfolio lists and the deal record, and reproduced every reported count. The clustered and permutation tests come from that rebuild, which also reconstructs the comparator group for the second round comparison, within five companies of the 1,612.

Confidence intervals on proportions are 95 percent Wilson intervals. The second round comparison uses a Mantel-Haenszel odds ratio stratified by region and first round year, with Robins, Breslow and Greenland confidence intervals and a Mantel-Haenszel test with continuity correction. The comparison by studio structure uses a Mantel-Haenszel odds ratio stratified by region, alongside a Mann-Whitney test of funding rates by studio. Other comparisons between two groups use Fisher's exact test, and the comparison across four regions a chi-square test. An odds ratio compares odds, not probabilities, so an odds ratio of 2.21 does not mean a group is 2.21 times as likely to raise.

Units and clustering. Tests on companies count each company once, and tests on portfolio entries count a company once for each studio that lists it. Entries cluster within studios, as do studio companies in the second-round comparison. Every principal clustered test was therefore checked at

studio level, with standard errors clustered by studio and, for portfolio entries, a permutation test that reassigns labels across whole studios. Exhibit 40 reports both.

Multiple testing. The Bonferroni correction covers 15 tests, made up of the ten findings in Exhibit 40, three further specifications in Exhibit 14 (sector, early stage and launch since 2019) and the two structure subgroups in Exhibit 15. Clustered regressions and permutation tests of the same hypothesis are not counted separately, while the rank test of studio funding rates examines a different hypothesis and is counted. At the corrected threshold of 0.0033 (0.05 divided by 15), only the difference by studio structure holds once clustering within studios is accounted for, with $p < 0.001$ in both the clustered regression and the permutation test. Exhibit 40 reports the result for every other finding. A result that is not significant does not show that no difference exists.

EXHIBIT 40

Only the higher funding rate at studios with their own funds holds once multiple testing and clustering within studios are accounted for

Finding	Test	Result	Survives
Holds after correction and clustering			
Funding rate, own fund vs single entity studios	Mantel-Haenszel by region, clustered regression, permutation	52% vs 17%. OR 5.8 (3.4 to 9.8), clustered OR 5.7 (2.9 to 11.4), all $p < 0.001$	Yes
Significant at the 5% level, not after correction			
Second round within 24 months, studio companies vs other startups	Mantel-Haenszel, by region and first round year	48% vs 28%. OR 2.21 (1.39 to 3.52), $p = 0.001$. Clustered $p = 0.006$	No, once clustered
Studio funding rates, own fund vs single entity	Mann-Whitney	Medians 50% and 7.8%, $p = 0.004$	No, narrowly
Studios not yet in published directories vs listed studios	Fisher's exact, three studio-level tests	13% vs 34%, $p < 0.001$. Studio-level $p = 0.0028$ to 0.03	In one of four studio-level tests
Raised again, own studio in first round vs not	Fisher's exact	37% against 62%, $p = 0.03$	No
Not significant			
Second round, excluding the largest portfolio	Mantel-Haenszel	39% against 28%. OR 1.60 (0.93 to 2.77), $p = 0.12$	No
Funding rate across the four regions	Chi-square, clustered regression	38%, 25%, 26% and 17%, $p = 0.015$. Clustered $p = 0.69$	No
No round in two years, own fund vs single entity	Fisher's exact	43% against 60%, $p = 0.14$	No
Female chief executive, studio vs other startups	Fisher's exact	12.9% against 16.7%, $p = 0.32$	No
Exits, studio against other startups	Fisher's exact	2.4% against 2.9%, $p = 1.0$	No

OR is the odds ratio, with its 95% confidence interval. Results are corrected for multiple testing with a Bonferroni threshold of $p < 0.0033$ across 15 tests (Annex A.4). Clustered tests treat the studio as the unit, through standard errors clustered by studio or permutations of whole studios. Results significant at the 5% level but not after correction are reported as indicative. The specifications in Exhibit 14 are further tests of the second round comparison.
Sources: Africa: The Big Deal; authors' analysis.

A.5 Evidence ledger

Exhibit 41 grades each headline figure in the executive summary by how securely it is measured, and gives the caveat that applies to it.

EXHIBIT 41

Five headline measures are strong, while the comparisons that carry the argument remain qualified

Figure	Value	What it means	Caveat	Evidence
Studios in the verified sample	68	49 disclose portfolios	Limited to studios visible in public sources	● Strong
Companies assessed	456	Across the 49 disclosed portfolios	Studios may remove failed ventures from their websites	● Strong
Companies with an external round	124 (27.2%)	95% confidence interval 23.3% to 31.5%. 316 rounds, $2.45 billion	The reporting threshold lowers it and survivorship raises it. 26.3% to 28.9% across counting rules (Exhibit 12)	● Strong
Gap to Briter's benchmark	12.8 to 21.8 percentage points	27.2% against 40% and 49% at the first round, narrowing at later rounds	Different populations, sources and thresholds, so not a measure of underperformance	◑ Qualified
Second round within 24 months	48% vs 28%	Funded studio companies against other startups, 2021 to 2024 cohort	Holds with clustering (p = 0.006), not without the largest portfolio. Selection not ruled out	◑ Qualified
Funding rate by structure	52% vs 17%	Studios with their own funds against single entity studios	Holds with clustering. Build route not yet classified, so funds may select stronger companies	◑ Qualified
Studios not yet in published directories	13% vs 34%	The 27 additions against the 41 listed studios	Clears the corrected threshold in one of four studio-level tests	◑ Qualified
African share of participations	59% to 4%	Pre-seed against Series C and later	Named investors only. 19 first rounds include unnamed angels	● Strong
First round investors in only one first round	71%	Of the 222 first round investors (451 in all rounds), 71% appear in only one first round and none in more than eight	Named investors only, and 19 first rounds also include unnamed angels	● Strong
Seed to Series A	7% to 17%	Seed funded studio companies, against 72% cited internationally	Four reached Series A, too few to confirm or rule out an advantage	◔ Indicative

Strong rests on the full sample and describes how securely a figure is measured and makes no causal claim. Qualified is a strong association whose cause is unresolved, or whose significance depends on a subgroup or the unit of analysis. Indicative rests on interviews, published reporting or small cells. Untested means no data yet.
Sources: Africa: The Big Deal, FMO, GIZ SAIS and Briter (2026), authors' directory and analysis.

A.6 Limitations

EXHIBIT 42

Seventeen limitations bound the findings, and two act on the headline rate in opposite directions

Limitation	What it means	Effect on the findings
The sample is verified but not exhaustive	It covers studios identifiable from public sources in October 2026. Forty of the 68 are headquartered in Nigeria, South Africa or Kenya, and portfolio rates describe the 49 studios that disclose companies.	Rates describe studios that publish portfolios, direction unknown
The reporting threshold was higher before 2021	Small early rounds are under-recorded, particularly in 2019 and 2020, which taken alone pushes funding rates down.	Understates funding rates
Portfolio survivorship runs the other way	Studios may remove discontinued ventures from their published portfolios, in which case companies that failed early are under-represented in the denominator. The net effect of the two biases is unknown.	Overstates funding rates
The headline rate pools vintages	Launch years are recorded only for companies that raised, so 27.2% is a pooled rate across company ages, which cannot be read as a probability for a company of any given age.	Mixes company ages, direction unknown
Built, co-created and invested companies are not yet separated	Rates include companies studios backed without building them, whereas Briter's benchmark describes studio-built ventures. For companies a studio invested in, the first external round may predate the studio's involvement, which the record does not date.	Direction not established, though the second-round rate falls from 48% to 39% without the largest portfolio, whose fund also backs companies it did not build
The comparison with startups outside studios covers funded companies only	It cannot address entry, survival or time to first funding, and it cannot separate selection from the effect of the studio.	Limits the comparison but not the headline rate
Findings are associations	No comparison in the report is a controlled experiment, and selection, environment and build route can each produce the associations reported.	No finding establishes a cause
Structure is confounded with environment	Where a dual entity is not legally or practically available, single entity structure may proxy for the regulatory and capital environment. The structural comparison is adjusted for region but not for country.	Affects the structural association only
Participation is not leadership	The deal record names investors present in a round but not which led or priced it. Leads were taken from published announcements and are known for 23 of the 69 first rounds with two or more named investors.	Lead analysis covers a minority of multi-investor rounds, mostly the larger ones
Dormancy is an absence of record	A company with no recorded round in 24 months may still be operating profitably, may have been acquired without a recorded announcement, or may have raised below the threshold.	May overstate dormancy
Mandate is unrecorded	Studios are classified by structure but not by commercial, impact or blended mandate. Separately, seven studios with 35 portfolio entries could not be classified by structure.	Affects structural comparisons only
Classification of additions	For most of the 27 studios this study adds, cash investment and equity (conditions 4 and 5) are inferred from public sources without confirmation from the studio.	Could admit organisations that are not studios, direction unknown

Limitation	What it means	Effect on the findings
Matching is by name	Companies are matched to the deal record by name, confirmed by website where both sources give one (Annex A.2). A renamed company can be missed, and a different company with the same name can be merged into a studio company's record.	Direction unknown. Affects individual companies and leaves the method intact
Portfolio entries cluster within studios	Portfolio entries at the same studio share its practices, so they are not independent observations, and eight companies are listed twice. Companies in the second-round comparison cluster in the same way. Principal tests are supplemented by studio-clustered regressions and studio-level tests (Annex A.4).	Unclustered p-values overstate precision. The second-round comparison loses significance after correction, the visibility gap survives it in only one of four studio-level tests, and regional differences are not significant once clustered
Investor headquarters	3.2% of investor participations have no recorded headquarters. They sit in the denominator, so each regional share is a floor that could only rise if they were attributed.	Regional shares are floors, by up to 3.2 percentage points in total
The interview base is narrow	Interviews cover studio practitioners only, with founders and external investors not yet interviewed. Confidential portfolio figures could not be checked against other sources, and the North African analysis rests on published reporting.	Qualitative findings remain hypotheses
Concentration	Two companies hold 50.2% of all capital traced and five hold 64.0%, so the analysis weights counts, rates and medians above capital totals.	Totals depend on two companies, while rates and medians are far less sensitive to them

Two biases act on the headline rate in opposite directions, with the reporting threshold pushing it down and portfolio survivorship pushing it up, and their net effect is unknown. Sources: Africa: The Big Deal and authors' analysis.

A.7 Author interests

The authors have worked within or alongside Kenyan venture studios, three of which appear in the sample. Their records were coded and verified within the author team, under three safeguards. All three studios are named in both Briter publications, so their inclusion did not depend on the authors' judgement, and they were classified under the same rules as every other studio. Their funding records come from the third-party deal record, independent of the studios. An independent rebuild of the name matching reproduced every reported count. None of the three studios reviewed the report before publication or saw figures on any other studio.

Annex B. Representation tables and register of the 68 studios

Tables B.1 to B.4 set out the 68 studios and their 464 portfolio entries by country, region, structure and stated sector focus, with the share of entries in each group that reached an external round. Group totals count a company once for each studio that lists it. Table B.5 lists every studio.

B.1 Studios and funding rates by country

Country	Studios	Portfolio entries	Funded entries	Funding rate
Nigeria	16	110	41	37%
South Africa	13	103	28	27%
Kenya	11	134	40	30%
Egypt	7	33	8	24%
Ghana	3	18	4	22%
Ethiopia	3	8	0	n<10
Côte d'Ivoire	2	13	7	54%
Tunisia	2	10	0	0%
Morocco	2	4	0	n<10
Tanzania	2	2	0	n<10
Uganda	1	13	0	0%
Senegal	1	8	4	n<10
Rwanda	1	3	0	n<10
Zimbabwe	1	3	0	n<10
Angola	1	2	0	n<10
Pan-African	1	0	0	No portfolio
Sudan	1	0	0	No portfolio
Total	68	464	132	28%

B.2 Studios and funding rates by region

Region	Studios	Portfolio entries	Funded entries	Funding rate
West	22	149	56	38%
East	19	160	40	25%
Southern	15	108	28	26%
North	11	47	8	17%
Pan-African	1	0	0	No portfolio
Total	68	464	132	28%

B.3 Studios and funding rates by structure

Structure	Studios	Portfolio entries	Funded entries	Funding rate
Single entity studios	38	209	35	17%
Studios with their own funds	10	138	72	52%
Hybrid	9	47	8	17%
Unclassified	7	35	4	11%
Corporate embedded	2	15	6	40%
Donor backed	1	11	0	0%
Studio with a sidecar fund	1	9	7	n<10
Total	**68**	**464**	**132**	**28%**

B.4 Studios and funding rates by stated sector focus

Stated sector focus	Studios	Portfolio entries	Funded entries	Funding rate
Sector-agnostic	27	110	22	20%
Other specialised	11	53	7	13%
Fintech	8	98	47	48%
Multi-sector	8	74	26	35%
Agrifood and climate	4	51	15	29%
Climate and energy	4	51	9	18%
Health	2	20	6	30%
Deeptech and hardware	1	4	0	n<10
Health and e-commerce	1	3	0	n<10
Edtech	1	0	0	No portfolio
Other (social tech)	1	0	0	No portfolio
Total	**68**	**464**	**132**	**28%**

Funding rate is the share of the group's portfolio entries with an external round, shown only where the group has ten or more portfolio entries. Kenya includes one studio headquartered jointly in Kenya and Burkina Faso, counted once under Kenya, so the sample spans 16 countries plus one remote pan-African studio. A company listed by two studios counts in each studio's group. Stated sector focus is the studio's own description, grouped by the authors into mutually exclusive categories, where sector-agnostic studios state no focus, multi-sector studios name two or more unrelated sectors, and the other categories name a single focus.
Sources: authors' directory, Africa: The Big Deal.

B.5 Register of the 68 studios

Studio	Country	Region	Structure	Portfolio companies	Listed in
Identified in Briter's publications (41 studios)					
Resilience17	Nigeria	West	Dual entity, internal fund	47	White paper annex
Factor[e] Ventures / Factor[e] Lab	Kenya	East	Dual entity, internal fund	28	White paper annex
Enviu	Kenya	East	Single entity	25	Both publications
Kamelizer	Egypt	North	Unclassified	17	White paper annex
Delta40	Kenya	East	Dual entity, internal fund	16	Both publications
Fastforward	Nigeria	West	Dual entity, internal fund	16	Both publications
The Delta	South Africa	Southern	Hybrid	14	White paper annex
OneBio Venture Studio	South Africa	Southern	Single entity	13	White paper annex
Purple Elephant Ventures	Kenya	East	Single entity	13	Both publications
Rootical	Uganda	East	Unclassified	13	Both publications
Persistent Energy	Kenya	East	Dual entity, internal fund	12	White paper annex
Team Africa Ventures	South Africa	Southern	Dual entity, internal fund	12	White paper annex
Aions	South Africa	Southern	Single entity	11	White paper annex
Kinjani	South Africa	Southern	Donor backed	11	Both publications
CapaciTech	South Africa	Southern	Single entity	10	White paper annex
Next176	South Africa	Southern	Corporate embedded	10	White paper annex
MStudio	Côte d'Ivoire	West	Dual entity, sidecar fund	9	Both publications
FirstFounders	Nigeria	West	Single entity	8	White paper annex
Haské Ventures	Senegal	West	Single entity	8	Both publications
FireID	South Africa	Southern	Single entity	7	White paper annex
Methys	South Africa	Southern	Single entity	7	White paper annex

Studio	Country	Region	Structure	Portfolio companies	Listed in
1MoreThingVentures	Egypt	North	Single entity	6	White paper annex
Pyramidia Ventures	Kenya	East	Single entity	6	Both publications
Futurize	Kenya	East	Single entity	4	White paper annex
Neper Ventures	Côte d'Ivoire	West	Single entity	4	White paper annex
Volund Ventures	Morocco	North	Single entity	4	White paper annex
Murambi Venture Studio	Zimbabwe	Southern	Single entity	3	White paper annex
Sunray Studio / Sunray Ventures	Nigeria	West	Unclassified	3	White paper annex
Bantu Makers	Angola	Southern	Single entity	2	White paper annex
Smart Foundry	Tanzania	East	Single entity	2	Summit Directory
249Startups	Sudan	East	Dual entity, internal fund	0	Both publications
Amaete Venture Studios	Nigeria	West	Single entity	0	White paper annex
Araya Venture Lab	Ethiopia	East	Single entity	0	White paper annex
BVS	Morocco	North	Single entity	0	White paper annex
CeedCap	Nigeria	West	Dual entity, internal fund	0	White paper annex
Ciconia Investment Partners	Kenya / Burkina Faso	East	Single entity	0	White paper annex
dfin Holding	Egypt	North	Dual entity, internal fund	0	White paper annex
Dunia Ventures	Pan-African	Pan-African	Single entity	0	White paper annex
RHIPFactory	Nigeria	West	Single entity	0	White paper annex
Sequence Startup Studio	Egypt	North	Unclassified	0	White paper annex
UNIMAS Capital	Egypt	North	Single entity	0	White paper annex
Added by this study (27 studios)					
Adanian Labs	Kenya	East	Single entity	21	Added by this study
BlueSPACE Innovation Hub (BIH-DEVS)	Ghana	West	Single entity	13	Added by this study



Studio	Country	Region	Structure	Portfolio companies	Listed in
Value Makers Studio (VMS)	Egypt	North	Hybrid	10	Added by this study
8thgear Hub	Nigeria	West	Hybrid	9	Added by this study
Sarabi Startup Studio	Kenya	East	Hybrid	9	Added by this study
RAD5 Tech Hub	Nigeria	West	Single entity	8	Added by this study
Factory 319	Tunisia	North	Dual entity, internal fund	7	Added by this study
1888EC	Ethiopia	East	Single entity	6	Added by this study
Satoshi Tech Labs	Ghana	West	Single entity	5	Added by this study
Trium	Nigeria	West	Corporate embedded	5	Added by this study
2i Labs	Nigeria	West	Single entity	4	Added by this study
Far Ventures	South Africa	Southern	Single entity	4	Added by this study
Grace Lake Partners	Nigeria	West	Single entity	4	Added by this study
Incub8 Venture Studio	Nigeria	West	Single entity	4	Added by this study
New Ventures Studio	South Africa	Southern	Single entity	4	Added by this study
Afronaut Ventures	Rwanda	East	Single entity	3	Added by this study
Factory 619	Tunisia	North	Hybrid	3	Added by this study
Ablaze Labs (Ablaze IT Laboratories & Engineering PLC)	Ethiopia	East	Hybrid	2	Added by this study
Adrasti	Nigeria	West	Unclassified	2	Added by this study
Amani Creative Studios (with Startup Venture Studio)	South Africa	Southern	Unclassified	0	Added by this study
Anzisha	Tanzania	East	Hybrid	0	Added by this study
Bido	Nigeria	West	Single entity	0	Added by this study
Peo Venture Studio	Nigeria	West	Single entity	0	Added by this study
Privilege Fund	Kenya	East	Single entity	0	Added by this study
Specno	South Africa	Southern	Hybrid	0	Added by this study

Studio	Country	Region	Structure	Portfolio companies	Listed in
The Enterprise Village	Ghana	West	Hybrid	0	Added by this study
UVAII Venture Studio	Egypt	North	Unclassified	0	Added by this study

Studios are grouped by whether Briter's publications identify them, then ordered by disclosed portfolio entries and alphabetically. "Listed in" shows whether a studio appears in Briter's white paper annex, its Summit Directory 2026, both or neither. Studios without a disclosed portfolio remain in the sample but contribute to no funding rate. Structures are the authors' classification from public sources as at October 2026, following the white paper's categories, and "Unclassified" means the evidence was insufficient to assign one. Studios are welcome to contact the authors with corrections.

Annex C. Interview sources and acknowledgements

Interview evidence comes from practitioners in senior venture studio roles, through interviews and written responses in October 2026, and some shared portfolio data in confidence. No statement or figure is attributed to any individual or organisation, and confidential data appear only in aggregate. They inform two statements in Chapter 5 and enter no calculation drawn from the deal record. Interview evidence informs Chapters 5 and Chapter Seven7. The North African analysis in Chapter 5 draws on published sources only, and interviews with further studios, founders and investors form part of the evidence agenda in Chapter 9.

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Chokrane Hamoudi	Better Ventures Tunisia
Sam Mbugua	Delta 40
Tyler Karahalios Zlotoff	Delta 40

Annex D. Organisations outside the sample

D.1 Nine of the 77 candidate studios sit outside the verified sample, none on grounds of funding outcomes

Each entered the candidate list because Briter's publications name it or the country-by-country search identified it as a possible studio. Two are named by Briter and fall outside this study's scope, one because its model has since changed and one because its studio launched after the study window. Two others operate different models. Five could not yet be confirmed against the five criteria from public sources and may qualify as more information becomes available.

Entity	Country	Reason
Sawaaid	Egypt	Not yet confirmed against the five criteria from public sources
Aidi	Nigeria	Advisory and wealth services firm
Let'sCreate	South Africa	Single software product company, listed in the white paper annex
LetsCreate	Kenya	Communications social enterprise
Furaha Capital	Kenya	Not yet confirmed against the five criteria from public sources
Ketchup Mayo	Morocco	Not yet confirmed against the five criteria from public sources
MinzotoLab	Democratic Republic of the Congo	Not yet confirmed against the five criteria from public sources
Pharo Ventures	Rwanda	Established after the study window, profiled in the Summit Directory
SHORA Ventures	Rwanda	Not yet confirmed against the five criteria from public sources

D.2 Twelve organisations considered during the search operate other models

Each surfaced in the country-by-country search for studios, mostly because it was once a studio, uses venture-building language or is described as a studio in the press. Ten operate other models, one has closed and one could not be confirmed from public sources.

Entity	Scope	Reason
Founders Factory Africa / 54 Collective	South Africa	Closed in 2025, formerly a venture studio
Satgana	Pan-African	Climate venture capital fund, formerly a venture studio
Catalyst Fund (BFA Global)	Pan-African	Accelerator with an attached fund
Antler	Pan-African	Global pre-seed fund with founder matching
MEST Africa	Ghana	Training programme with a seed fund
Jasiri	Pan-African	Founder fellowship
Kalahari Venture Labs	South Africa	Angel fund
Norrsken House Kigali	Rwanda	Impact hub and community space
Haqqman	Nigeria	Digital agency with its own products
Nameless	South Africa	Single product company
Bandile M Ventures	South Africa	Advisory firm
Racvert Labs	Unclear	Not yet confirmed from public sources

Annex E. Glossary and abbreviations

E.1 Terms

Term	Meaning in this report
Approach	How far the evidence supports an implication in Chapter 8: Ready now, Pilot or Test first (Exhibit 38).
Build route	Whether a studio built a company, co-created it with founders, or invested in a company it did not build. Not yet recorded for every company.
Capital recycling	The return of capital to a studio through exits and share sales in later rounds, so it can be reinvested in new companies (Chapter 1).
Clustering	Companies and portfolio entries at the same studio are not independent observations. Clustered tests treat the studio as the unit of analysis.
Companies	The 456 companies in the disclosed portfolios, each counted once. Company-level figures use this unit. Other figures count portfolio entries, rounds, investor participations or investors, and each exhibit note states its unit.
Dual entity studio	A studio that separates company building from an investment fund, either managed internally (internal fund) or governed separately (sidecar fund).
Evidence grades	Strong rests on the full sample. Qualified is a strong association whose cause is unresolved, or whose significance depends on a subgroup or the unit of analysis. Indicative rests on small numbers, interview evidence, published reporting alone, or a result that does not survive correction for multiple testing. Untested means no data yet, with interview or published evidence only.
External round	A recorded round, other than a merger or acquisition, that names at least one investor other than the company's studio or the studio's own fund, or names no investor at all. Rounds funded only by the studio are excluded (Annex A.3).
First external round	The first external round in the deal record from January 2019. A company that raised before then may have had earlier outside capital.
Funded companies and entries	The 124 companies that have raised externally, and the 132 portfolio entries they form.
Funding rate	The share of companies, or of portfolio entries, that have raised externally.
Investor participation	One named investor present in one external round.
Lead investor	An investor that a published announcement of the round states led or co-led it. No lead is inferred from cheque size, order of mention or seniority (Annex A.3).
Other structures	Hybrid studios also sell services or run accelerator programmes, corporate embedded studios sit within a larger company, donor backed studios are backed by a donor or foundation, and unclassified studios could not be assigned.
Portfolio entries	One company in one studio's published portfolio. The eight companies held by two studios count once for each, giving 464 entries, used only to compare groups of studios.
Raised externally	Has at least one external round since January 2019 that names an investor other than the company's studio or the studio's own fund. Only these companies count as funded.
Region	The studio's regional cluster by headquarters (West, East, Southern or North Africa), with Angola grouped with Southern Africa.

Term	Meaning in this report
Single entity studio	A studio that builds and invests from one holding company.
Startups outside studios	Companies in the same deal record with no connection to any of the 68 studios.
Studio companies	The companies in the disclosed portfolios of the 49 studios that publish one, whether the studio built, co-created or invested in them.
Studios with their own funds	Shorthand for dual entity studios with an internal fund. The one sidecar fund studio is reported separately.
Venture studio	An organization that builds companies to investment readiness, recruits co-founders to run them, provides an in-house operating team, invests its own cash and takes equity in return. These are the five criteria published by FMO, GIZ SAIS and Briter (2026), set out in Exhibit 4. Shortened to studio in this report.

E.2 Abbreviations

Abbreviation	In full
AVCA	African Private Capital Association
DEG	Deutsche Investitions- und Entwicklungsgesellschaft, the German development finance institution
DFI	Development finance institution
FMO	The Dutch entrepreneurial development bank
GALI	Global Accelerator Learning Initiative
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit, the German development cooperation agency
GSSN	Global Startup Studio Network
IRR	Internal rate of return
LP	Limited partner, an investor in a fund
OR	Odds ratio
SAIS	Scaling Digital Agriculture Innovations through Start-ups, a GIZ programme
TVPI	Total value to paid-in capital
VC	Venture capital

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